UNIVERSAL REGISTRATION DOCUMENT 2019

Annual Report

ASSURANCES

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CRÉDIT AGRICOLE ASSURANCES

UNIVERSAL REGISTRATION DOCUMENT

Annual Report

2019

The universal registration document has been filed on 2 April 2020 with the AMF as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

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

Message from the Chairwoman and the Chief Executive Officer

NICOLE GOURMELON
Chairwoman of Crédit Agricole Assurances

PHILIPPE DUMONT
Chief Executive Officer of Crédit Agricole Assurances

In June 2019, the Crédit Agricole Group launched the **2022 Medium-Term Plan**. This plan is based on the raison d'être that underpins the Group's aim of working every day in the interest of our customers and society. The new plan sets out the Group's ambitious targets that will guide it through to 2022 and which are centred around three core pillars: Customer, Human and Societal projects.

In 2019, Crédit Agricole Assurances confirmed its position as the **number one insurer in France** [(1)] and also became the leading provider of personal insurance and the fifth-largest provider of property and liability insurance in France [(1)], moving up one position in each of these rankings. This performance once again illustrates the relevance and effectiveness of the Crédit Agricole Group's bancassurance model, having worked for more than 30 years on building up a comprehensive and diversified insurance business. Always serving its customers, Crédit Agricole Assurances endeavours to establish a relationship of trust and closeness over the long term, putting their needs at the centre of what we offer, from design through to claims handling, in order to achieve **excellence in our relations**, which lies at the heart of our **Customer Project**.

(1) *Source: L'Argus de l'assurance, 20 December 2019, data at end-2018*

Crédit Agricole Assurances continued to **diversify its operations** in 2019:

- in savings/retirement, the Group achieved net inflows of €9.5 billion, including around €5.1 billion from unit-linked products. Life insurance outstandings totalled €304 billion at end-2019, with unit-linked products representing 22.8%. At the end of the year the Group re-orientated its inflow policy in order to protect the long-term interests of its customers against the backdrop of continuing low interest rates. This new policy is based on general wealth management advice including personalised saving suggestions suited to savers' needs, while also giving them freedom of choice. In order to protect potential future remuneration from Euro-denominated contracts, Crédit Agricole Assurances also added around €1 billion to its policyholder participation reserve;
- in property & casualty insurance, the Group reported strong growth in premium income of 7.7% to €4.5 billion. The Group continued to develop in terms of both the quality of its customer relations – as recognised by Que Choisir magazine – and in terms of the number of policies, with a net addition of 665 thousand policies

in 2019, bringing the total number of policies to over 14 million at the end of the year. The number of products held by our customers increased within our networks in France and internationally, reflecting the Group's growth potential in this business segment;

- In personal protection, premium income totalled €4.0 billion, an increase of 8.4% driven by the three activities of death and disability insurance, creditor insurance and group insurance.

Intragroup synergies strengthened further, in particular with Amundi within the framework of the marketing of retirement savings plans as a result of the Pacte law.

Internationally, Crédit Agricole Assurances capitalised on the success of its bancassurance model and continued to expand by means of distribution agreements with external partners. In Spain, a new strategic non-life insurance partnership agreement was signed with Spanish bank Abanca based on 50/50 ownership of a joint venture that will have the long-term exclusive right to sell property & casualty products through Abanca's banking and digital network.

Furthermore, as part of its **Societal Project**, Crédit Agricole Assurances has stepped up its **societal commitment**, supporting reforestation projects in France, which is essential in helping to limit climate change on a local level and globally. Within this framework, the Group has implemented concrete solutions, in particular a campaign in partnership with Reforest'Action that plants a tree for each death and disability insurance policy taken out, therefore raising customers' awareness by putting them at the heart of what we do, as well as paying a subsidy to the Plantons pour l'Avenir fund to neutralise its CO_2 emissions. Crédit Agricole Assurances therefore guarantees the planting of 500,000 trees per year.

With net income Group share of €1.5 billion during the year and a prudential ratio of 263% under Solvency II as at 31 December 2019, Crédit Agricole Assurances reasserted its financial solidity in an unstable economic climate and in particular against the backdrop of record low interest rates.

To a very large extent, these good results are thanks to Crédit Agricole Assurances' **significant ability to innovate** and **adapt to changes in society**, which has always constituted its strength.

In France, Crédit Agricole Assurances launched the Crédit Agricole Ma Santé app in January 2019, an e-health platform that provides policyholders with self-healthcare services, as well as a chatbot to answer policyholders' questions, marking another step forward in the digitisation of our products and services. In property & casualty insurance, Crédit Agricole Assurances launched its "Cyber Protection" service in 2019, responding to the need to secure the activities of professional and farming clients against the backdrop of more stringent data protection obligations. Internationally, Crédit Agricole Assicurazioni won an award in November 2019 at the Future Bancassurance Awards 2019 in Milan in the "Innovation Products Damage" category for its Vivi Smart Protection product, which protects new ways of living and consumer behaviours.

These innovations fall entirely within the framework of the **Human Project – responsibility at local level**, as part of which the Group plans, by drawing on its bancassurance model, to put people at the heart of the customer relationship while also developing the digitisation of its operations. These aims will also be achieved by adopting an organisational structure and working methods that encourage employees to take responsibility and support them in their development while also favouring diversity in terms of backgrounds.

With the support of our banking partners and capitalising on the solidity of our economic fundamentals and the commitment of our teams, we are confident of our ability to pursue the close relationship we have established with our customers.

2019 PROFILE

A GROUP WHICH COVERS ALL ITS CLIENTS' INSURANCE NEEDS, VIA ITS 3 MAIN BUSINESS LINES...

€37.0 billion
2019 GROSS REVENUES

OF WHICH

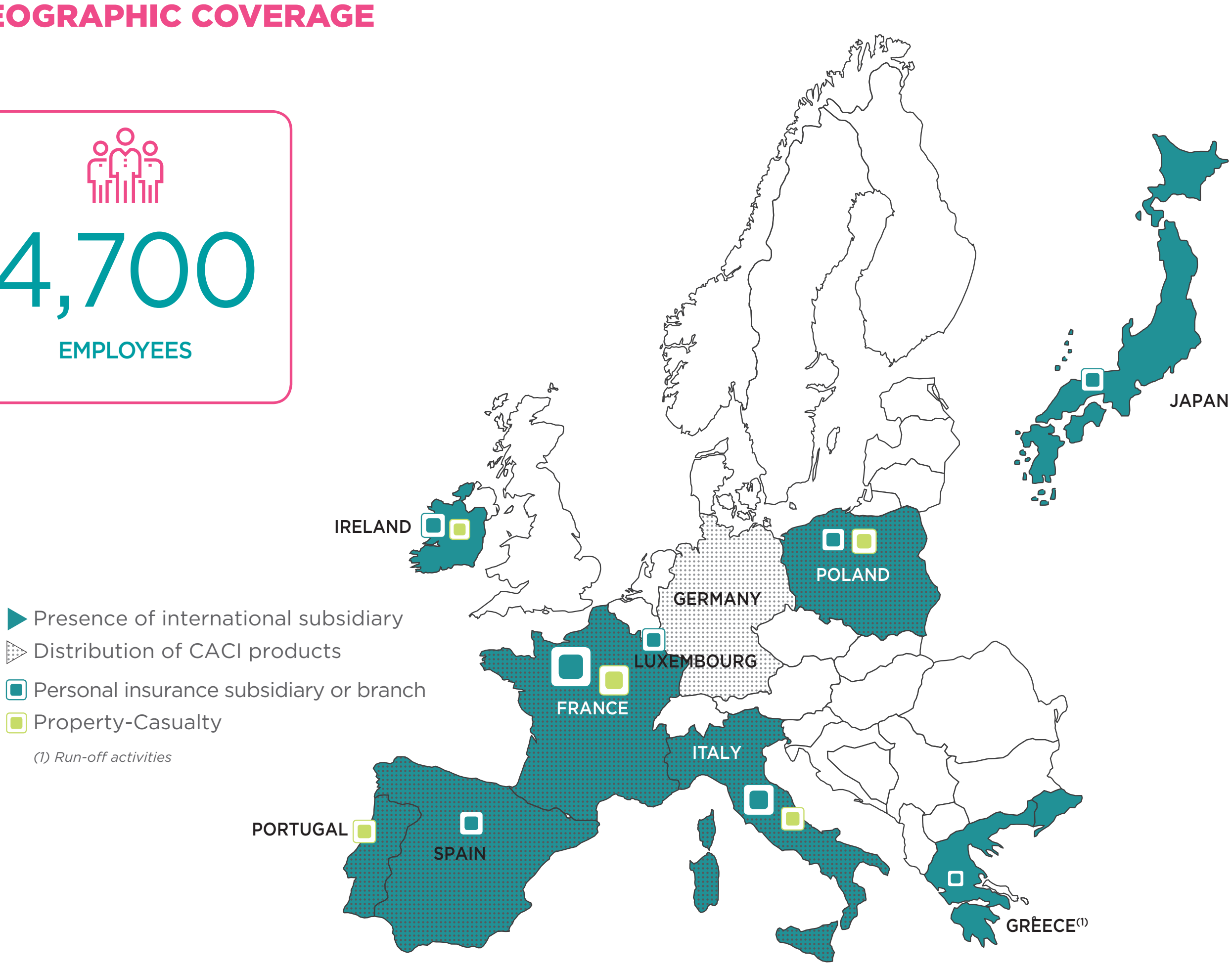
80.3% (€29.7 billion)
IN FRANCE

AND

19.7% (€7.3 billion)
ABORAD

GEOGRAPHIC COVERAGE

4,700
EMPLOYEES



... IN FRANCE AND ABROAD

77%
SAVINGS/RETIREMENT[1]

12%
PROPERTY & CASUALTY[1]

11%
DEATH & DISABILITY/CREDITOR/GROUP INSURANCE[1]

3 WAYS OF DISTRIBUTION

83%

BANCASSURANCE MODEL[1]

Distribution of personal insurance, property & casualty and creditors insurance in Crédit Agricole group's banking networks.

(Poland)

6%

GROUP PARTNERSHIPS[1]

Internal financial partners together with complementary channels (Internet, independant wealth management advisers, network dedicated to health professionals).

11%

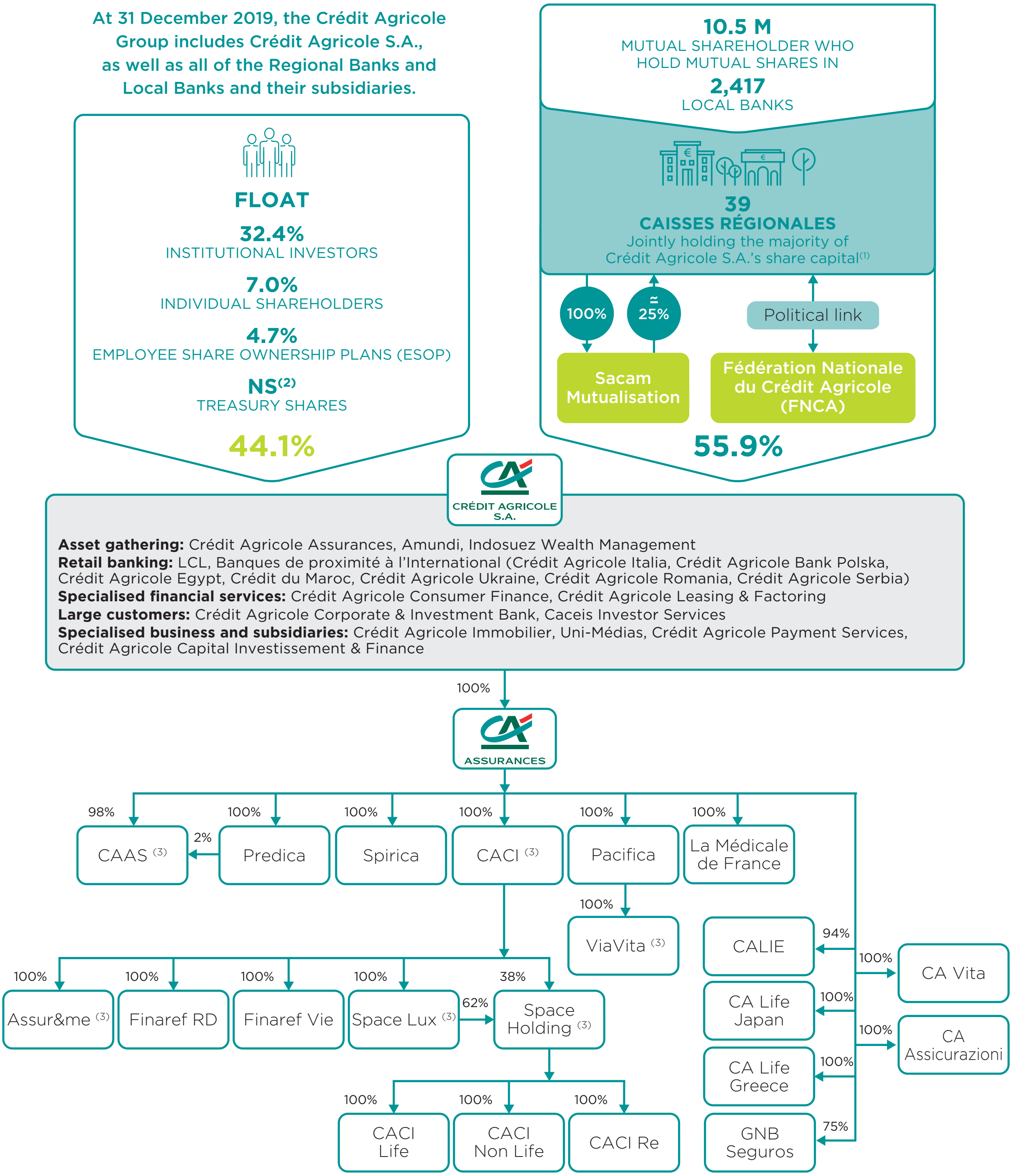
EXTERNAL PARTNERSHIPS[1]

Presence via external partnerships.

Example: presence in Japan in partnerships with local banks.

(1) As a percentage of total revenue.

ORGANISATION OF CRÉDIT AGRICOLE GROUP AND CRÉDIT AGRICOLE ASSURANCES



Savings/retirement: Predica, Spirica, CA Vita, CALIE, CA Life Greece, CA Life Japan
Death & disability/creditor/group insurance: Predica, Pacifica, La Médicale de France, CA Vita, CA Life Japan, GNB Seguros, CACI Life, CACI Non Life, CACI Re, Finaref RD, Finaref Vie
Property & casualty: Pacifica, La Médicale de France, GNB Seguros, CA Assicurazioni, Finaref RD

(1) *Through SAS Rue La Boétie, the Regional Bank of Corsica, 99.9% owned by Crédit Agricole S.A., is a shareholder of Sacam Mutualisation.*
(2) *Insignificant.*
(3) *CAAS is the common employer of Crédit Agricole Assurances, Predica, CACI Gestion and CAAGIS, ViaVita is a personal services company, Assur&me is a broker, and CACI, Space Lux and Space Holding are holding companies.*

The main transactions signed between related parties, consolidated companies and key executives of Crédit Agricole Assurances Group at 31 December 2019, are described in the section entitled "General framework – information on related parties" of Crédit Agricole Assurances' consolidated financial statements.

2019 KEY FIGURES

€1.5 billion
Net income Group share

€16 billion
Equity – Group share

€304 billion
Life insurance outstandings

CUSTOMER SATISFACTION

CRÉDIT AGRICOLE ASSURANCES
ranked No. 1
IN CAR AND HOME CLAIMS MANAGEMENT (1)

RANKINGS

IN EUROPE

No. 1
BANCASSURANCE GROUP (2)

IN FRANCE

No. 1
INSURER (3)

No. 1
PERSONAL INSURANCE PROVIDER (3)

No. 5
PROPERTY & CASUALTY INSURER (3)

No. 1
INDIVIDUAL DEATH & DISABILITY INSURER (4)

No. 2
CREDITOR BANCASSURANCE GROUP (5)

No. 1
CAR, HOME(5) AND HEALTH(6) BANCASSURANCE GROUP

(1) *Survey of the magazine "Que Choisir", January 2020 edition.*
(2) *Internal source CAA, data at end 2018. Crédit Agricole Assurances is considered as a bancassureur because of its membership to Crédit Agricole Group, which includes banking distribution network selling the insurance products.*
(3) *Source: L'Argus de l'assurance, 20 December 2019, data at end 2018.*
(4) *Source: L'Argus de l'assurance, 12 April 2019, data at end 2018.*
(5) *Source: L'Argus de l'assurance, 18 October 2019, data at end 2018.*
(6) *Source: L'Argus de l'assurance, 24 May 2019, data at end 2018.*

2019 KEY FIGURES

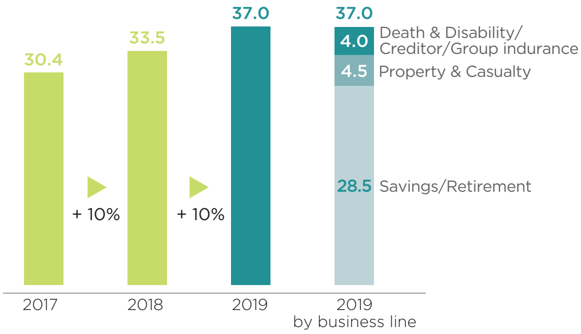
FINANCIAL INFORMATION

CHANGE IN GROSS REVENUES BY BUSINESS LINE (IFRS)

(in € billions)	2017	2018	2019	Variation %
Savings/Retirements	23.1	25.7	28.5	10,9%
Property & Casuality	3.9	4.2	4.5	7,7%
Death & Disability/ Creditor/Group Insurance	3.4	3.7	4.0	8,4%
TOTAL	**30.4**	**33.5**	**37.0**	**10,2%**

GROSS REVENUES UNDER IFRS

(in € billions)



CHANGE IN OPERATING INCOME AND NET INCOME GROUP SHARE

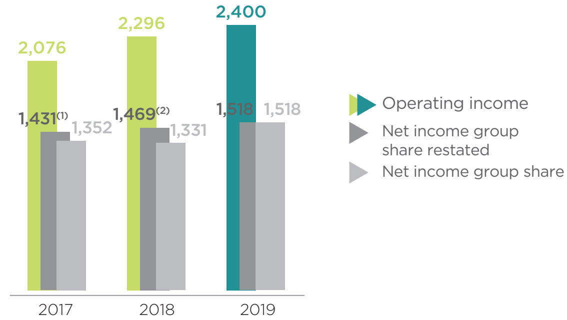
(in € millions)	2017	2018	2019	Variation %
Operating Income	2,076	2,296	2,400	4,5%
Net Income Group share	1,352	1,331	1,518	14,0%
Net Income Group share restated	1,431[(1)]	1,469[(2)]	1,518	3,3%

(1) *Restatement of the corporate income surtax, which resulted in an additional charge of €79 million for Crédit Agricole Assurances.*

(2) *Restatement of a cash balance for a total of €138 million linked to the early repayment of a subordinated debt.*

OPERATING INCOME AND NET INCOME GROUP SHARE

(in € millions)

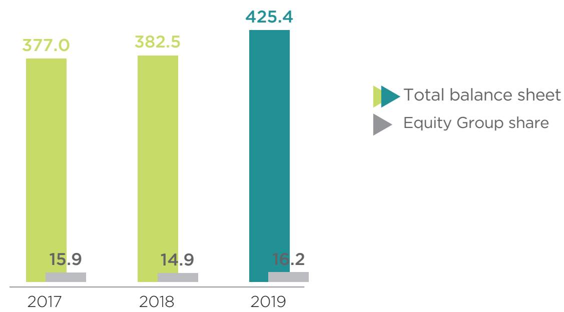


CHANGE IN BALANCE SHEET DATA

(in € billions)	2017	2018	2019	Variation %
Total balance sheet	377.0	382.5	425.4	11,2%
Equity Group share	15.9	14.9	16.2	9,0%

BALANCE SHEET DATA

(in € billions)

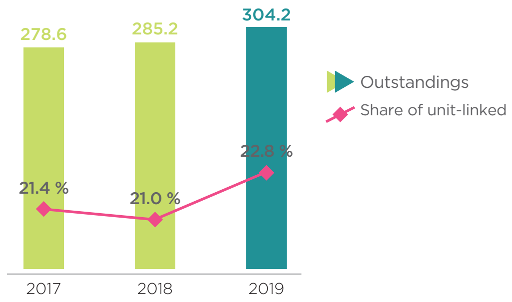


CHANGE IN LIFE INSURANCE OUTSTANDINGS

(in € billions)	2017	2018	2019	Variation %
Life insurance outstandings	278.6	285.2	304.2	6.7%
Share of unit-linked	21.4%	21.0%	22.8%	+1,8 PP

LIFE INSURANCE OUTSTANDINGS

(in € billions)



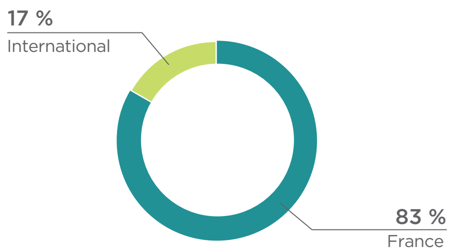
EXTRA-FINANCIAL INFORMATION

CHANGE IN NUMBER OF EMPLOYEES BY GEOGRAPHIC AREA [1]

	2017	2018	2019	Variation %
France	2,497	2,543	2,500	(1,7%)
International	449	456	520	15,8%
Crédit Agricole Assurances Group	2,946	2,999	3,020	2,5%

(1) *Note 9 section 1 of the consolidated financial statements.*

BREAKDOWN OF NUMBER OF EMPLOYEES BY GEOGRAPHIC AREA



263%

of **Solvabilité II ratio**

estimated on 31 December 2019 on the standard formula basis

STANDARD & POOR'S RATING OF CRÉDIT AGRICOLE ASSURANCES' MAIN OPERATING SUBSIDIARIES:

(Last rating action: 30 October 2019)

A stable outlook

1

PRESENTATION OF CRÉDIT AGRICOLE ASSURANCES

INFORMATION CONCERNING THE SHARE CAPITAL AND SHAREHOLDERS

OWNERSHIP STRUCTURE AT 31 DECEMBER 2019 AND CHANGES OVER THREE YEARS

The table below shows the changes in the number of shares of Crédit Agricole Assurances and their ownership over the last three years:

Shareholders	31/12/2019	31/12/2018	31/12/2017
Crédit Agricole S.A.	149,040,361	149,040,361	149,040,361
Other	6	6	6
TOTAL	**149,040,367**	**149,040,367**	**149,040,367**

At 31 December 2019, the share capital of Crédit Agricole Assurances S.A. is divided into of 149,040,367 ordinary shares, each with a par value of €10.

Company shares have not been the subject of any public offering and are not admitted for trading on any regulated market.

On 31 December 2019, there was no Crédit Agricole Assurances Group employee shareholding in the share capital of Crédit Agricole Assurances S.A.

RECENT CHANGES IN SHARE CAPITAL

The table below shows changes in the share capital of Crédit Agricole Assurances S.A. over the last five years:

Date and type of transaction	Amount of the share capital *(in euros)*	Number of shares
Share capital at 31 December 2015	**1,448,754,700**	**144,875,470**
Capital increase	41,648,970	4,164,897
Share capital at 31 December 2016	**1,490,403,670**	**149,040,367**
Share capital at 31 December 2017	**1,490,403,670**	**149,040,367**
Share capital at 31 December 2018	**1,490,403,670**	**149,040,367**
Share capital at 31 December 2019	**1,490,403,670**	**149,040,367**

DIVIDENDS – DISTRIBUTIONS

Crédit Agricole Assurances' dividend distribution policy is in line with the Crédit Agricole S.A. Group's dividend distribution policy.

The dividend distribution policy, defined by the Board of Directors, is based on an analysis which takes account in particular of historical dividends, the financial position, and the results of the company.

The Board of Directors may propose in General Meeting of Shareholders that part of distributable earnings be retained or appropriated to one or more reserve accounts. These reserves may receive any appropriations decided by the General Meeting, on the proposal of the Board of Directors, in particular with a view to the amortisation or reduction of the capital through the reimbursement or purchase of shares.

The balance of distributable earnings is attributed to shareholders in proportion to their shareholding in the company as a dividend distribution.

In addition, the General Meeting of Shareholders may decide to distribute sums deducted from distributable reserves.

However, excluding the case of a capital reduction, no distribution may be made to shareholders when shareholders' equity is, or would become following the distribution, less than the amount of the share capital increased by reserves prohibited from distribution by applicable laws.

The conditions for dividend payment approved by the General Meeting of Shareholders are set by the latter or failing that, by the Board of Directors, and the payment must occur within the time period prescribed by the laws and regulations in force.

The General Meeting of Shareholders called to approve the accounts for the year may grant to each shareholder, for all or part of the dividend being distributed, or for the interim dividends, a choice between payment of the final or interim dividends in cash or in shares.

In respect of the years 2016 to 2018:

- a dividend of €5.54 per share, amounting to a total of €825,683,633.18 was distributed in cash to shareholders for 2016;
- a dividend of €8.13 per share, amounting to a total of €1,211,698,183.71 was distributed in cash to shareholders for 2017;
- a dividend of €7.99 per share, amounting to a total of €1,190,832,532.33 was distributed in cash to shareholders for 2018.

In respect of the year 2019:

- the Board of Directors decided on 4 December 2019 to pay an interim cash dividend of €624,479,137.73, representing €4.19 per share;
- the Board of Directors decided on 12 February 2020 to propose to the General Meeting of Shareholders planned on 29 April 2020, a final dividend of €4.70 per share, amounting to a total of €700,489,724.90. Thus, the total dividend for 2019 amounts to €1,324,968,862.63 globally and €8.89 per share.

	2019	2018	2017	2016
Dividend per share *(in €)*	8.89	7.99	8.13	5.54
Total divididend global *(in € millions)*	1,325	1,191	1,212	826

2019 MAIN EVENTS

CRÉDIT AGRICOLE ASSURANCES CONFIRMS ITS POSITION AS LEADING INSURER IN FRANCE

Crédit Agricole Assurances was ranked number one insurer in France in the *L'Argus de l'Assurance* rankings published on 20 December 2019.

This position is based on premium income of €27.5 billion in France in 2018.

Crédit Agricole Assurances also became the first provider of personal insurance in France with premium income of €24.2 billion in 2018, and the fifth largest provider of property and casualty insurance in France with premium income of €3.3 billion in 2018.

CRÉDIT AGRICOLE ASSURANCES PURSUES ITS STRATEGY OF INTERNATIONAL EXPANSION

In July 2019, Crédit Agricole Assurances announced a new non-life partnership with Spanish banking group Abanca, through a 50/50 joint venture called Abanca Generales de Seguros y Reaseguros S.A. This alliance brings together Abanca's customer knowledge in the Spanish market with Crédit Agricole Assurances' European reach. The joint venture will have a long-term exclusive right to sell its products through Abanca's banking and digital network. The deal was given the go-ahead by the European competition authorities in October 2019.

It strengthens the Group's presence in Europe and is in line with the insurance business's strategy of developing beyond the Group's distribution networks through international partnerships.

CRÉDIT AGRICOLE ASSURANCES SUPPORTS ITS CUSTOMERS IN PREPARING FOR THEIR RETIREMENT WITH THE NEW INDIVIDUAL AND GROUP PER RETIREMENT SAVINGS PLANS

In October 2019, after the new Pacte law came into effect, Crédit Agricole Assurances launched its individual and group retirement savings plans (PER) enabling customers to better prepare for their retirement throughout their working lives.

HISTORY OF THE COMPANY

1986

Predica
Life insurance

Creation of Predica – natural extension of banking network's savings business into life insurance

1990

Pacifica
Property & casualty

Creation of Pacifica – development of Property & Casualty business

2004

UAF & La Médicale de France

Merger with UAF and integration of La Médicale de France and UAF Patrimoine

Development of alternative life and non-life networks (Independant Financial Advisors and healthcare professionals)

2008

CACI
Creditor insurance

Creation of CACI – development of creditor insurance business managed from Dublin in 10 countries

2009

Crédit Agricole Assurances

Creation of Crédit Agricole Assurances - holding company of a group including Predica, Pacifica, CACI and international subsidiaries

2010

Dolcea Vie
Life insurance

Diversification of web: BforBank's life insurance gateway

CAAGIS
IT and back-office platform

Creation of a single IT and back-office platform managing 20 million policies

CRÉDIT AGRICOLE ASSURANCES LAUNCHES THE CRÉDIT AGRICOLE *MA SANTÉ* E-HEALTH APP

In January 2019, Crédit Agricole Assurances launched the Crédit Agricole *Ma Santé* app, an e-health platform that provides policyholders with self-healthcare services to support them in managing their own health care. This launch marks a new stage in the development of Crédit Agricole Assurances' Group health insurance business, particularly as regards product and service digitalisation.

In 2019, one third of policyholders downloaded the app and 50% of their invoices were sent out electronically.

CRÉDIT AGRICOLE ASSURANCES PLEDGES TO PLANT 500,000 TREES REPRESENTING 500 HECTARES OF FOREST EVERY YEAR

As part of its CSR strategy, Crédit Agricole Assurances announced the launch of its campaign in favour of French forests, pledging to plant 500,000 trees every year in association with Reforest'Action and *Plantons pour l'Avenir* through concrete solutions:

- a customer campaign pledging to plant a tree for every protection policy taken out, in partnership with Resforest'Action, for a total of 300,000 trees planted per year;
- payment of a grant to an endowment fund called *Plantons pour l'Avenir*, to offset its CO_2 emissions as part of its sponsorship actions. Through this fund, Crédit Agricole Assurances guarantees the plantation of 200,000 additional trees a year.

CRÉDIT AGRICOLE ASSICURAZIONI REWARDED AT THE "FUTURE BANCASSURANCE AWARDS 2019"

Crédit Agricole Assicurazioni, Crédit Agricole Assurances' non-life subsidiary in Italy, won an award at the Future Bancassurance Awards 2019 held in Milan in November 2019, in the Innovation Products Damage category for its Vivi Smart Protection contract, which protects new ways of life and consumer behaviours.

1

Diversification and enhanced presence at top of range and on web

Spirica LifeSide Patrimoine
Life insurance

2011

2012

Sale of Bes Vida (Portugal),
Sale of Bancassurance S.A.L (Lebannon),
Increased ownership of CA Vita (Italy) **to 100%**

Continued refocusing of business internationally in key Group countries:

- **2012:** Sales of Bes Vida and Bancassurance S.A.L. Acquisition of 50% of CA Vita increasing Crédit Agricole Assurances's ownership to 100%
- **2014:** Creation of Crédit Agricole Insurance Poland: development of Property & Casualty business in Poland

2014

Merger of **Dolcea Vie** and **Spirica CA Insurance Poland**

2015

UAF Life Patrimoine

Simplification of the organisation:

- **2014 :** Merger of Spirica and Dolcea Vie
- **2015 :** Union of UAF Patrimoine and LifeSide Patrimoine to create UAF Life Patrimoine, a new structure dedicated to independent financial advisors

2017

Creation of CAAS (Crédit Agricole Assurances Solutions), new common employer for Crédit Agricole Assurances, Predica, CACI Gestion and CAAGIS employees

2018

Creval (Italy)
Life insurance partnership

The Group strengthens its international dimension:

- **2018 :** Acquisition of 25% of GNB Seguros bringing its total ownership to 75%
- **2018 :** Acquisition of 5 % of the share capital of Credito Valtelinese S.p.A.
- **2018 :** Acquisition of 100% of the share capital of Global Assicurazioni S.p.A.
- **2019 :** Signature of a partnership with Abanca through a 50/50 shareholding in a joint venture Abanca Generales de Seguros y Reaseguros S.A.

2019

THE BUSINESS LINES OF CRÉDIT AGRICOLE ASSURANCES

BUSINESS AND ORGANISATION

Crédit Agricole Group is the largest insurance group in France by written premiums *(source: L'Argus de l'assurance, 20 December 2019, data at end-2018*) and the largest bancassurer[1] in Europe (source: company, data at end-2018).

These rankings are based on a full, competitive offering tailored to the specific needs of each domestic market and each local partner. Crédit Agricole Assurances Group companies cover all the insurance needs of customers in France and abroad, through three core business lines:

- Savings & retirement;
- Death & disability, Creditor and Group insurance;
- Property & casualty insurance.

Crédit Agricole Assurances' strength also lies in its membership of the Crédit Agricole Group, which enables it to draw on the efficiency and performance of one of Europe's largest banking groups, with some 50,000 advisers serving almost 51 million customers worldwide.

SAVINGS AND RETIREMENT

In 2019, Crédit Agricole Assurances became the largest life insurance provider in France on the basis of written premiums *(source: L'Argus de l'assurance, 28 June 2019)*.

For more than 30 years, the Group has built its success on its ability to meet the needs of its customers and distributors, thanks to the quality of its offering and its proactive approach in a changing environment.

In a climate of historically low bond yields, the Group proposes diversified investment vehicles and an online management tool designed for insurance. It can therefore offer customers a high degree of flexibility no matter what their objectives are:

- saving, passing on capital or financing projects (anticipating private or professional transactions requiring financial resources, protecting one's family and preparing for one's children's future);
- preparing for retirement (providing solutions adapted to customers' needs and income to ensure that they are comfortable when the time comes).

In 2019, gross revenues from the savings business amounted to €27.7 billion, up 11% compared with 2018.

Gross revenues from the retirement business were €0.8 billion. PERP retirement savings plans, in which the Group ranks 2nd in the French market *(source: L'Argus de l'assurance, 20 September 2019)*, account for more than 30% of this total. One month after the new Pacte law came into effect in 2019, Crédit Agricole Assurances launched its retirement savings plans (PER) enabling customers and prospective customers to better prepare for their retirement throughout their working lives within a specific fiscal framework.

In France, Crédit Agricole Assurances distributes its products primarily to the individual, wealth management, farming, small business and corporate customers of the Crédit Agricole Regional Banks (almost 7,000 branches) and LCL (almost 1,700 branches).

Internationally, Crédit Agricole Assurances operates through Crédit Agricole Group entities in Italy, Luxembourg and Poland, where it continues to export and tailor its bancassurance[1] expertise. It also continues to expand through distribution agreements with outside partners in Italy, Portugal, Japan and Luxembourg. In Italy, the new strategic bancassurance partnership with Italian bank Credito Valtellinese (CreVal) made a very promising start in 2019.

In 2019, *Les Dossiers de l'Epargne* awarded the Excellence Label to several of the Group's products, bearing witness to their quality: Crédit Agricole's *Floriane 2*, *Espace Liberté 3* and *Predirente*, LCL's *LCL Vie* and La Médicale's *La Médicale Premium*.

In addition, the Group is also developing its business through alternative networks, such as platforms and groups of independent financial advisers, a network of 124 general insurance agents working in 45 regional branches dedicated to healthcare professionals, online brokers and private bankers.

(1) Crédit Agricole Assurances is called a bancassurer because of its membership of Crédit Agricole Group, whose banking distribution networks sell the insurance products.

DEATH & DISABILITY/CREDITOR/GROUP INSURANCE

Crédit Agricole Assurances is France's leading provider of individual death & disability insurance *(source: L'Argus de l'assurance, 12 April 2019)* and the second largest bancassurer in creditor insurance *(source: L'Argus de l'assurance, 18 October 2019)*. Group insurance, a business first launched in 2015, covered some 690,000 people at 1 January 2020.

Through the combined expertise of its various insurance companies in France and abroad, Crédit Agricole Assurances Group provides individual and group insurance solutions to customers seeking to:

- protect themselves and their families against the financial consequences of a serious life event (death, loss of independence, hospitalisation or injury) through death & disability policies, funeral coverage and long-term care insurance;
- guarantee the repayment of a loan in the event of disability or unemployment through creditor insurance for consumer finance and mortgage loans;
- provide their employees with a top-up health and death & disability insurance plan.

Death & disability products are sold through Crédit Agricole Group's branch networks in France and abroad, as well as through a network of general agents in France dedicated to healthcare professionals and through partnerships with independent financial advisers.

Gross revenues from death & disability business amounted to €1.3 billion in 2019.

The Crédit Agricole and LCL funeral expenses policies, as well as La Médicale's Médiprat, were *awarded Les Dossiers de l'Epargne*'s Excellence Label in 2019.

In creditor insurance, Crédit Agricole Assurances provides its services through some forty partner consumer finance companies and retail banks in six countries.

Gross revenues from the creditor insurance business amounted to €2.4 billion in 2019.

Crédit Agricole's loss of employment and capital and major projects insurance products were awarded *Les Dossiers de l'Épargne*'s Excellence Label in 2019.

Gross revenues from group insurance business amounted to €281 million in 2019. The number of people covered increased by around 90,000 year-on-year.

PROPERTY & CASUALTY INSURANCE

Crédit Agricole Assurances is France's largest car and home bancassurer *(source: L'Argus de l'assurance, 18 October 2019)*, largest health bancassurer *(source: L'Argus de l'assurance, 24 May 2019)* and fifth largest property and liability insurer *(source: L'Argus de l'assurance, 20 December 2019)*.

To protect its customers against risk and assist them in their daily lives, Crédit Agricole Assurances offers a full range of property and casualty insurance to individual and small business customers:

- property and liability insurance (car, home, etc.) to deal with unexpected events such as fire, theft or bad weather;
- protection of farming and business assets;
- top-up health insurance;
- personal accident insurance for effective, sure protection of the entire family;
- insurance of electronic devices in the home;
- legal protection;
- professional indemnity;
- banking-related insurance (against theft, loss or fraudulent use of payment instruments);
- for the agricultural market, an income protection policy and a pasture policy ;
- cyber protection for small businesses and companies.

Gross revenues from property & casualty business amounted to €4.5 billion in 2019.

These products are sold mainly to customers of Crédit Agricole's Regional Banks (network of almost 7,000 branches with 38,500 insurance advisers and 536 business insurance advisers dedicated to business and farming customers) and customers of LCL (network of almost 1,700 branches with 8,500 insurance advisers), as well as through a network of agents for healthcare professionals.

In France, the Group also has 16 claims administration centres and two specialised risk management centres. To support its growth, the Group opened a new claims administration centre in 2019 and has announced the opening of two more in 2020.

In 2019, *Les Dossiers de l'Epargne* awarded the Excellence Label to the motor and comprehensive household insurance sold by Crédit Agricole, LCL and La Médicale, the top-up healthcare insurance sold by Crédit Agricole and LCL, the personal accident insurance sold by LCL, and the all-risks business insurance sold by Crédit Agricole.

The Crédit Agricole Assurances motor policies sold by Crédit Agricole and LCL were also named best all-risks policies by Auto Plus magazine in 2019.

In the international markets, Crédit Agricole Assurances is capitalising on its successful bancassurance model to roll out its expertise in property & casualty insurance. In July 2019, Crédit Agricole Assurances announced a new non-life partnership with Spanish banking group Abanca, through a 50/50 joint venture called Abanca Generales de Seguros y Reaseguros S.A. This alliance brings together Abanca's customer knowledge in the Spanish market with Crédit Agricole Assurances' European reach. The joint venture will have a long-term exclusive right to sell its products through Abanca's banking and digital network.

In Italy, Crédit Agricole Assurances' non-life company, Crédit Agricole Assicurazioni, won an award at the Future Bancassurance Awards 2019 held in Milan in November 2019, in the Innovation Products Damage category for its Vivi Smart Protection contract, which protects new ways of life and consumer behaviours.

EVENTS IN 2019

In an unstable economic environment in 2019, marked by historically low interest rates and volatile financial markets, Crédit Agricole Assurances was able to consolidate its robust position and its diversification and international growth strategy:

- on a prudential level, Crédit Agricole Assurances continued to adapt its commercial policy, asset allocation and financial resources to Solvency II quantitative requirements. The Group's prudential ratio was very comfortable at 263% at end-2019 (188% excluding the new rules on inclusion of the policyholder participation reserve). In its end-2019 calculations, Crédit Agricole Assurances took into account the new rule regarding excess life insurance funds (published in the French Official Journal no. 0301 of 28 December 2019), which permits companies to include the policyholder participation reserve in the calculation of Solvency II funds for determining the coverage ratio, subject to certain conditions. Furthermore, in 2019, Crédit Agricole Assurances implemented the first regulatory changes introduced in the 2018 review of the Delegated Regulation, and took part in the data gathering and consultations in preparation for the 2020 review of the Directive. In 2020, Crédit Agricole Assurances will continue to implement changes in the Delegated Regulation (in particular the loss-absorbing capacity of deferred taxes and the premium and reserve risk in non-life and health insurance);
- in terms of distribution, in July 2019, Crédit Agricole Assurances announced a new non-life partnership with Spanish banking group Abanca, through a 50/50 joint venture called Abanca Generales de Seguros y Reaseguros S.A. This alliance brings together Abanca's customer knowledge in the Spanish market with Crédit Agricole Assurances' European reach. The joint venture will have a long-term exclusive right to sell its products through Abanca's banking and digital network. The deal was given the go-ahead by the European competition authorities in October 2019. It strengthens the Group's presence in Europe and is in line with the insurance business's strategy of developing beyond the Group's distribution networks through international partnerships;
- in the digital field, in January 2019 Crédit Agricole Assurances launched the Crédit Agricole "Ma Santé" app, an e-health service aggregator enabling employees covered by group plans to manage their contract digitally, obtain online medical consultations and locate a healthcare professional. In 2019, one third of policyholders downloaded the app and 50% of their invoices were sent out electronically;
- in terms of strategy:
  - on 6 June 2019, Crédit Agricole Group unveiled its new Group Project and its 2022 Medium-Term Plan. Leveraging the strengths of the universal banking model that has made Crédit Agricole Assurances a leader in France and Europe, the Medium-Term Plan aims to strengthen this leadership in the Group's core markets such as savings and retirement, death & disability, creditor and group insurance, and individual non-life insurance, while exploiting new areas of growth such as corporate property & casualty insurance and international expansion;
  - Crédit Agricole Assurances continues to pursue its policy of development in the most value-creating businesses. Thus, against a backdrop of historically low interest rates in 2019, the Group strengthened its strategy of diversifying its product mix by continuing to develop its property & casualty insurance and personal protection business and adapting its commercial policy in savings & retirement by shifting towards unit-linked business, while complying strictly with its duty of best advice. In addition, Crédit Agricole Assurances continued to adjust its product range to focus on developing synergies with Crédit Agricole Group.

Gross revenues totalled €37.0 billion in 2019, up more than 10% compared with 2018.

In savings & retirement, revenues totalled €28.5 billion, up approximately 11% compared with 2018. Unit-linked business accounted for 28.9%(1) of gross inflows in 2019.

Net inflows amounted to €9.5 billion over the year, of which €5.2 billion in France. €5.1 billion of net inflows came from unit-linked business representing 53% of total net inflows in 2019, while €4.5 billion came from traditional with-profits business. In the final quarter of 2019, net inflows came entirely from unit-linked business, demonstrating the success of the Crédit Agricole Assurances Group's new business policy initiated in early October in a context of low interest rates. This policy consists of offering customers an overall wealth management advisory service including personalised savings proposals adapted to their needs, while leaving the ultimate choice entirely up to them.

Savings & retirement outstandings stood at €304 billion at 31 December 2019, of which 22.8% in unit-linked products, an increase of 1.8 percentage point.

The property & casualty business continued to grow apace, with revenues up nearly 8% compared with 2018 to €4.5 billion. The number of in-force contracts totalled more than 14 million with a net balance of 665 thousand new contracts written in 2019.

Death & disability, creditor and group insurance revenues amounted to €4.0 billion, up around 9% compared with 2018, driven by creditor and group insurance.

(1) *In local GAAP.*

SOLVENCY

Since 1 January 2016, European insurers have to comply with a new regulatory framework, Solvency II. They now use new methods to calculate their capital requirements, which require to quantify their risk exposure, then to compare the result obtained in terms of capital with the level of available capital (pillar 1). Insurers also have to attest that the governance and risks policy adopted enable a sound, prudent and efficient management (pillar 2). Then, enhanced regulatory reporting, which deliver both quantitative and qualitative information, have to be produced in order to attest the quality of the organization and the financial strength of the company (pillar 3).

QUANTITATIVE REQUIREMENTS (PILLAR 1)

For several years, Crédit Agricole Assurances has adapted its strategy to match perfectly the Solvency II directive, whether in terms of activity, investments policy or liabilities structure:

- orientation of the business policy towards death & disability, property & casualty insurance and unit-linked retirement/savings products in order to meet the diversification and profitability targets;
- optimization of assets allocation (investments in more diversified assets and unlisted fixed-income securities and local authority financing, which bring regular and little volatile returns; development of strategic investments and interest rate hedging policy);
- adjustment of financial resources to the eligibility criteria and required level under Solvency II, either *via* issues (in particular two issues recognised as Tier 1 *via* the grandfathering clause, in October 2014 and January 2015, respectively for €750 million and €1 billion, as well as issues of bonds classified Tier 2 in June and September 2016, in January 2018, then in September 2019 for an amount of €1 billion in each case) or *via* a strengthening of reserves and provisions.

Regulatory capital requirements are measured through two indicators:

- the MCR (Minimum Capital Requirement), which is the minimum level of capital, below which the supervisory authority intervenes;
- the SCR (Solvency Capital Requirement), which is the target level of capital necessary to absorb the shock induced by a major risk (for instance: an exceptional damage, a shock on the assets...).

At Crédit Agricole Assurances Group level, the evaluation of the regulatory capital required is calculated by using the standard formula of the Solvency II directive (formula and assumptions proposed by the European Insurance and Occupational Pensions Authority), which is adapted to the risk profile of the Group. No transitional measure was used by the Group, except for grandfathering clause on subordinated debts. The standard formula covers all risks (market risks, life underwriting risks, non-life underwriting risks, health underwriting risks, counterparty default risks, operational risks), market and life underwriting risks representing the major part of the capital required, reflecting the predominance of savings and retirement activities in Crédit Agricole Assurances Group.

At 31 December 2019, the MCR coverage ratio of Crédit Agricole Assurances amounted to 490%.

At 31 December 2019, the SCR coverage ratio of Crédit Agricole Assurances amounted to 263%. Excluding the new policyholder participation reserve (PPE) integration rules, the ratio amounted to 188%, stable compared to the end of 2018.

QUALITATIVE REQUIREMENTS (PILLAR 2)

Moreover, Crédit Agricole Assurances Group set up a governance and risks management, which are in line with Solvency II recommendations.

Crédit Agricole Assurances' governance includes three executive directors, beyond the « four eyes rule » specified by the supervisory authority.

Four key functions were set up, as defined by the directive:

- the risk-management function, which conducts the risk management framework at Crédit Agricole Aassurances' Group level, is in charge of the consistency of its implementation in the subsidiaries, manages the risk mapping, monitors the evolution of the risk profile, issues opinions on the transversal risk management, reports the risk exposures and its level of control to the governance;
- the actuarial function, which defines the Group's norms and standards for the prudential technical provisions, is in charge of the consistency and the adequacy of the Group's technical provisions' calculation, formulates its "actuarial" opinion on provisioning, controls the definition of the underwriting and reinsurance policies and their implementations, organizes the coordination with the actuarial functions defined in the entities, contributes to the technical risk management at Credit Agricole Assurances' Group level;

- the compliance function, which is in charge of the coordination of the entities 'compliance functions and conducts the Group's projects, manages the implementation in the Group's entities of a compliance procedures corpus which is the Group's view of the non-compliance risks and the implementation of the devices contributing to its efficiency, supports the Directions for compliance questions at the Group level;
- the internal audit function, which provides a professional and independent opinion to the AMSB (Administrative Management or Supervisory Body) on the adequacy and effectiveness of the internal control system and other governance system elements, on the compliance of the activities with the strategy et the defined risk appetence, the written policies, activities' conduct and monitoring devices, leads audit missions on the spot checks into the existence (activities control, audit plan implementation, setting corrective measures and implementation of their follow-up).

Crédit Agricole Assurances Group carries out estimates of its risks and solvency in the framework of the ORSA (Own Risk and Solvency Assessment) and has submitted a report to the supervisory authority every year since 2015. It estimates the overall solvency need, taking into account the specific risk profile, the approved limits of risk tolerance and business strategies. It enables to examine the extent to which the risk profile deviates from the assumptions of the standard formula and to verify the continuous compliance, in the short or longer term, with solvency requirements.

INFORMATION TO THE PUBLIC AND SUPERVISORY AUTHORITY (PILLAR 3)

The Solvency II directive provides for the realization of annual quantitative statements, the QRT (Quantitative Reporting Templates). They are dashboards, the data of which were stated by the EIOPA, and which cover the main business lines of an insurer: assets management, technical reserves, equity, balance sheet, reinsurance program, changes analysis.

Narrative reports are also required, with the purpose of describing the company's activity, its system of governance, its risk profile. They are complementary to the annual quantitative statements, providing amongst others information on valuation methods used as well as precisions on capital management. There are two narrative reports:

- the SFCR (Solvency and Financial Conditions Report), aimed at the public;
- the RSR (Regular Supervisory Report), aimed at the supervisory authority.

In accordance with the Solvency II directive, all European entities and the Crédit Agricole Assurances Group communicate the required RSR and QRT to the regulators concerned at the frequency requested by each regulator. The SFCR and annual QRT for the public are published annually and are available at www.ca-assurances.com.

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ECONOMIC, SOCIAL AND ENVIRONMENTAL INFORMATION

INTRODUCTION

As of 2018, the annual CSR report required by the 2012 Grenelle II law has been replaced by a Non-Financial Statement (NFS) governed by the law of 19 July 2017 and its implementation decrees. As permitted by the law, Credit Agricole Assurances has elected not to produce an NFS inasmuch as Credit Agricole S.A., its parent company, produces a consolidated Non-Financial Statement for the Group, including non-financial information for its entities and subsidiaries, which is published in its annual Universal registration document. Credit Agricole Assurances therefore takes a voluntary approach to corporate social responsibility (CSR) reporting.

EMBEDDING CSR IN BUSINESS OPERATIONS

In keeping with the *raison d'être* set out in the 2022 MTP and with Credit Agricole Group's commitments, since 2010 Credit Agricole Assurances (CAA) has deployed a socially responsible approach in all its business lines and activities, which are mainly housed in its insurance companies Predica (life insurance), Pacifica (property & casualty insurance) and CACI (creditor insurance). CAA also has two other insurance companies: Spirica, which is dedicated to independent financial advisers, and La Medicale, which specialises in insurance for healthcare professionals.

CSR is a strategic issue for CAA and this is reflected in its Assurances 2020 medium-term plan. Climate strategy and inclusion are two of the major pillars of the MTP unveiled in early June 2019. Adjustments are made each year to ensure that CAA's policy is aligned to the expectations of its main stakeholders. The CSR strategy has been validated by CAA's Executive Committee and was presented to the Board of Directors in December 2018.

Analysing CSR issues

This approach was restructured in 2016 with a new CSR strategy aiming to embed CSR more deeply into CAA's business operations.

The strategy was drawn up after substantial consultation with internal stakeholders (executive management) and external stakeholders (shareholder and Fédération Nationale du Crédit Agricole). This approach led to a structured CSR strategy that all employees can identify with, embedded directly in CAA's overall strategy.

In 2017, to support these strategic thrusts, a materiality matrix was drawn up in conjunction with the entities' CSR stewards during a dedicated workshop. The matrix is based on documentary work (including benchmarking, stakeholder mapping, Fédération Française de l'Assurance publications) and the CSR barometer devised by Credit Agricole S.A.

At present, the main CSR issues are:

1.	Observing ethical business conduct
2.	Building a lasting relationship with customers
3.	Assessing and managing ESG and climate risks
4.	Embedding ESG criteria more deeply in products and investments
5	Stepping up the preventive approach
6.	Financing a low carbon economy
7.	Improving the quality of work life
8.	Guaranteeing fairness and promoting diversity
9.	Supporting customers faced with new risks
10.	Encouraging the personal development and skills of employees
11.	Reducing the direct environmental footprint
12.	Deploying a responsible purchasing policy
13.	Developing an outreach culture

Identification of these priority issues supported the main thrusts of CAA's CSR policy:

- **acting as a responsible insurer:** its first responsibility is to protect its customers by providing products, advice and a quality service tailored to their needs and expectations, while also including a preventive approach in all its products. CAA must also embed social and environmental issues throughout the entire value chain;
- **acting as a responsible investor:** as a leading institutional investor, CAA has a major responsibility regarding the choice of the companies in which it invests. It fulfils this responsibility by taking a selective approach to issuers based on non-financial criteria;
- **acting as a responsible company:** in accordance with its operational focus on business ethics, CAA strives to take into account the social and environmental impacts of its operations both in its purchasing processes and in managing resources as well as waste. As a subsidiary of a mutual group, CAA also places a strong focus on employee development, which involves improving the quality of work life, guaranteeing fair treatment and promoting diversity.

In step with the Group's approach FReD

CAA is aligned to Credit Agricole Group's CSR strategy and uses FReD, the Group's internal CSR performance monitoring and measurement system. In use since 2012, FReD is based on three pillars relating to trust and customer relations (Fides), respect for employees and the company's ecosystem (Respect) and environmental protection (Demeter). Each year, an action plan is drawn up and validated by CAA's Executive Committee and an index is used to measure progress in the plan.

Performance assessment based on the FReD index is one of the incentive criteria that has an impact on the variable compensation earned by employees of Credit Agricole Assurances Solutions and determines one third of the variable compensation paid to its senior executives. To create a secure framework for the FReD approach and the self-assessment process, half of all actions taken by CAA falling within the FReD scope were audited and validated in 2019 by PwC, one of Credit Agricole S.A.'s statutory auditors.

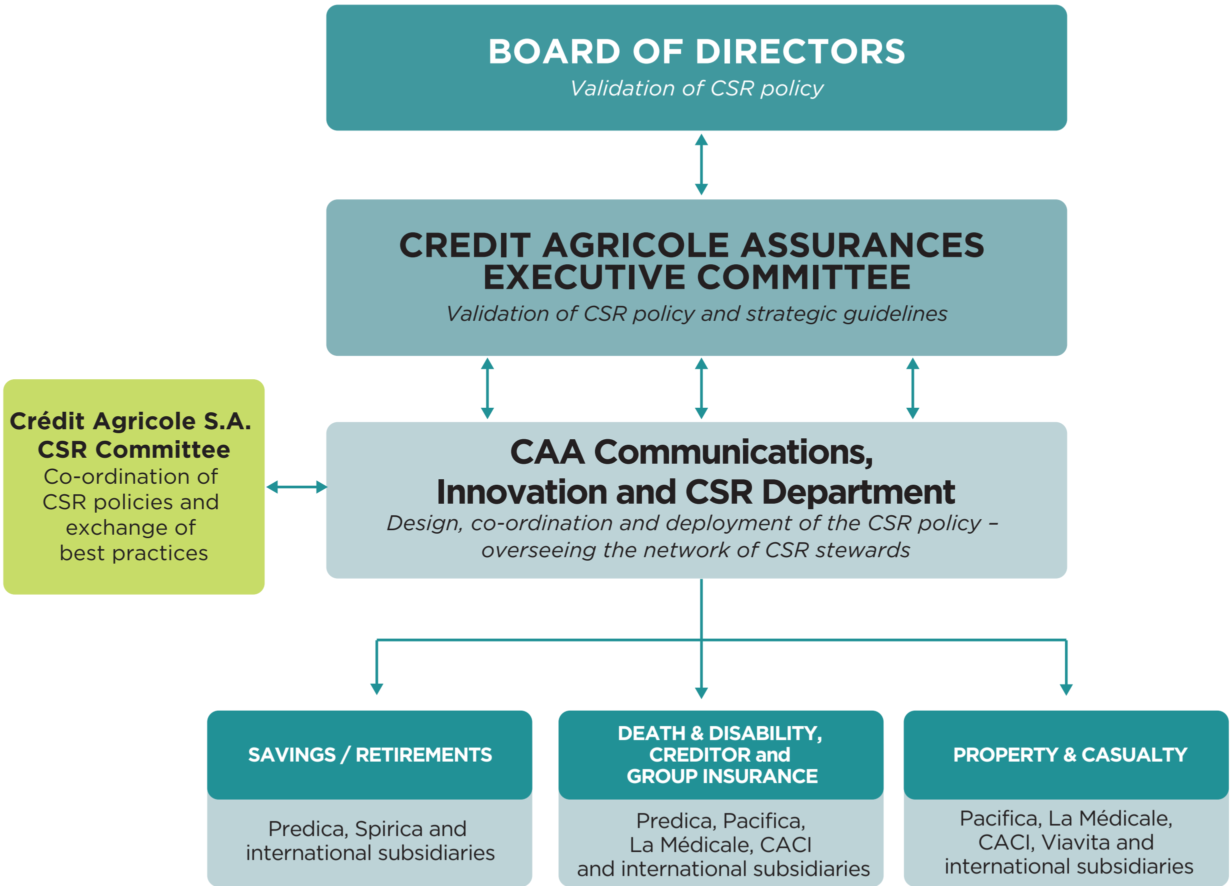
Crédit Agricole Assurances has formalised its commitment by joining the major national and international initiatives. Today, this commitment is also reflected in the labels and awards won from independent organisations.

- **Signatory of:**
  - United Nations Global Compact since 2003;
  - Principles for Responsible Investment since 2011;
  - Diversity Charter since 2008;
  - Responsible Purchasing Charter since 2010;
  - CSR Charter for FFA insurers, renewed in 2018;
  - Gender Diversity Charter since 2018.
- **Member of:**
  - C3D – College of Sustainability directors;
  - Admical – Network of Philanthropists;
  - France Silver Eco;
  - "Demographic Transitions, Economic Transitions" chair launched by Jean-Herve Lorenzi;
  - Novethic's Circle of Institutional Investors.
- **Awards and labels:**
  - AGEFI's Global Invest Sustainable Insurance Company of the year award in 2018;
  - *Entreprise Salariés Aidants* (ESA) award for supporting employee caregivers in 2016;
  - Socially responsible customer relations label for CACI since 2016;
  - "Responsible supplier relations and purchasing" label since 2014;
  - Finansol label for the "Solidarity Contract" since 2013;
  - SRI labels for 14 investment funds proposed to customers;
  - *Argus d'Or* "Civic company" 2019 award for the "Stop Illiteracy" programme.

CSR governance

The CSR function is part of the Communication, Innovation and CSR department. This structure enables CAA to harness meaningful synergies. The function reports directly to CAA's Executive Committee. It is based on a network of CSR stewards being created within its three core business lines. It is in permanent dialogue with Crédit Agricole S.A.'s CSR department.

DIAGRAM OF CSR GOVERNANCE INVOLVING CAA'S MAIN BODIES AND BUSINESS LINES



2019 SUMMARY

Material Issues	Ambitions	Main achievements	FReD 2019
1. **Observing ethical business conduct**	Foster an ethical culture	Communications campaign on the Ethics Charter and Code of Conduct	FReD
	Ensure that products are clear and understandable		
	Support the distribution networks in providing high quality customer advice	Use of the Trajectoire Patrimoine tool for a holistic and dynamic advisory approach based on a shared advisor/customer interface	
	Optimise service quality	Stable Customer Recommendation Index for Pacifica, with 43 points	
2. **Building a lasting relationship with customers**	Guarantee personal data protection	Continuation of the GDPR[(1)] with a poster campaign on GDPR reflexes	
3. **Assessing and managing ESG and climate risks**	Take non-financial risks into consideration	Increase in the EcoVadis rating from 56 in 2018 to 63 in 2019. Label d'Or obtained in 2019	
	Reduce social vulnerabilities: ageing population, disability, growing insecurity of some customer segments, isolation	A benchmarking *study* on Social Action practices among insurers, and continuation of work on frameworks for deployment in group insurance	FReD
4a. **Embedding ESG criteria more deeply in the product offer**	Combat climate change by encouraging virtuous customer behaviour	Campaign pledging to plant a tree for every protection or savings contract taken out (more than 300,000 trees planted in France).	FReD
	Embedding ESG criteria in all asset classes	Coal industry policy drawn up and strengthened with the publication of the Group's Climate strategy	
4b. **Embedding ESG criteria more deeply in investment decisions**	Developing shareholder engagement	Active participation in the CSR Committees of companies in which CAA has a seat on the Board of Directors (e.g. ADP)	
5. **Stepping up the preventive approach**	Individuals: Embed prevention in new product offers	Deployment of the "Ma santé" app for group insurance	
6. **Financing a low carbon economy**	Invest in renewable energy infrastructure	Inventory of direct and indirect investments in the coal industry. First exclusion on a directly-held diversification sub-fund	FReD
	Maintain a work-life balance	Event around the right to disconnect during Pacifica's Prevention Day	
7. **Improving the quality of work life**	Protecting health in the workplace	Creation of the Health division	FReD
	Develop gender diversity in top management	Percentage of women on the Executive Committee: 4 out of 19, i.e. 21% (vs 0% in 2018)	
8. **Guaranteeing fairness and promoting diversity**	Integrating more employees with disabilities	A 2019-2021 Disability Plan drawn up with the aim of including more disabled employees	FReD
	Support the agricultural world in the ecology and energy transitions	Continuation of Agro Paris Tech partnership – Experimental farm run by the Grignon Energie Positive project	
9. **Supporting customers faced with new risks**	Adapt products to new uses and behaviours (sharing economy, etc.)	Inclusion of motorised scooters in Pacifica's Motorcycle insurance contracts	
10. **Encouraging the personal development and skills of employees**	Help employees adapt to job changes	First Mobiliday's held at the Vaison premises	
11. **Reducing the direct environmental footprint**	Reduce our CO_2 emissions	Offset of CO_2 emissions evaluated in the Carbon Assessment with Plantons pour l'Avenir (200,000 trees planted) Distribution of WeNow devices to employees to measure, reduce and offset kilometers travelled	FReD
12. **Deploying a responsible purchasing policy**	Continued roll-out of the CAsa Group approach	Deployment of "Easy", the new responsible purchasing software EcoVadis rating in purchasing increased from 40 in 2018 to 70 in 2019	FReD
13. **Developing an outreach culture**	Set up a system to encourage employee outreach engagement	Development of the CSolidaire platform which aims to facilitate employee outreach engagement (skills volunteering, sponsorship and mentoring, community outreach leave)	FReD

(1) *General Data Protection Regulation.*

ACT AS A RESPONSIBLE INSURER

TAKING AN ETHICAL APPROACH TO CUSTOMERS

CAA Group entities strive to take an ethical approach to their customers, in particular by making sure that they comply with their service commitments.

Within the CAA Group, new products and services are analysed by internal Committees (called "New Products and New Business" (NAP) Committees). These approval Committees are specific to each entity in France and abroad and their members are representatives from the Risk, Legal, Actuarial, Marketing and Compliance functions. Their main role is to ensure that the products offered to customers fulfil a real need, that they comply with the CAA Group's CSR policy and that the tools provided to the distribution networks enable them to effectively fulfil their duty to advise in the best possible conditions. They ensure that legislative and regulatory provisions are adhered to: clarity of the information provided to customers, definition of a target market, prevention of money laundering and terrorism financing, fraud prevention, compliance with internal banking and financial Codes of Conduct and procedures, etc.

For several years now, CAA has been developing actions to strengthen its responsibility towards its policyholders:

- customers and partner networks are regularly involved in designing new products in co-creation workshops, during which their needs are assessed in depth and their reactions to new proposals are analysed;
- customers are also involved in the product lifecycle *via* their representatives on the governing bodies of associations that have taken out life insurance contracts: in particular, these bodies must approve any changes made to the contracts.

BUILDING A LASTING RELATIONSHIP WITH CUSTOMERS

Ensure that products are clear and understandable

Credit Agricole Assurances has developed a product offering suited to all types of customers – individuals, small businesses, farmers and corporations – in response to the different insurance needs of its partners' customers. In the business market, a clear, understandable product offering is key to retaining the loyalty of business customers. It is essential to be transparent about the real costs to avoid the consequences of any nasty surprises. Thanks to the partner banks operating locally, CAA provides all its customers, regardless of segment, with a summary view of claims experience and indicates the appropriate measures taken to guarantee the technical equilibrium of the contract.

Moreover, advertising material and contracts are carefully scrutinised, with an emphasis on the objectivity and transparency of the documents; for example, risks as well as benefits must be prominently displayed.

Support the distribution networks in providing high quality customer advice

The distribution networks are trained to identify customer needs using their customer discovery tools. Customers' insurance needs and knowledge of financial mechanisms are assessed. The networks also receive regular training in the product offers, especially in the case of new product launches or product changes. For each new product, **Predica** and **Pacifica** produce and circulate a training pack for the distribution networks of the Credit Agricole Regional Banks and LCL. These packs are designed to give the distributors the necessary resources to understand and explain the features of new products so that they can sell them correctly. Furthermore, CAA's Group insurance business has provided the sales teams of its partner banks with more than 30 hours of training on regulatory developments, products, tools and management processes.

For personal protection and property & casualty products, an "e-Wheel" tool shared with the customer enables an approach based on exchange, listening, awareness and satisfaction. It helps discover customers' needs so that they can be offered the most appropriate protection. Accessible from the adviser's workstation and as a tablet application, the e-Wheel helps advisers to present and explain all personal and property protection options to customers in a completely transparent way. A summary of the products selected by the customer is sent by email and archived at the end of each interview.

In the LCL network, **CACI** has rolled out iCaci Immo, a 100% digital insurance writing tool, which aims to better identify customer needs and shorten and streamline the process for taking out policies. With the Credit Agricole Regional Banks, **CACI** has introduced an interactive digital educational tool to support the branch advisers in selling creditor insurance (presentation of coverage, simulation of the split between borrowers, comparison of contracts, etc.).

In 2019, Crédit Agricole Assurances supported the branches in deploying the Trajectoire Patrimoine wealth management tool. This is a new holistic and dynamic advisory approach that makes high quality wealth management advice (building up and protecting capital) accessible to all customers. Based on a shared customer-adviser application available in-branch, this approach combines human with digital to inform the customer of all available solutions, thus optimising the Customer and Adviser experience.

Optimise service quality

Claims administration

For an insurer, handling claims (fire, theft, water damage, hail damage, road accidents, etc.) is a major issue in terms of responsibility. **Pacifica** therefore offers an active, fast service, along with quality customer support. The claims administration centres and partner networks involved in this service are in close proximity to the customers making the claim and are therefore able to offer a solution tailored to each specific situation. In 2019, Pacifica once again demonstrated this ability to take action throughout the year, particularly at the time of specific, unusual events, for example serious fires in Paris early in the year, severe hailstorms in the Drôme department in June, Le Teil earthquake in November and severe flooding in south east France in November.

ACCESSIBILITY FOR THE HARD OF HEARING AND VISUALLY IMPAIRED

In 2018, Pacifica set up a specific partnership to make its telephone service for claims reporting and assistance accessible to people with impaired hearing, sight or speech (in accordance with the Digital Republic law). The purpose of the partnership is to provide a special reception service for them. Claims assistants have been trained to handle their very specific needs. The service includes a sign language interpreter and/or text transcription for the customer in real time. This solution, at no extra cost to the user, is already available to property & casualty and legal protection customers (individuals, small businesses and farmers) of Credit Agricole and LCL across the existing channels: web portal and **Pacifica** smartphone app.

PSYCHOLOGICAL SUPPORT FOR CLAIMANTS

Every year, **Pacifica** handles more than a million claims ranging from simple windscreen breakage through to serious events (house or business fire, serious injury). Such events can be very distressing for customers and require a response that goes beyond merely paying out the benefits.

Customers need personalised psychological support in their daily life and their future plans. In response to this issue, **Pacifica** has introduced a psychological support service during the post-claim period for customers who have suffered terrorist attacks, accidents or serious weather events. The service consists of putting customers and/or their families into contact with a psychologist from our partner Rehalto, who will help them overcome their emotional trauma. In 2017, **Pacifica** called on Rehalto for 650 claims, representing more than 3,500 hours of support. Pacifica called on Rehalto for 875 claims in 2018 and 1,113 claims in 2019, representing an increase of more than 27% compared with 2018 and 71% compared with 2017. During the first satisfaction survey conducted in 2018, the service obtained a recommendation rate of 95.4% (it was not possible to conduct another survey in 2019 due to the change of information system).

CUSTOMER RECOMMENDATION INDEX FOLLOWING A CLAIM[1]

	2017	2018	2019
Pacifica	42 points	43 points	43 points

(1) Study carried out by Kantar TNS from 16 October 2019 to 14 November 2019 among 4,500 individual Crédit Agricole or LCL customers who had a P&C claim opened and closed between 1 October 2018 and 30 September 2019.

GROUP INSURANCE

In 2018, the group insurance business introduced an analytical approach to death & disability insurance. In 2019, a medical check process was introduced and applied to the entire portfolio. The employer company receives a report and, depending on absenteeism levels, solutions may be proposed to help get employees back to work. This approach will continue in 2020 with the introduction of a digital dashboard for the employer.

Complaints handling

Complaints, along with surveys, are a way of assessing customer satisfaction and, as such, deserve special attention. Dissatisfied customers expect a prompt response with clear and transparent information. They expect their questions to be answered and corrective action taken where necessary.

The procedure for handling customer complaints is regularly updated so that each business line can improve the existing system, particularly in terms of customer information about how to make a complaint, handling times and the existence of a mediation charter.

In France, the Credit Agricole or LCL banking networks are the main contacts for handling complaints about insurance policies. If needed, customers can contact the relevant insurance companies, particularly with regard to claims handling and, if agreement cannot be reached, they may also contact the mediation service of the French Insurance Federation (FFA).

Predica has a set of procedures that include a periodic review of the main reasons for complaints. This may lead to improving the information provided to customers or amending procedures to make them clearer and more explicit. A quarterly Committee monitors complaints handling activity to ensure that processing time commitments are honoured, to identify any new causes for complaints and to plan corrective action. Major complaints are also reported annually to the Management Committee.

Predica is currently conducting a wide-scale review of its Assistance processes for its networks and customers. This work should help to optimise handling times and improve Predica's ability to understand and deal with the issues reported by its policyholders.

As part of a project devoted to complaints initiated in 2014, Pacifica has developed key indicators to analyse complaints, thus promoting a better knowledge of customer expectations, expressed through dissatisfaction. As a result of this process, changes may be made to certain contracts to make sure that the policyholders have a clearer understanding of their contract. In parallel with these indicators, in 2017 Pacifica introduced a system of obtaining immediate feedback from customers about their claims handling. More than fifteen thousand policyholders were invited to give their opinion on how their claim had been handled. Their opinions can be found on the Crédit Agricole Regional Bank portals. This system supplements the information gathered during annual surveys to measure policyholder satisfaction.

The main Crédit Agricole Assurances companies have made a commitment to honour the time frames for processing customer complaints. For example, Pacifica has committed to a maximum processing time of 60 working days, and 90% of its complaints were processed in less than 30 days.

In creditor and death & disability insurance, CACI continues to centralise all complaints and produces reports presented at the quarterly meetings of the Complaints Handling Committee. Indicators and regulatory trends and developments are monitored by this Committee to decide on any corrective actions that may be necessary. CACI has worked on its responses to complaints to make them more understandable for customers. A monthly compliance control is performed on the complaints handling process based on volume. As part of a continuous progress approach, information reported by the telephone advisers is analysed following the complaint handling process to remedy any dysfunctions observed. An e-learning training programme has been developed to raise employee awareness about complaints handling. Lastly, the complaints handling procedures are currently being updated to comply with the GDPR.

Home care services

The home care services market is a highly demanding sector that long had a bad reputation, mainly due to a lack of professionalism on the part of both the service providers and the carers. Since its creation in 2007, **Viavita**, a CAA subsidiary specialising in home care services, has been developing a network of high quality home care service providers. From the outset, **Viavita** drew up a highly demanding quality charter to select only the best service providers based on essential criteria, including quality of customer relations, quality of services proposed, professionalism and training of carers, compliance with the terms of the engagement, respect for the customer's private life and requisite approvals and authorisations. Thanks to its information systems, **Viavita** can oversee the quality delivered by the service providers on a daily basis, using a scalable scoring tool.

Unclaimed contracts

As regards unclaimed life insurance policies, **Predica**, together with the Credit Agricole Group banks (Regional Banks and LCL), has implemented procedures to find and identify beneficiaries. If these initial efforts are not conclusive, the teams responsible for finding the beneficiaries will then call on a network of specialised service providers, including genealogy firms and private detectives.

Lastly, awareness-raising measures are taken with customers, particularly when the contract is taken out and when key life events occur. The purpose of these checks is to make sure that the beneficiary clause is still appropriate for the family situation and in accordance with the policyholder's wishes.

In addition, the use of new information technology is also under review, which would supplement the existing measures with ex post controls on the portfolio of in-force contracts, which could lead to policyholders being asked to amend beneficiary designation clauses that are considered to be incomplete or insufficiently precise.

Guarantee personal data protection

CAA Group has implemented the provisions of the General Data Protection Regulation (GDPR), which came into effect on 25 May 2018.

Under this regulation, all processing of personal data must comply, from the outset, with the provisions on data protection and professional secrecy as regards customers or more generally third parties related to the company.

CAA has also distributed Credit Agricole Group's personal data charter to its employees, which notably requires personal data to be used in the customer's interest and in full transparency.

Furthermore, when the Ma Santé app was launched, the group insurance business took great care to inform policyholders about the use of their personal data, whether in relation to their insurance contract or their health data. Health data is hosted on a certified secure (HADS) server.

Crédit Agricole Assurances seeks to build a lasting relationship with the customer, no matter what the product. This recognition of the need for consistency at all levels of the value chain is reflected in the customer satisfaction rate.

Predica is working on this issue and adopted a new methodology in 2019 in its quest for relationship excellence. The scope measured and the method of response (increase from four to five methods) have been reviewed.

Customer satisfaction rate	2017	2018	2019
Pacifica(1)	95%	94%	93%
Predica(2)	-	-	92%
Viavita	96%	95%	93%

(1) Based on 4,500 individual Pacifica customers surveyed after a car or home insurance claim.

(2) Based on 10,000 customers that responded to a satisfaction survey on Predica's main services. New methodology implemented in 2019.

EMBEDDING ESG CRITERIA MORE DEEPLY IN THE PRODUCT OFFER

CAA Group's product offering aims to respond to the main social challenges, both human and environmental.

Reduce social vulnerabilities: ageing population, disability, growing insecurity of some customer segments, isolation

Ageing and ageing well

LONG-TERM CARE

90% of French people want to stay in their home as long as possible[(1)] and two out of every three French people have a family member who needs long-term care[(2)]. Supporting the ageing population is therefore a major challenge for the company and for society as a whole.

To respond to this challenge, **Predica** offers long-term care insurance. Approved by the French Federation of Insurance (FFA), its contract guarantees a minimum income of €500 in cases of severe long-term care needs, either to finance home care services or to cover part of the costs of living in a care home. This solution also meets the needs of families faced with a loved one's loss of independence, by providing a range of services such as financing respite leave with an allowance of €1,000 per year. CAA's healthcare partners are committed to providing a response within 72 hours and a solution within 30 days, for policyholders looking to go into a care home. Their carers can also benefit from at-home training in essential carer skills provided by a nurse. At the end of 2019, **Predica** insured more than 168,000 people for long-term care risks.

Based on these elements, **Viavita**, a subsidiary that provides home care services, and Credit Agricole Group initiated a new approach called "Living Well at Home". This customer approach aims to support seniors who wish to stay in their home as well as their carers.

Using a tablet application, the banking adviser can discuss the senior customer's life plans and needs as regards vital issues such as social relationships, day-to-day life, and comfort and security in the home. After the initial discussion, the tablet application provides the customer with advice and prevention messages, as well as the Group's solutions to meet the customer's needs (home care services, assistance in procedures, adapting the home, helpline and remote monitoring, insurance, etc.). Customers who tried out this new approach were highly satisfied as it gave them a real understanding of and information about useful solutions to support them in their life plan.

Credit Agricole Assurances finances the Demographic Transitions Economic Transitions Chair, devoted to assessing and analysing the impacts of the unprecedented demographic shock currently being experienced in France. Since 2015, the Chair has transformed this analysis into proposed actions to give new life to a generational contract based on the belief that all economic policy measures must be thought out and implemented from an intergenerational perspective.

CAA also partners France Silver Eco, an association founded in 2009 under the direction of the Ministry of the Economy, Finance and Employment and the Ministry of Health and Social Affairs. Its role is to develop the silver economy and promote innovative solutions for active ageing.

Lastly, CAA takes part in the think tank led by the FFA, which began at the time of the public consultation on financing long-term care led by the Ministry of Health. The purpose of the think tank is to make concrete proposals to the government for a future Long-Term Care law announced for 2020. In parallel, the Group continues to invest in the development and management of residential homes for seniors.

INDIVIDUAL HEALTH

To respond to public health priorities, the Pacifica health offerings for individual customers are ethical and responsible. Therefore, no medical selection takes place, the coordinated healthcare circuit is respected, minimum reimbursements (such as patient contributions to consultations, pharmacy fees and hospital costs) are applied and preventive procedures are covered. To support the increase in life expectancy, Pacifica long ago raised the age limit for taking out its contracts to 75 and has adapted its cover to better meet the needs of these people (for example, housework hours if the person is unable to move, and prevention actions such as free flu vaccinations).

PERSONAL ACCIDENT INSURANCE

In June 2018, **Pacifica** revamped its personal accident insurance offering. Apart from raising the age limit to 75, **Pacifica** also paid close attention to older customers, with an extension of cover to their grandchildren (under the age of 18) when in their grandparents' care and in their parents' absence. In 2019, the extension of cover was extended to nephews and nieces under the age of 17, in the event of temporary care. Childcare is costly and people are increasingly turning to family members for their childcare needs, particularly when returning to a low-paid or insecure job. It was therefore essential to find a "full" protection solution covering the children when in the care of other close family members. Pacifica has also added *Coup Dur 50/50* to its insurance cover, which pays out €50 a day for people over the age of 50 if they are hospitalised for more than 48 hours within a limit of 60 days per insured event.

(1) BVA and CNSA health barometer, 2014.
(2) Opinion Way survey for the Observatoire de l'Intérêt Général conducted in March 2018 across a representative sample of 1,006 people (quota method).

Inclusion of vulnerable populations

SOLIDARITY POLICY

Many savers would like to invest in socially responsible investments while still earning an acceptable return, in order to finance activities that combat exclusion and promote social cohesion or sustainable development. **Predica** launched a "Solidarity Policy" in 2013, the first multi-fund ethical life insurance policy to win the Finansol label[1]. It is an innovative policy that combines savings and social benefits, with:

- an ethical euro investment fund specially created for this contract, including investments of 5% to 10% in social enterprises (Finance et Solidarity investment fund for funds managed by Amundi, Credit Agricole Group's asset manager). The remainder is managed in the same way as **Predica's** general assets, which includes an ESC screen;
- a range of seven solidarity-based unit-linked funds certified by Finansol, including investments of 5% to 10% in social enterprises (Finance et Solidarity investment fund for funds managed by Amundi). The remainder is managed on the basis of ESG criteria.

Every year **Predica** sends "Solidarity Policy" customers a report on the social impact generated by the total investment in each of the contract funds (number of jobs created or consolidated, number of people housed, number of care beneficiaries, tonnes of waste recycled, number of micro loans granted, etc.).

In 2018 and 2019, a new marketing arrangement for the contract was introduced with the participation of 11 pilot Credit Agricole Regional Banks. At end-2019, the Solidarity Contract's performance was as follows:

- *€17.5 million outstandings (up almost 2 times compared with end-2018);*
- *Contract sold by 24 Credit Agricole Regional Banks (versus 15 at end-2017).*

PARTICIPATION IN THE *COMPLÉMENTAIRE SANTÉ SOLIDAIRE* SCHEME (FREE TOP-UP HEALTH INSURANCE)

On 1 November 2019, the ACS[2] and CMU-C[3] merged to become *Complémentaire Santé Solidaire* to improve access to healthcare for people who were eligible for the ACS. This new scheme offers a unique and regulated level of cover. Customers are still means tested to ensure that they are eligible. Pacifica has decided to continue taking part in the scheme and has therefore modulated its product offering and updated its processes.

POINTS PASSERELLE

Points Passerelle is a mechanism for helping Credit Agricole customers in financial difficulties following a life crisis such as job loss, separation, death, illness, etc. They receive free guidance and advice from dedicated advisers who help them get back on their feet financially. These customers should not have to give up their mobility or have to drive without insurance due to financial difficulties. On the contrary, a car is often essential when looking for a job. We have therefore introduced a scheme to reimburse six months of car insurance premiums for these customers who are already insured by Pacifica. The financial cost is shared between Pacifica and the Regional Banks offering the scheme.

SOCIAL ACTION FUND

Since 2018, the group insurance business has taken several social action initiatives for a few targeted large accounts by setting up a special assistance fund (fed by various mechanisms) intended to meet the exceptional healthcare needs of employees for care not covered by the group insurance contract. This approach continued in 2019 and the introduction of a general social action fund for all insured employees will be considered as a next step.

Combat climate change by encouraging virtuous customer behaviour

The frequency of serious weather events such as hail, drought, flood and severe cold is increasing. According to experts and the latest IPCC reports, these changes are due to increased greenhouse gas emissions generated by human activity. The cost of natural disasters in the years to come will be exponential if people do not change their behaviour. Insurance can help limit these greenhouse gas emissions by encouraging policyholders to behave in a more environmentally-friendly way. It also provides support in high-risk situations.

Comprehensive home insurance

Credit Agricole Assurances has introduced insurance cover for renewable energy facilities (solar panels, wind turbines) as part of its comprehensive home insurance and all-risks business and farming insurance policies. These products also include energy producer civil liability in the event of harm caused to third parties.

The 25% premium reduction on the first year of home insurance initially offered to people taking out an eco-PTZ loan (interest-free loan to finance work to improve a building's energy efficiency) was then extended to the Energy Economy Loan. More flexible than an eco-PTZ loan, this loan finances work designed to save energy, for example insulating walls and glazed surfaces, purchasing a condensation boiler, etc.

Car insurance

Pacifica promotes the use of hybrid and electric vehicles by waiving the excess normally payable in the event of a claim, at the time the policy is taken out. The battery and cable are also insured in the event of theft or damage, even if they are rented.

Pacifica is also adapting to new uses and covers insurance needs for ride sharing (driver injury, protection of passengers, including when they take the wheel, and assistance). For policyholders travelling less than 5,000 kilometres a year, Pacifica applies a premium reduction.

In 2018, Pacifica extended its motorcycle insurance to cover new types of electric vehicle, thus meeting insurance needs and supporting new urban mobility solutions.

(1) The Finansol label guarantees that the funds invested will be used to finance activities with a high social value and that the fund management company will provide regular, reliable and clear information.
(2) ACS is a State aid that covers all or part of a person's top-up health insurance contributions. It is allocated according to income and household composition and the amount allocated depends on beneficiary's age. Since 1 July 2015, around ten organisations, including Pacifica, have been authorised to offer top-up healthcare policies for beneficiaries of the ACS state aid.
(3) CMU-C = Couverture Maladie Universelle Complémentaire (free top-up health insurance).

Reforestation campaign

Forests are the second most important carbon sink after oceans and an essential element in biodiversity. Action to protect forests is essential to help limit the effects of climate change both locally and globally. In 2019, therefore, Crédit Agricole Assurances strengthened its commitment to reforestation and sustainable forestry in France by pledging to plant a tree for every protection contract taken out, in partnership with Reforest'Action. Customers are made aware of this issue and they are involved in the approach, as they can choose from several different plantation projects when taking out their contract.

In 2019, more than 300,000 trees were planted in France thanks to this campaign.

Socially Responsible Investment (SRI)

Predica offers socially responsible unit-linked funds in most of the multi-fund life insurance products distributed by its networks. These unit-linked SRI funds offer either a thematic approach or a best-in-class approach. The international subsidiaries are also gradually introducing this approach.

Since their launch, several initiatives have been taken to promote this type of investment among both the distribution networks and customers: for example, creation of an information pack for networks, network activities during industry events (*e.g.* Sustainable Development Week, SRI Week, Social Finance Week), and customer communication about SRI.

In October 2019, CAA and Amundi organised a general day on responsible investment, social investing and CSR, but with a strong focus on social investing, with the aim of continuing to mobilise the Crédit Agricole Regional Banks around these issues.

At the end of 2019, 14 unit-linked funds offered by Predica had received the "SRI" label developed by the French Ministry of Finance.

STEPPING UP THE PREVENTIVE APPROACH

CAA continues to take many initiatives to raise customer awareness about the risks covered by insurance solutions. Customers are provided with relevant prevention advice adapted to their situation, along with recommended protection measures or specific training.

CAA raises customer awareness through prevention advice included in:

- the general terms and conditions of all insurance policies written by the property & casualty subsidiary, which can be found in the customer's account area of the online bank;
- information provided on an ongoing basis by the retail networks during meetings with customers;
- information provided at specific workshops during event-driven initiatives (events devoted to a specific theme or open to the general public which Credit Agricole Group traditionally supports).

In 2019, awareness of accidents in the home was the guiding theme promoted throughout the year. The advice and guidance provided to *Personal Accident* insurance customers has been strengthened. It includes a digital game called "No more falls" and a virtual reality application to raise awareness about the five most common household accidents involving children (burns, trips and falls, bruising, choking and poisoning).

This prevention advice may also be proposed to the bank's member shareholders at the annual general meetings of the Credit Agricole Local Banks, which were able to relay the guiding theme this year. Each year, the Prevention department proposes a new awareness theme for the annual general meetings of the Local Banks and the themes proposed are updated on request and disseminated at the discretion of the Regional Banks.

In addition, some customers or themes receive extra support:

- a free preventive driving course is offered to young drivers, who are especially likely to be involved in road accidents. The course teaches them how to handle their vehicle in emergency situations. A study done in 2019 shows that the number of accidents causing injury and damage among customers that have completed the course fell by almost 17.5% over the period 2014 to 2017;
- the option to purchase high quality protection equipment at low prices (smoke detectors, carbon monoxide detectors, fire extinguishers for all targets, hay probes for farmers, etc.), electrical systems checks, a CCTV system to prevent theft and remote assistance for the elderly;
- support for customers who have claimed for similar events several times. After two claims of the same kind, customers receive personalised advice by letter with an offer for turnkey services suited to the nature of their claim, for example the contact details of a CCTV partner if the claims were for theft or the contact details of a partner to check electrical systems if the claims were for electrical damage;
- proposal of insurance products including the availability of support services that can be helpful to customers and their relatives in the event of death, dependency, disability or funeral. All assistance contracts that complement the range of death & disability cover also include access to preventive advice.

The Regional Banks have developed a network of prevention experts to strengthen their expertise in the agricultural and business markets in order to better protect their customers' business operations. In 2019, a third class of prevention experts was trained in partnership with the IFCAM. More than 15 people are now qualified to help farmers and small businesses protect their business operations.

Credit Agricole Assurances supports the Regional Banks in offering fun, educational events for their mutual shareholders on preventing road risks, personal accidents, first aid or risks of falling for the elderly. A new theme has been developed on preventing the dangers inherent in digital life. These events are held in partnership with specialist prevention associations and providers. In 2019, more than 60,000 people took part in these events.

Furthermore, in-depth medical selection in certain cases can help some policyholders to become more aware of their risk factors. Their medical check-ups are available on request and are also available to their general practitioner. Some assistance policies which complement the range of death & disability cover also include access to preventive health advice, another prevention resource for policyholders.

In 2018, the group insurance business launched the Crédit Agricole “Ma Santé” app to help employees covered by a group plan to look after their health. It includes specialised, personalised content on various health issues, guidance through the healthcare process, online advice and consultation and health coaching proposals tailored to the person or type of job.

SUPPORTING CUSTOMERS FACED WITH NEW RISKS

Support the agricultural world in the ecology and energy transitions

Support the agricultural world

Pacifica also supports farmers faced with the challenges of climate change, by offering insurance for most types of crops (large-scale farming, vineyards, orchards) to protect against various weather events, including drought, hail, excess rainfall, floods, storms and frost. At 30 November 2019, **Pacifica** managed more than 29,000 climate insurance policies (crop, hail and pasture insurance).

In addition, after three years of pilot testing, CAA launched its income protection insurance in 2018 and continued to sell it in 2019. This is an option to the crop insurance contract, which protects against a fall in income beyond a certain level, whether due to a weather event, a price decrease or a combination of both. It is a major innovation that provides farmers with protection against weather and fluctuations in commodity prices in a single contract.

Pacifica and Airbus Defence & Space have developed a technical, innovative and robust solution to manage climate risks for livestock farmers' pasture land. It is based on a Hay Production Index and uses satellite to measure the annual level of fodder production in the pastures of each of the 36,100 townships in France. This measurement is carried out consistently over time and has been available since 2003. The index has been scientifically validated by an independent laboratory, which has led to several scientific publications. For the fourth consecutive year, the index has been validated by the Index Analysis Committee set up by the public authorities. It has now been adopted by all insurers providing pasture insurance in France.

The damage caused by cyclone Klaus in 2009 demonstrated the need to exploit and redevelop France's forests, most of which are privately owned. Insurance is a way to protect this natural heritage as, in the event of storm or fire, it is easier to replant an insured forest than a non-insured forest. **Pacifica** offers forest insurance to protect against fire, storm, natural disaster and civil liability.

At the end of 2019, more than 1 million hectares of forests were insured

For the last nine years, a research initiative into new agricultural risks (mainly climate change related) and potential responses has been carried out in active partnership with Université Paris-Dauphine, Université de Paris-Ouest Nanterre La Défense and under the aegis of the Europlace Finance Institute. The programme has just been renewed for a further three years. A second research initiative derived from this programme has been launched to meet the specific needs of livestock farmers and an experiment on pasture land. The partners are Airbus Defence & Space, which brings its expertise in satellite technology, the Confédération Nationale de l'Élevage, the Institut de l'Elevage and the Institut Europlace de Finance. The Credit Agricole Grameen foundation is involved in this research work, providing expertise that is useful for developing countries. This partnership, known as “Pasture Assurance” covers an experimental protocol with pilot farms. Initially scheduled for three years from 2016 to 2018, it was renewed for a further year in 2019.

In 2018, CAA marked its commitment to supporting the agricultural transition towards more sustainable practices. A three-year agreement was signed with AgroParisTech to become a partner of the Grignon Energie Positive *(GE+) initiative. GE+ is a technical and research programme that aims to improve agriculture's economic, energy and environmental performance. CAA brings the programme its expertise in risk management and will work on assessing and quantifying new risks for farmers inherent in changing agricultural practices. This innovative approach will enable CAA to precisely identify needs and propose risk management tools adapted to these new agricultural practices.*

ANAEROBIC DIGESTION

For several years and notably since March 2013 with the launch of the Methane Energy and Nitrogen Autonomy plan, the number of anaerobic digester projects has increased. Insurance for these facilities is essential to protect the anaerobic digestion business and agricultural production. **Pacifica** has developed an insurance offering covering damage to property (fire, storm-hail-snow, water damage, flood, theft, vandalism, machine breakdown, electrical damage), business interruption and civil liability for energy suppliers that resell electricity, heat and gas, as well as employer liability (where applicable).

Managing pollution risk

The law of 1 August 2008 created a new environmental responsibility for companies based on the "polluter pays" principle. The law requires the operator to take all prevention and protection measures to avoid all risks. In the event of environmental damage (soil pollution, damage to surface and underground water quality, preservation of species and protected natural habitats), the operator's obligations include repairing damage and restoring protected natural habitats, protected areas and species. **Pacifica** has therefore included cover, at no additional cost, in its all-risks business and agricultural policies for the cost of preventing imminent damage to the environment. This cover enables the operator to remain solvent in the event of environmental damage.

Asbestos is very common in agricultural buildings built before 1997. If the building is damaged by fire or storm, the asbestos must be removed when repairing or rebuilding. Asbestos removal is a costly operation and requires specialist skills. The all-risks agricultural and business policies include unlimited reimbursement of asbestos removal costs following a claim event.

Adapt products to new uses and behaviours

Portability of driver protection insurance for rented vehicles (car and motorcycle insurance)

New driving practices are emerging as a result of the sharing economy. Ride sharing and car sharing are the main examples. **Pacifica** accompanies them with, in particular, cover for both passengers and driver and liability cover for car lending. However, insurance for peer-to-peer, business-to-consumer and self-service car hire is generally of poor quality, particularly as regards driver protection. To strengthen its position as a responsible bancassurer, **Pacifica**'s car and motorcycle insurance policies now include portability of the "driver protection" cover for hire vehicles. Customers with a Pacifica car or motorcycle insurance policy will therefore be covered for driver injury protection for up to €1 million with no minimum amount in the event of an accident during the hire period, in addition to the cover provided by the car hire operator's insurance. This additional feature is automatically included in all car and motorcycle policies, at no extra cost.

Boat sharing with the Assurance Plaisance policy

New features offered by **Pacifica** include "policyholder injury protection" included in all policies, plus a "boat hire" option to cover the boat when hired out (trips to sea or nights in dock).

Insuring new types of electric vehicle

In the last few years, new types of electric vehicle have appeared in towns, such as electric scooters, hoverboards, monowheels and e-bikes. Pacifica has devised an insurance solution for this new means of mobility by making them eligible for insurance under the motorcycle policy.

House sharing with the "rental accommodation pack" in home insurance policies

With the boom in the sharing economy, more and more people are letting their homes out to travellers such as holiday makers, tourists and businessmen, in order to make some extra money. Hosts either make the entire home available, or just one room, for one or more nights, or even the entire school year. In most cases, hosts use dedicated platforms such as Airbnb and HomeAway. In these conditions, Pacifica has adapted its home insurance cover to meet the new needs driven by the sharing economy. The "rental accommodation pack" is aimed at customers exposed to specific risks when they let out their main or second home:

- theft and vandalism by travellers;
- loss of income in the event of cancellation following an insured event;
- civil liability in the event of harm caused to travellers, food poisoning and the customer's safekeeping liability.

Healthcare for young people abroad

Since 1 July 2018, **Pacifica** has supported students going abroad on a language course, for an au pair job or to study. Healthcare costs can be very costly in some countries and often, their healthcare cover in France is not valid in other countries. This new product offer gives CAA an opportunity to maintain a relationship with these young people during their stay abroad. It is available to anyone under the age of 31 and covers reimbursement of their healthcare costs with no excess, a 24/7 multilingual hotline and assistance cover valid worldwide.

Revamp of the Personal Accident Insurance product

Pacifica will pay out for the most minor after-effects of a personal accident (minimum of 1% permanent functional impairment). Children under the age of 26 can also be covered for psychological support in the event of harassment or cyber bullying. In today's world of ever-present smartphones and social networks, bullying among schoolchildren no longer stops at the school gates. Pacifica has therefore introduced this cover to support children who are victims of bullying during what can be very difficult and sometimes violent times.

Cyber-protection for small businesses, farmers, companies and associations

In an increasingly digital world, in which businesses and individuals handle ever greater amounts of information, cyber-threats have been growing exponentially over the past few years. More than 80% of companies have suffered at least one cyber-attack[(1)] and the threat is increasingly present for our customers. In these conditions, **Pacifica** has decided to protect its customers against this risk with its Cyber-Protection product offer.

Launched in 2018, it offers IT assistance to help the company restore its original data, obtain specialist help (lawyers, communications experts, etc.), cover damage related to cyber-fraud and cyber-extortion, as well as third party cover in the case of losses suffered by third parties as a result of a violation, malicious use of or attack on data belonging them (identity theft, virus transmission, etc.). An income protection option is also available to cover total or partial business interruption following a cyber-attack.

(1) According to the business cyber security barometer (Information and Digital Security experts' club) published in January 2019.

ACTING AS A RESPONSIBLE INVESTOR

As a leading institutional investor and signatory of the Principles for Responsible Investment (PRI), the CAA Group is aware of its responsibilities with regard to the sectors and issuers in which it invests. CAA takes environmental, social and governance (ESG) factors into account when analysing, making and monitoring investment decisions, and has an appropriate reporting system to measure the progress made. Some sectors are also given priority with regard to the importance of certain social issues (health, renewable energy, financing of the economy) and in line with Credit Agricole Group's areas of excellence. Since the adoption of Article 173-VI of the French law on energy transition for green growth, CAA Group has published an ESG-Climate report, available on its website www.ca-assurances.com.

EMBEDDING ESG CRITERIA MORE DEEPLY IN INVESTMENT DECISIONS

Embedding ESG criteria in all asset classes

Amundi filter

CAA relies on the expertise of Amundi, Credit Agricole Group's asset management company, as regards integrating non-financial (environmental, social and governance) criteria. Amundi has produced a set of 36 criteria based on the laws and directives in force and on universally accepted principles. The weighting of each of these environmental, social or governance criteria was determined in line with the issues specific to each business sector.

Within each business sector, CAA Group invests in European companies with the best ESG practices.

CAA Group will not invest in issuers proven to have repeatedly breached all or some of the ten principles of the UN Global Compact. Likewise, all issuers that design, manufacture or sell controversial weapons (cluster bombs, etc.) are excluded from investment portfolios.

In 2017, CAA also introduced an exclusion policy for the tobacco industry and it no longer holds any direct tobacco investments in its portfolios.

Amundi's rating methodology already applies to all managed portfolios. For bond portfolios, the Investment department also applies its own ESG assessment filters.

In 2018, Credit Agricole Assurances won the Global Invest Sustainable Insurance Company of the Year award at Agefi's Global Invest Sustainable Awards on 11 October 2018, rewarding it for the quality of its non-financial approach (integration of ESG criteria in investment management processes, contribution to financing the energy transition, clarity and transparency of its ESG report, etc.).

Real estate investment

CAA Group continues to increase the proportion of real estate assets with environmental certification (such as HQE, BREEAM and LEED) in its office property portfolio. All new programmes now include environmental certification.

At the end of 2018, the number of "green" office buildings (that is with environmental certification) represented 46% of total office space in its portfolio (*i.e.* 619,503 sq.m. of a total of more than 1.3 million sq.m.). In 2019, investment continued with the aim of obtaining the top environmental certification levels.

Developing shareholder engagement

CAA is a committed shareholder and votes directly for its strategic investments. They are managed by the Investment department which sits on the Board of Directors of companies in which Credit Agricole Assurances is a shareholder. In 2018 and 2019, CAA encouraged companies in which it invests to communicate more about the ESG aspects of their business.

FINANCING A LOW CARBON ECONOMY

Withdrawing from the coal industry

To combat global warming, Crédit Agricole Group has strengthened its coal exit policy by lowering its exclusion thresholds and using the list published by NGO Urgewald in its analyses.

In 2018, the maximum percentage of revenue criterion was reduced to 25% and portfolio exposures to the main issuers in the coal sector continue to be monitored.

In 2019, Crédit Agricole Assurances initiated a plan to dispose of the main identified exposures.

These exposures comprised :

- *issuers that generate more than 25% of their revenues from coal extraction or that produce more than 100 million tonnes of coal a year;*
- *issuers that generate 50% or more of their total revenue from coal-powered electricity production;*
- *issuers that do not intend to reduce the percentage of their revenues from coal-powered electricity production or coal extraction (threshold between 25% and 50%).*

Investing in renewable energy

CAA's investment strategy is in keeping with Crédit Agricole Group's policy and in particular the Climate strategy published in the Medium-Term Plan (MTP) in June 2019. CAA therefore also invests in renewable energy through energy infrastructures mainly located in France.

It was the leading institutional investor in the energy transition in 2018, committed to developing local economies through its major investments in infrastructure and renewable energy, in particular through its partnership with ENGIE. CAA signed its first partnership with ENGIE in onshore wind energy in 2013. This partnership was strengthened in 2019.

In 2017, a second partnership was signed with Quadran, which has since been acquired by Direct Énergie, itself subsequently acquired by Total. At the end of 2019, this partnership covered 200 MW of wind energy assets. The partnerships with ENGIE and Total Direct Energie should increase production capacity to more than 2 GW in 2020.

The combined wind and solar portfolio had reached 2 GW by end-2019, up from 1.7 GW at end-2018. This portfolio makes CAA the leading institutional investor in renewable energy in France.

CAA also owns an interest in a co-generation power plant. In 2016, it acquired a majority holding in an investment vehicle specialising in gas co-generation assets across France (almost 17% of facilities), operated by Dalkia, the European leader in energy services and decentralised energy generation.

In 2017, CAA invested in assets mainly comprising heating and cooling networks. This gave it a foothold in the district heating market (with a 7% share of the heating market in France). At the end of 2018, co-generation assets represented a total capital commitment of €250 million.

Thus, at the end of 2018, €721 million was invested in energy transition programmes (including wind and solar, co-generation, heating and cooling networks).

In December 2019, following their successful bid, a consortium comprising Crédit Agricole Assurances, ENGIE and Mirova, acquired Portugal's second largest hydroelectric portfolio comprising 1.7 GW of hydroelectric production capacity from Portuguese company EDP, at an enterprise value and a price of €2.2 billion. This acquisition has strengthened CAA's commitment to the energy transition in Europe, a major pillar of its climate strategy, with partners recognised for their expertise in this field.

In parallel, CAA continued its commitment in 2019, investing €250 million in bond funds that finance renewable energy production and €3.9 billion in green bonds (at end-June).

Calculating the carbon footprint of investment portfolios

CAA takes a proactive approach to reducing the carbon footprint of its asset portfolios, relying on the two drivers described earlier.

The carbon footprint is an indicator that measures the greenhouse gas emissions generated by the operations of companies in which CAA invests. It uses two methods to calculate the indicator: an issuer approach for part of the portfolio and an overall approach for the portfolio as a whole.

Amundi's bottom-up approach focuses on calculating greenhouse gas emissions at the level of corporate and government issuers. The top-down approach developed by CA CIB (Credit Agricole Corporate & Investment Bank) maps greenhouse gas emissions across the entire asset portfolio by business sector and geographical area.

The two methods are described in the ESG-Climate report.

The overall objective of reducing greenhouse gas emissions across the entire portfolio is based on an annual average reduction in line with national and international objectives (see ESG-Climate report).

ACTING AS A RESPONSIBLE COMPANY

OBSERVING ETHICAL BUSINESS CONDUCT

Fostering an ethical culture

In keeping with Credit Agricole's values (Proximity, Responsibility, Solidarity), CAA has begun in-depth work on developing an ethical culture that goes beyond employee engagement, which is already strong. This is a long-term project and will comprise several stages.

A Credit Agricole Ethical Charter, drawn up by CAA's parent company, was distributed to all employees in June 2017. It is always available on the entity's Intranet.

In 2018, a working group drew up a CAA Code of Conduct, with contributions from the Insurance business lines, support functions and the three departments co-managing the project: Compliance, CSR and Human Resources.

The Code has been circulated to all CAA employees as well as externally.

- It is intended for all business lines and comprises 28 themed guidance sheets setting out CAA's commitment, how its commitment is put into practice, what to do and what not to do, and practical examples specific to each theme. Four areas are addressed: customer and supplier relations, labour, environmental and social issues, anti-corruption, and protecting the Group's reputation;
- There is one single Code for all of CAA's employer entities and its subsidiaries, thus strengthening a shared ethics and compliance culture;
- To drive its commitment to ethics yet further, CAA has chosen to publish its Code internally and externally. It is distributed internally to all CAA entities (Intranet, news stream, presentation video, specific Article in the weekly newsletter) in both French and English to make it accessible to all employees in France and elsewhere in the world. In addition, it is available on corporate websites for external visibility.

CAA's commitment to ethics continued in 2019 with a support plan for employees to accelerate the development of an ethical culture.

Deploying a responsible compliance approach

Compliance means adherence to legislative and regulatory provisions specific to the banking and finance sector, industry and ethical standards and practices, and the instructions issued by the executive body. Compliance contributes to stakeholder trust (customers, employees, investors, regulators, suppliers, etc.) in financial institutions by preventing the risk of judicial, administrative or disciplinary sanctions, major financial loss or reputational damage.

The Credit Agricole Compliance department defines the policy implemented within Credit Agricole Group to prevent non-compliance risks, such as money laundering, financing of terrorism, violation of embargoes, market abuse, conflicts of interest, inadequate protection of customer or employee personal data, or poor advice.

The Compliance function has drawn up a number of documents, including:

- the Ethical Charter adopted by Credit Agricole Group, translated into ten languages and given to all new Credit Agricole Group employees;
- the Code of Conduct, drawn up jointly with the Corporate Social Responsibility department;
- the Fides programme, comprising procedural memos setting out the regulations in terms of compliance.

Credit Agricole's Compliance department must also make sure that efficient mechanisms are in place to ensure effective compliance. To do this, the Compliance function in the Group's entities:

- advises operatives by giving opinions on transactions where it is asked to do so;
- takes part in the product marketing process (from design to distribution) and in sales and customer needs analysis strategies to provide them with a suitable offering;
- issues compliance notices to the business lines;
- identifies conflicts of interest in line with the Group conflict of interest policy;
- draws up compliance training plans and makes sure that employees complete the requisite compliance training;
- ensures that systems and operations function smoothly.

The Compliance function uses the following resources for this purpose:

- risk mapping to evaluate non-compliance risks within each entity;
- translating compliance standards into procedures, in conjunction with the business lines;
- reporting on compliance risks and action to assess the implementation of compliance arrangements;
- financial security tools including profiling software and customer account monitoring tools which are used to detect unusual and/or suspicious transactions, screening tools used to ensure compliance with asset freezes and embargoes, and information sharing tools which are used within Credit Agricole Group;
- compliance tools, mainly those used to manage employees who hold insider information, and tools to prevent and manage conflicts of interest;

- tools to ensure compliance with disclosures of notifiable interests in securities giving access to the capital or voting rights of issuers.

The Compliance function has 48 full-time equivalent (FTE) employees structured as a business line within CAA Group in order to ensure harmonised compliance and financial security practices.

A training and compliance plan (Fides) is in place at all CAA Group entities in France and abroad. Training in compliance, financial security and fraud and corruption prevention may be either in-person or online, as applicable. Targeted compliance training may also be required depending on business line exposure to certain risks (for example prevention of market abuse).

Anti-money laundering and terrorism financing

Credit Agricole Group places extreme importance on the prevention of money laundering and terrorism financing, as well as compliance with international sanctions (asset freezes and embargoes).

The Group's Compliance department is responsible for implementing, across the entire Credit Agricole Group, measures to prevent money laundering and terrorism financing, and to ensure compliance with international sanctions.

The overall system is strengthened continuously in response to regulatory and risk assessment developments.

CAA Group implements anti-money laundering and terrorism financing training programmes within its various entities.

Training has also been provided in international sanctions. Annual training for all employees has been provided since 2015 to help them understand international sanctions and to become familiar with and know how to comply with the various applicable laws and regulations.

In October 2015, Credit Agricole Group signed an agreement with the US on a framework of penalties imposed on the Group following events that took place between 2003 and 2008. A remediation plan was implemented in February 2016 and will continue until 2021.

Fraud prevention

A fraud prevention system is deployed in all Credit Agricole Group entities. In a climate of escalating external fraud attempts and growing complexity of fraud methods (particularly *via* cybercrime), the key challenges now lie in a proactive approach on the part of financial system operators. In this respect, awareness is a key component of prevention as it encourages people to be more on their guard.

A training program specific to the Insurance business was devised in 2015 for the most exposed employees in order to raise their awareness about the risk of fraud and its prevention.

In addition to specific training, actions to raise employee awareness of the different types of existing and new external fraud to which they could fall victim are regularly organised.

In addition to the existing operational procedures and principles (selection procedures, segregation of tasks, authorisation management for management and payment tools, etc.), the anti-fraud arrangements at **Predica** – CAA's main life company – are based on a coordination unit whose role is to oversee this area and gain an overview of fraud attempts and proven cases of fraud. The fraud prevention system has been strengthened, in particular by revising the detection sheets for unusual cases and structuring and overseeing the network of fraud prevention stewards, which has helped to identify new fraud situations. This has prompted change to improve prevention, by adapting both procedures and product terms and conditions. In 2018, several CAA Group companies continued to roll out fraud detection tools based on leading-edge technologies.

Anti-corruption

In line with its traditional values, Credit Agricole Group believes that combating corruption is an important element of good business practice. Measures have been taken as regards money laundering and fraud prevention, the purchasing policy, the segregation of functions policy, prevention of conflicts of interests and internal rules governing gifts and incentives.

CAA Group also began work in 2018 on bringing its systems into line with the new requirements arising from the Sapin 2 anti-corruption law. Measures included appointing an anti-corruption steward, specific corruption risk mapping, the introduction of a Code of Conduct aiming to prevent inappropriate behaviour, and a whistleblowing procedure.

Anti-corruption training for employees is available through e-learning.

At the end of 2019, on average across the reference cycle, over 90% of relevant employees in CAA Group had received training in:

- *day-to-day compliance;*
- *external fraud prevention;*
- *anti-corruption.*

More than 90% of relevant employees also received training in international sanctions and anti-money laundering.

Lastly, the new GDPR training module has been completed by more than 80% of employees.

Reporting of dysfunctions

The entire compliance framework (organisation, procedures, training programmes) creates an environment favourable to the enhancement of the control framework within Credit Agricole Group. Nonetheless, when preventive measures do not fully play their expected role and a dysfunction occurs, it must be:

- detected and then analysed as quickly as possible;
- reported to the operational managers and the Compliance functions at the most appropriate level within each business line;

- monitored and corrected, and its causes eliminated;
- reported to the Supervisory Authority in the case of the most important dysfunctions.

Centralised reporting of dysfunctions in accordance with a specific procedure adapted by each Credit Agricole Group entity enables exposure to non-compliance risk to be measured at the highest level of the company. Thus, employees who have reasonable grounds to suspect, or who witness, a compliance dysfunction must notify their line manager, who will report it to the Compliance function.

The Compliance officers in each entity report dysfunctions to the Compliance department, which is responsible for informing Credit Agricole S.A.'s Compliance Management Committee. This Committee reviews the report and approves proposals to remedy the dysfunctions.

This framework is completed by a whistleblowing facility enabling employees who witness an anomaly in the normal dysfunction reporting system or who feel under pressure to allow a dysfunction to occur, to notify the entity's Compliance officer of the situation without going through line management. The employee's identity remains anonymous throughout the whistleblowing procedure.

Conducting a responsible lobbying policy

ALIGNING TO BEST PRACTICES

CAA conducts its lobbying activities in accordance with best practices set out by Credit Agricole S.A. and applied by its entities. In 2013, Credit Agricole S.A. adopted a Lobbying Charter which applies to all of its entities. In 2014, it signed Transparency International France's joint statement, thereby committing to the transparency, fairness and integrity principles recommended by the association. Lastly, in accordance with the Sapin 2 law of 9 December 2016, CAA is registered on the digital register of interest representatives and complies with the guidelines issued by the France's High Authority for Transparency in Public life.

ORGANISING TRANSPARENCY

The Public Affairs unit is responsible for guiding CAA Group's lobbying activities. The unit has two full-time employees in Paris who are in continuous contact with Credit Agricole S.A.'s Public Affairs department. They regularly present matters to the internal bodies, including CAA's Management Committee. This cross-functional body is thus made aware of future regulations and drives the CAA Group's lobbying activities.

ADDRESSING THE MAIN ISSUES

The Public Affairs unit conducts its activity at both French and European level. Most issues are addressed in close cooperation with the Fédération Française de l'Assurance. In 2019, action taken by the Public Affairs unit was aimed at the French public authorities in the context of the proposed radical reform of the insurance industry, and at the European institutions (European Commission, European Parliament and the Council of Europe).

The Public Affairs unit was able to highlight the important role played by insurers in financing the economy on a sustainable basis and to defend the bancassurance model in the service of its customers. Several actions were taken directly or through the industry associations on major issues such as the revision of Solvency II to ensure that insurance can better contribute to providing equity finance for the French economy; the revision of Europe's PRIIPs (Packaged Retail Investment and Insurance-based Products) regulation to make consumer protection more effective; and the Action Plan for Corporate Growth and Transformation (PACTE), by taking part in the French government's work to contribute to the success of new retirement savings plan (PER).

ASSESSING AND MANAGING ESG AND CLIMATE RISKS

Managing ESG and climate risks

As the head of a major business for Credit Agricole Group, CAA has long taken part in the Group's Climate Finance initiatives as well as the long-term commitments to step up action in this area made at the end of 2018 and repeated in the 2022 Medium-Term Plan.

The ESG-Climate strategy is based on concrete measures to make green finance one of the Group's key growth areas by reducing the carbon footprint of its investment portfolios, and thus mitigate the impacts of climate change, through the following actions:

- embedding energy transition issues in the customer relationship:
  - through its investment activities, CAA is mainly subject to the transition risks resulting from adjustments that issuers will have to make in order to move to a low carbon economy. This will affect the business model of some investments and could have an impact on their value. If issuers do not make those adjustments, they would risk having to discontinue businesses regarded as over-polluting or emitting too much greenhouse gas or pay regulatory fines, which could result in the impairment of the associated investments,
  - support all customers in the transition to a "low carbon" economy in line with the Paris Agreement;
- gradual reallocation of our financing and investment portfolios (see details in *Acting as a responsible insurer*):
  - as of 2020, extend the ESG assessment to all new CAA investments and financing to ensure consistency in their economic, social and environmental impacts,
  - strengthen the coal withdrawal policy with a total exit scheduled for 2040: in 2019, an inventory of direct and indirect investments in the coal sector and a plan to dispose of the main exposures identified,
  - pursue and step up partnerships with the industrial sector and other financial operators to invest further in the energy and ecology transition, such as strengthening the partnerships with ENGIE and Total-Direct Énergie in order to grow their joint portfolio of wind energy assets;
- invest in and encourage the financing of large-scale renewable energy projects, such as the acquisition of Portugal's second largest hydroelectric portfolio in a consortium with Mirova and ENGIE.

These actions bring into play the following governance framework:

- CAA takes part in the governance bodies for Crédit Agricole S.A. Group's Climate strategy introduced as part of the 2022 Medium-Term Plan;
- internally, its Board of Directors, which has nine members, defines and approves all the company's strategic decisions, including ESG-Climate issues which can influence a company's performance. The Investment department works for most of CAA Group's insurance companies. With them, it defines their investment strategy, which takes ESG-Climate issues into consideration. It is then responsible for their implementation. In this respect, it manages relations with all financial services providers (asset management companies, finance and investment banks, etc.) on behalf of the insurance companies.

In addition, the objective of stepping up the energy transition and supporting customers in this transformation is also reflected in action taken by CAA to assess and manage the physical risks related to the climate.

Due to the nature of its business, particularly in property & casualty insurance, CAA is directly exposed to physical risks related to weather conditions (storms, flooding, cyclones, hail, drought, etc.). These risks may concern buildings (residential buildings and business or agricultural premises), vehicles and crops in the field. The weight of climate events in the cost of claims varies from one contract to another and can be up to 100% for climate products such as crop, pasture or forest insurance.

To manage these risks and contain exposure, a physical risk monitoring and management system is in place:

- identification and assessment of physical risks through quantification based on simulations of general weather event scenarios;
- implementation of a physical risk management system to limit the impact of extreme weather events by adjusting pricing and physical risk modelling;
- specific monitoring and oversight of exposure to weather events.

To support its customers and improve their satisfaction with regard to these risks, CAA continuously renews or adapts its products and services. Examples are developments in products to protect farmers against climate risk, including hail insurance for targeted protection of crops against weather events (2005), crop insurance to protect crop yields and income against weather events (2005), pasture insurance which guarantees a capital sum to purchase the fodder required by livestock in the event of a severe weather effect on pasture land (2015), loss of income insurance which guarantees a minimum income per hectare (since 2018).

All of these factors provide input for the parent company's vigilance plan.

EcoVadis rating

Changes in non-financial reporting regulations are prompting companies to strengthen their CSR policies yet further. This new regulatory environment has led CAA to call on an external stakeholder to assess its CSR management system as part of a continuous progress approach.

Obtaining a rating is the first step in an improvement process whose ultimate objective is to maintain and strengthen customer confidence in the products and procedures in place, and in CAA's environmental commitments, purchasing policies and attention paid to internal operations. CAA has therefore called on EcoVadis, which specialises in analysing CSR policies of companies across all business sectors.

Thanks to the hard work done by internal stakeholders, CAA has compiled a full set of information in a questionnaire supplied by EcoVadis, tailored to the bancassurance sector, to CAA's size and its location, mainly France but also abroad. This information has been assessed on a set of non-financial criteria and issues to establish CAA's EcoVadis rating and produce an assessment sheet identifying the Group's strengths and areas for improvement.

Thus, in 2019, CAA delivered an improved CSR performance and received a label d'or *with a score of 63/100. This puts Crédit Agricole Assurances in the top 9% of the best rated companies in its sector (Insurance, Reinsurance, pension funds).*

DEVELOPING EMPLOYEE SKILLS

Methodology

The scope covers entities with employees that are consolidated within CAA Group.

Unless stated otherwise:

- data are presented from the employer's viewpoint and not the beneficiary's viewpoint. The difference relates to employees seconded by one entity to another (with no change in the employment contract) who report to their host entity from the beneficiary's viewpoint and to their contracting entity from the employer's viewpoint;
- the population studied is the number of "active" employees. The term "active" implies:
  - a legal relationship through a standard permanent or fixed-term employment contract (or equivalent abroad),
  - being on the payroll and in the job on the final day of the period,
  - working time percentage of 50% or more.

Each table presented below is accompanied by an indication of the proportion of employees covered (as a percentage of the total number of employees at the year-end).

As a responsible employer, Credit Agricole Assurances Group took further action in 2019 to promote:

- development of employee skills and career prospects;
- fair treatment and diversity;
- quality of work life;

In response to the Grenelle 2 legislation, CAA specifies that the ILO conventions apply to Credit Agricole Assurances employees.

CAA Group as an employer

The number of employees in France remained stable in 2019. CAA finalised the reorganisation initiated in 2018 with the creation of Business Units specialising in the various customer need universes and shared support functions. Several initiatives have been taken to support this radical change. Some of the CAAS Vaison staff were transferred to CA-GIP with effect from 1 January 2019.

NUMBER OF EMPLOYEES PER TYPE OF CONTRACT

	31/12/2019			31/12/2018		
(in number)	**France**	**International**	**Total**	**France**	**International**	**Total**
Number of active employees on permanent contract	2,483	519	3,002	2,531	458	2,989
Number of employees on fixed-term contract	114	26	140	104	36	140
Total number of active employees	**2,597**	**545**	**3,142**	**2,635**	**494**	**3,129**
Number of non-active employees on permanent contract	51	4	55	39	11	50
TOTAL EMPLOYEES	**2,648**	**549**	**3,197**	**2,674**	**505**	**3,179**
Scope covered: Total France + International			100%			100%

Several initiatives to support this radical change were taken in 2018 and continued in 2019, such as widespread dissemination of a change management culture and its implementation in the context of the transformation reflected in the Assurances 2020 business plan:

- creation of a dedicated change management team and improvement in the quality of work life in the HR department;
- deployment of the change management methodology in the departments most affected by the transformations;
- training/certification (Prosci) of a network of change managers in the business units and support functions;
- organisation of managerial seminars on change management applied to the transformation programme;
- awareness/acculturation session for employees.

A change management programme for managers, through specific types of training:

- drawing up a training plan for new managers appointed as a result of organisational change;
- training managers in the multi-site dimension of their functions (when this is new);
- setting up "mirror groups" or HR/manager discussion groups.

A new working environment has been designed for the Paris premises of Crédit Agricole Assurances Solutions. The new working spaces, designed in consultation with the relevant employees according to their needs and their working methods, will drive a new stage in the digitalisation process by providing employees with individual and collective tools adapted to the new working spaces and to the different ways of working and working together. These changes aim to improve working conditions for employees by developing a stimulating environment that encourages engagement, cooperation and innovation and helps employees and the organisation to become more agile and flexible.

Improving the quality of work life

In addition, given the change in employee expectations about the quality of work life, and convinced of the need to explore new ways of encouraging employee engagement and collective performance, CAA launched a continuous progress approach to quality of work life at the end of 2018. It is based on a specific survey in addition to the Engagement and Recommendation Index survey (which obtained an 80% response rate), as well as an audit of HR practices.

The results were used to build joint action plans between managers and employees in order to develop trust. All in all, more than 1,000 employees took part in almost 150 collaborative workshops, which led to formal short and medium term action plans being drawn up by the teams and various cross-cutting projects being initiated, such as inclusion, new working methods and new management methods. Many of these short-term actions are already being implemented in the Business Units and support functions.

A second survey at end 2019 will be used to measure progress in this approach and to refine certain action plans or initiate new ones.

Furthermore, the measures taken in the past few years to encourage a work life balance were renewed in 2019. They include:

- working from home: in 2019, almost 950 employees chose to work from home and a pilot test was launched for people who previously did not have that opportunity, given the nature of their work (back office);
- measures for caregivers: since 2018, almost 500 caregiver leave days have already been used by employee caregivers.

Health and Prevention

The Group provides various health and wellness benefits in addition to the top-up health insurance plan covering all Credit Agricole Assurances Solutions employees. With 75% of contributions paid by the company, this plan is more advantageous than the requirements set out in the collective bargaining agreement.

In 2019, a Health space was set up in the new 36/44 boulevard de Vaugirard premises, grouping together the social assistant, occupational health service and occupational nurse. Furthermore, a workplace health prevention system has been introduced and an action plan drawn up. The purpose is to capitalise on initiatives taken in this area, by merging, co-ordinating and strengthening the resources in place. The aim is to make workplace health an HR policy in its own right in keeping with action taken and to pool workplace health activities in CAA Group to strengthen and improve effectiveness in supporting employees.

Training in "lifesaving reflexes" launched in the third quarter of 2018 and attended by almost 900 employees, was rolled out to all premises and attended by a further 200 employees.

In December 2019, a diabetes screening campaign was conducted in the Paris premises. It also provided an opportunity for employees to benefit from professional healthcare advice.

Guaranteeing fairness and promoting diversity

Because inclusion is both a duty and an opportunity for all of us and for the company, CAA decided to create an HR and Diversity Communications unit encompassing activities dealing with diversity and more particularly gender diversity, disability, seniors, etc., with dedicated employees committed to taking action.

In addition, in all its HR policies, practices and initiatives, CAA Group endeavours to ensure and promote fairness and diversity. In terms of recruitment, most CAA Group entities seek to attract diverse profiles including people with two to five years higher education, people on work-study contracts and interns as well as experienced employees. The determining factors are experience, skills and development potential.

NUMBER OF EMPLOYEES HIRED EXTERNALLY ON PERMANENT EMPLOYMENT CONTRACTS

(in number)	2019	2018
France	199	210
International	106	70
TOTAL RECRUITS WITH PERMANENT EMPLOYMENT CONTRACTS	**305**	**280**
Coverage: Total France	100%	100%

Gender equality in the workplace

Aware that diversity, including gender diversity, is a factor in the company's performance, the main French subsidiaries have rolled out a range of policies and actions to ensure workplace equality in recruitment, training, career management, compensation, etc.

The gender balance remains stable, both in France and internationally.

REPRESENTATION OF WOMEN

	2019			2018		
	No.	Base	%	No.	Base	%
Among all employees	1,720	3,142	55%	1,658	3,129	53%
Among permanent contract employees	287	501	57%	264	435	61%
Among the Group Executive Committee	4	19	21%	-	13	0%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)international	91	296	31%	97	289	34%
Scope covered: Total France + International			100%			100%

PROMOTIONS

	31/12/2019			31/12/2018
(in number)	Men	Women	Total	Total
Promotions in the non-manager category	13	35	48	27
Promotions from non-manager to manager	6	23	29	17
Promotions in the manager category	94	70	164	175
TOTAL PROMOTIONS	**113**	**128**	**241**	**219**
Percentage	46.9%	53.1%	100.0%	
Coverage: France +50 employees			98.7%	98.7%

Moreover, company-level agreements were signed with the social partners of most of the Group's employer entities. These agreements contain a number of commitments in terms of gender balance and diversity, such as:

- guarantee that job applications will be treated equally;
- allocation of an annual budget to reduce pay gaps;
- measures facilitating the return to work after maternity or adoption leave (HR interviews, gradual resumption of work, option to work part time with no impact on career development and compensation);
- payment of basic salary during paternity leave.

In addition to these agreements, CAA Group is committed to encouraging gender diversity.

For example, a gender diversity charter was signed in February 2019 by CAA's Chief Executive Officer.

Five questions on gender diversity have been added to the Engagement and Recommendation Index survey to feed the Gender Diversity plan launched in 2015 with actions to better meet employee expectations.

Lastly, for all new executive and senior management hires, CAA endeavours to draw up a mixed short list of candidates.

Age equality

SENIORS

In France, each Group subsidiary has implemented a proactive policy to support seniors, the main objective of which is to keep these employees in employment. The steps frequently taken in this respect by Group entities in France include:

- commitment to professional development for seniors in terms of training and compensation;
- managing the end of career and the transition between work and retirement and implementing a system to gradually reduce hours with the option of working part time;
- specific training for employees aged over 55 on preparing for their retirement.

INTERNSHIPS AND WORK-STUDY CONTRACTS

A pre-recruitment policy through pools of interns and work-study scheme employees is also an important area of focus for CAA Group. Thus, the Group took on a further 50 interns and 119 people on work-study contracts this year.

The HR department also organised a work-study day to support young people on these contracts in their career plans, in writing their CVs and in preparing for recruitment interviews.

The tutors have received special training or support in most entities. They are also sent a monthly newsletter on the work-study scheme to help them provide the best support to the people concerned in their teams.

At the end of the scheme, tutors are asked to assess participants and the best are systematically interviewed by HR with a view to offering them permanent or temporary job opportunities within CAA Group wherever possible. The rate of conversion from work-study contracts to permanent and fixed-term contracts was almost 30% in 2019.

AVERAGE NUMBER OF INTERNSHIPS AND WORK-STUDY CONTRACTS IN 2019

(Average number of employees over the year)	**2019**	**2018**
Internships	14	12
Work-study contracts	101	104
Coverage: Total France	100%	100%

Compensation policy

To guarantee a fair policy in terms of individual variable compensation, whilst developing “collective performance”, a performance management review was introduced in 2018 and renewed in 2019, with the objective of revising the variable compensation policy by spreading the practice of setting SMART targets and introducing a collective target accounting for 20%.

To make the overall compensation system easier to understand for both managers and employees, a compensation policy transparency project was conducted and led to formal guides being drawn up as well as meetings for employees and managers ahead of each compensation campaign.

In addition, special attention is paid to gender equality during each compensation campaign:

- based on external and internal benchmarks, HR identifies employees in a given function where there is a significant pay gap compared with market practices (pay index < 80%);
- a budget is allocated to narrowing the largest gaps.

Encouraging the personal development and skills of employees

Various HR mechanisms are available to employees in this respect.

Career management

The main objectives of career management are to:

- adapt the company's human resources to its current and future needs;
- develop employee skills;
- offer motivating career prospects;
- acknowledge and reward employee engagement;
- retain talented staff.

The parties involved in career management are:

- employees themselves, who are the main protagonists in their professional development;
- managers, who know their teams best and can develop the professionalism and skills of their team members;
- the Human Resources manager (HRM), who provides support, guidance and advice.

In addition to career management interviews that take place at least every three years, employees may ask for mobility interviews. The HRM provides guidance on how to devise a formal career plan, re-write one's CV, prepare for recruitment interviews and emphasise one's strengths.

To go further in the preparation phase, employees may also take part in career development workshops, where they work on various issues. Four professional development workshops were held in 2019.

In addition, employees seeking an internal move are invited to take part in "Mobilijobs" (a Group scheme that CAA has joined), which provides opportunities for employees to talk to operational and HR staff in the various Group entities to discover internal job opportunities. Employees can also take part in pre-selection speed interviews.

In 2018, 1,223 individual career management interviews took place involving 1,003 employees.

In addition, Talent Committees were set up by the Executive Committee in 2019 to plan actively for top management succession, and to offer our best senior managers real development opportunities within CAA. The objectives are to:

- better share CAA Group talent;
- identify key positions, key resource pipelines, key resources and talent pool members;
- gain a better understanding of needs in terms of key resources and key resource pipelines by function taking gender diversity issues into consideration.

An internal CAA assessment process for talent pool members, and an internal validation Committee for each talent pool candidate have also been put in place.

Mobility

In line with the Credit Agricole S.A. Group policy, CAA favours internal mobility to fill job vacancies.

Vacancies are therefore published on "My Jobs", Credit Agricole Group's job mart, which has been open to everyone since the end of 2014. Employees can schedule alerts so that they never miss new vacancies.

In 2019, there were 186 internal transfers within CAA Group, and 109 from Crédit Agricole Group.

INTERNAL TRANSFERS

(in number)	2019	2018
Intragroup mobility (incoming)	109	97
Intragroup mobility (outgoing)	76	78
Mobility within one entity – Active permanent employment contracts	110	84
Scope: France and International	100%	100%

Training

Against a background of organisational transformation and evolving businesses, training is a means of maintaining and developing the skills and performance of our people.

In 2019, CAA Group continued to invest heavily in professional training, representing a budget of nearly €8 million over the period.

This training was completed by continued sustained internal momentum, mainly to develop business skills but also to help embed new working methods in our organisations under the PEPS programme (Simpler and More Efficient).

Since 2019, employees can benefit from a radically revamped range of cross-cutting training available in all CAA Group entities. It is based partly on programmes devised in association with IFCAM, the Group's university, and offers new development themes connected with our Human Project (new working methods, new management methods, development of soft skills, quality of work life, etc.).

Lastly, the digital training available on smartphone or PC has been significantly strengthened, with some thirty new themes available on a self-serve basis. This new training will bring its full results in 2020 after an employee information campaign.

TRAINING

	2019		2018	
	Number of employees trained	Number of training hours	Number of employees trained	Number of training hours
France	2,880	39,178	2,951	39,755
International	549	18,247	411	10,871
TOTAL	**3,429**	**57,425**	**3,362**	**50,626**
Coverage: France + International + 50 employees		97.2%		97.3%

TRAINING THEME

	2019				2018	
(in number of hours)	Total	%	France	International	Total	%
Knowledge of Crédit Agricole S.A. Group	198	0	157	41	1,383	3%
Personnel and business management	6,119	0,11	4,523	1,596	2,124	4%
Insurance	6,105	0,11	4,826	1,279	6,555	13%
Banking, law and economics	1,577	0,03	98	1,479	1,313	3%
Financial management (accountancy, management control, tax, etc.)	2,817	0,05	2,608	209	2,006	4%
Risk	54	0	-	54	332	1%
Compliance	7,202	0,13	5,847	1,355	3,405	7%
Methods, organisation, quality	5,159	0,09	3,738	1,421	6,014	12%
Purchasing, marketing, distribution	231	0	231	-	352	1%
IT, Networks, Telecommunications	4,065	0,07	2,516	1,549	2,765	5%
Office systems, software, business lines, new ICT	3,612	0,06	2,755	857	3,865	8%
Foreign languages	8,416	0,15	1,450	6,966	3,053	6%
Health and safety	**1,924**	**0,03**	**1,392**	**532**	**2,982**	**6%**
Human rights and the environment (sustainable development)	35	0	35	-	182	0%
Personal development, communication	9,071	0,16	8,309	762	12,458	25%
Human resources	843	0,01	693	150	1,837	4%
TOTAL	**57,425**	**1**	**39,178**	**18,247**	**50,626**	**100%**
Coverage: France + International + 50 employees				97.2%		97.3%

REDUCING THE DIRECT ENVIRONMENTAL FOOTPRINT

Credit Agricole Assurances is a financial services company and its operations do not have any major direct impact on the environment. Its main direct greenhouse gas emission is carbon dioxide (*via* the consumption of fossil fuels and electricity). The most harmful waste comes from electronic items, for which collection and processing procedures are in place. Paper is the main raw material used.

CAA has therefore focused its efforts on reporting processes and the environmental management of paper and energy consumption and CO_2 emissions. These efforts are directed at two objectives: improving the operation of the company and raising awareness among employees.

Use of resources

Paper

As a member of Ecofolio, CAA is committed to Credit Agricole Group's "Grenelle papier" approach, which is based on two separate objectives: increasing the use of responsible paper and increasing the rate of paper recycling, for all paper use (office systems, desktop publishing, customer communications).

For this purpose, CAA has set up a network of paper stewards, comprising employees who buy paper and/or use paper for printing on the company's behalf. These stewards have been made aware of the environmental issues related to paper and Credit Agricole S.A. Group's commitments. They are not only responsible for reporting, but also for:

- encouraging the purchase of certified (PEFC, FSC, etc.) or recycled paper;
- promoting paperless communication between employees, with the banking and partner networks, and with customers that opt for paperless communications;
- reducing the amount of paper used for business correspondence by grouping life insurance (**Predica**) correspondence with banking correspondence, double-sided printing for business correspondence (insurance certificates, death & disability renewal notices, etc.) and for annual statements, as well as using thinner paper. Employee payslips are now paperless.

Predica has made a special effort in terms of envelopes for business correspondence. Envelopes are made from 100% recycled, FSC certified paper manufactured in France. The transparent window is made from transparent plant material (biodegradable bioplastic from agricultural plant waste), and the glue used is plant-based.

In the offices of the main French subsidiaries, printers are now shared and their default settings are double-sided and black and white. Launched in 2017, the system of employee badges to operate photocopiers was expanded when the company's photocopiers were upgraded. This reduces printing, as documents are only printed when strictly necessary.

These efforts have succeeded in reducing employee consumption of office paper from 37 kg per employee per year in 2014 to 21 kg and then 19.5 kg per employee per year respectively in 2018 and 2019.

Moreover, the proportion of responsible paper, as defined by Credit Agricole Group (PEFC, FSC or recycled paper) in purchasing rose from 90% at the end of 2013 to 100% at the end of 2019.

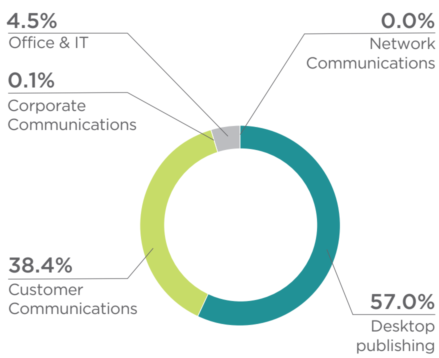
PAPER INDICATORS

	2019	2018
Total consumption *(in tonnes)*	1,145 tonnes	1,113 tonnes
Proportion of responsible paper	100%	98%

Scope: CAA France excluding claims administration centres.

The increase in paper consumption has been contained to less than 3% despite the growth in business and regulatory developments requiring correspondence and appendices to be sent out to customers in 2019.

BREAKDOWN OF CONSUMPTION BY USE (%)



57% of paper is used for customer correspondence, either for transparency purposes or to meet regulatory requirements. Control over volumes in other areas gives this category a higher percentage.

Energy

The Paris buildings are now managed by the General Services team. It monitors and controls energy consumption in the buildings and contributes to CAA Group's reporting.

For buildings in the greater Paris region, various measures have been taken to better control energy use based on in-depth knowledge of the sites (occupation techniques and types) and the outcome of energy audits. These actions include:

- optimisation of lighting timer settings (reduction of time slots), terminals (fan-coil units), air processors (ventilation), car park extractors, circulation pumps, etc.;
- installation of LED lighting in the car parks of some buildings;
- some equipment made responsive to the outside temperature (*e.g.* circulation pumps, different ventilation temperatures depending on the outside temperature, hot air curtain, etc.);
- changes to the temperature settings for hot and cold water;
- installation of innovative equipment to measure electrical signals to better understand how the buildings operate;
- at the Vaison-la-Romaine premises, the fuel-oil boiler has been replaced by a heat pump in normal operating conditions (other than in the event of extreme cold).

In 2018, a follow-up audit confirmed the HQE certification for buildings in use at the Saint Vincent de Paul premises in Paris, which was obtained in 2013. This site is used as a pilot site to test new operational and occupant communication practices. For example, a plan to obtain HQE certification for our main premises was launched in 2016. The buildings at 8-10 and 16-18 boulevard de Vaugirard in Paris obtained certification in 2019. The new 36-44 boulevard de Vaugirard premises completed in 2019 are also HQE Exploitation certified.

ENERGY CONSUMPTION AND CO_2 EMISSIONS

	2019			2018		
	Consumption *(kWh)*	**Ratio** *(kWh/m²/year)*	**Estimated coverage ratio**	**Consumption** *(kWh)*	**Ratio** *(kWh/m²/year)*	**Estimated coverage ratio**
Electricity	9,509,071	120	100%	7,620,535	121	100%
Steam	1,844,796	59	100%	2,331,325	52	100%
Fuel	118,982	33	100%	232,586	45	100%

Scope: CAA France excluding claims administration centres.

Energy consumption has been controlled, despite the renovation and completion of a new Paris building totalling over 30,000 sq.m. The ratio of electricity per sq.m. has been maintained at 120 kWh. Furthermore, the significant drop in fuel consumption in 2019 reflects the policy pursued at the Vaison-la-Romaine premises, where a heat pump has been installed and heats the building (other than periods of extreme cold).

Crédit Agricole Assurances has also signed a Green electricity contract with EDF, in which EDF has undertaken to provide the grid with electricity from renewable sources equivalent to CAA's consumption.

Waste management

Compartmentalised bins have been installed in Paris offices so that paper can be separated from other waste. The 36-44 and 16-18 boulevard de Vaugirard flex offices now have centralised collection points with different bins for cardboard, paper, cans, plastic bottles, etc.

Waste from the Paris premises are now collected and re-sorted at 36-44 Boulevard de Vaugirard (and no longer taken to Montrouge) before recycling. At the Lille premises, an ESAT (a support through work organisation) is responsible for collecting and sorting paper.

Ink cartridges are collected exclusively by our machine supplier, which has its own sustainable development procedure.

Computers at the end of their useful lives are collected by a company from the adapted sector which recycles them in accordance with D3E electronic waste standards for defective or obsolete hardware. Working hardware is then repurposed or donated (mainly to employees). Other hazardous waste (fluorescent tubes, LEDs, etc.) is also collected and processed through regulated recycling channels.

A battery collection bin is made available to employees by Corepile. A D3E waste collection campaign has been organised by employees and donated to an ESAT for recycling.

At the Lille premises, employees are encouraged to dispose of their used paper cups, cans and plastic bottles in a recycling container that can recognise, sort and store waste. Each time an item is inserted in the machine an association receives a micro-donation.

Food waste comes principally from company restaurants, which are managed by our catering services providers. Food waste from the company restaurants at Boulevard de Vaugirard are sent to an anaerobic digester.

WASTE INDICATORS

	2019	**2018**
Paper/cardboard	71 tonnes	89 tonnes
Ordinary industrial waste	199 tonnes	243 tonnes

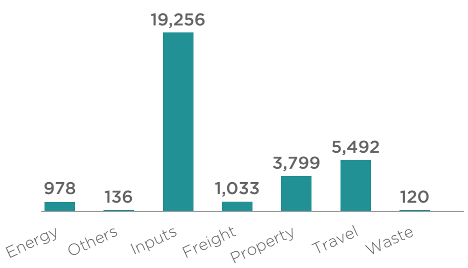
Scope: CAA France excluding claims administration centres.

Waste volumes have decreased despite the increase in the floor area of buildings used. They are also included in the recycling processes.

Greenhouse gas emissions

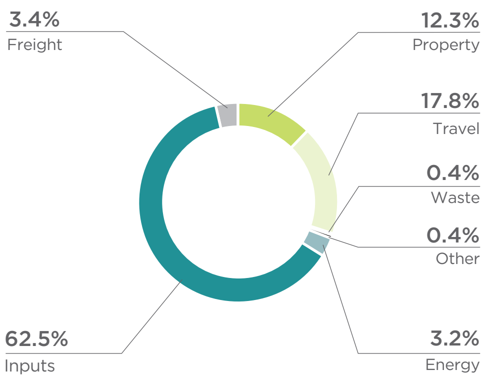
In 2019, Crédit Agricole Assurances conducted its carbon assessment for 2018, which showed that its greenhouse gas emissions are equal to 7 tonnes equivalent CO_2 per employee per year (France financial consolidation scope) versus 11.4 tonnes equivalent in 2014. The scope of the carbon assessment includes Pacifica's claims administration centres. Even though the carbon assessment methodology and emissions factors have changed since the carbon assessment for 2014, there has been a real reduction in the footprint per FTE.

The following diagram shows the results by item:



CAA 2018 carbon assessment by item (France scope) performed in association with EcoAct

Work continues on analysing ways to reduce the footprint and action to be taken for each item to supplement measures already taken and improve the environmental impact yet further.



In 2019, CAA renewed its partnership with endowment fund Plantons pour l'Avenir *to offset all of the CO_2 emissions from its operations in France. The fund is dedicated to replanting forests in France by providing the funds required for owners engaged in sustainable forestry to replant their land. This partnership aims to plant a number of trees in France equivalent to the total amount of CAA's CO_2 emissions*[1] *as shown in the carbon assessment,* i.e. *about 200,000 trees.*

Travel policy

In order to limit its direct environmental footprint, Credit Agricole Assurances has worked on the carbon impact related to employee travel, the second largest generator of CO_2 emissions. It has therefore drawn up a travel policy to encourage the use of transport with the least impact and to encourage more virtuous practices.

The company travel plans for the Lille and Paris premises were published on dedicated platforms (Paris – Île de France Mobilités; Lille – Métropole Européenne de Lille)

A specific action plan has been drawn up for each site. The Paris action plan is based on six objectives:

1. raise employee awareness;
2. limit business travel and travel between home and work;
3. encourage the use of soft transport;
4. facilitate the use of public transport;
5. rethink the use of private cars;
6. special action in the event of a pollution spike (action under the Ile de France Atmospheric Protection Plan).

Lille has only four objectives as the premises are due to be relocated in 2021:

1. optimise the use of cars;
2. encourage the use of soft transport;
3. encourage new working methods;
4. raise employee awareness.

In order to limit its direct environmental footprint, CAA has worked on the carbon impact related to employee travel, the second largest identified generator of CO_2 emissions. It has therefore drawn up a travel policy to encourage the use of transport with the least impact and to encourage more virtuous practices:

- rail travel to be used wherever possible and systematically for some destinations;
- better management of air travel: only permitted for journeys of more than three hours, no first class travel, direct flights preferred;
- installation of videoconferencing equipment in all premises;
- use of distance working.

CAA has also drawn up two company travel plans for its Lille and Paris premises in response to the new regulatory requirements under the Energy Transition law. These plans were based on a survey conducted among employees to identify their expectations and needs in terms of transport. Following the survey, the following themes were identified for drawing up the plans:

- optimise the use of cars;
- encourage the use of soft transport modes;
- work on optimising public transport;
- encourage new working methods.

(1) *Based on a metric devised by the Institut Technologique Forêt Cellulose Bois-construction Ameublement (FCBA), i.e., 10,000 trees for 1,400 tonnes equivalent CO_2.*

In 2019, **Pacifica** and all the claims administration centres launched an "Acting for the Climate" plan, which identifies travel, in particular between home and work, as one of the means to reduce the direct footprint. The issues are not the same in Paris as they are for the claims administration centres elsewhere in France and an action plan is being drawn up and should be implemented in 2020.

TRAVEL INDICATORS

	Distances travelled *in thousands of kilometres*		
	Rail	**Air**	**Total**
2018	7,100	4,501	11,601
2019	7,212	4,377	11,589
Changes	**+2%**	**-3%**	

Scope: CAA France.

Thus, despite the increase in staff and business reorganisations at the various premises, the number of kilometres travelled has remained stable but with a shift towards rail rather than air travel, which has reduced the CO_2 footprint in this item.

Raising employee awareness

As part of the awareness-raising policy, a CSR page is accessible to most CAA entities on the Intranet. It provides information about general CSR issues and about CAA's approach. A set of computer graphics has been published on the Intranet showing the key non-financial performance monitoring indicators to give employees tangible information about CAA Group's CSR issues and commitments.

During the European Sustainable Development week held from 3 to 7 June 2019, all CAA employees were given the opportunity to attend workshops on the theme of "Zero Waste".

At the Paris premises, employees were offered a choice of three workshops based on the theme "Working together to reduce our waste":

- "Zero waste, where to begin?" (run by WeNow);
- "Personal carbon assessment"' (run by WeNow);
- "How to repair small electric household appliances" with Recyclerie.

All in all, 142 participants were trained in these subjects and were then able to raise awareness among their colleagues.

In parallel, a video called "Autopsy of a dustbin" was proposed in the cafeteria of the three Paris premises (36-44, 16-18 boulevard de Vaugirard and Médicale de France), to identify waste that could have been avoided at source, address zero waste issues and the environment in day-to-day life.

Lastly, during the week, a campaign was conducted to collect old mobile phones, which were donated to Emmaus Connect and, once wiped, distributed to the most needy with the aim of combating digital exclusion in a circular economy approach.

During mobility week from 16 to 20 September, CAA took the following action:

- publication of information about the French Mobility Guideline law and its 10 key measures on the Intranet;
- communication on the Intranet to raise awareness about the impacts of travel on pollution and to encourage the use of soft transport modes;
- a refresher workshop at the Paris premises for the use of bicycles and electric bicycles (reminder of the safety rules);
- a bicycle refresher workshop in Lille;
- distribution of WeNow devices for volunteer employees to measure, reduce and offset CO_2 emissions for a period of three years.

Quizzes on CSR issues were also held and published on the Intranet to test the level of CSR acculturation and raise employee awareness about these issues.

More than 130 employees are now equipped with a WeNow device. They encourage eco-driving and enable the CO_2 emissions recorded to be offset. At the end of 2019, 92 tonnes eq. CO_2 had been offset by a United Nations programme in India, selected by participants in the WeNow programme.

Company restaurant

CAA works with its service provider Sodexo on improving practices at its Paris Vaugirard company restaurant.

In terms of the supply chain for meat products, Sodexho mainly purchases labelled products that include animal welfare in their specifications, such as the *Bleu-Blanc-Coeur* and *Label Rouge* labels. Similarly, for fish products, Sodexo mainly purchases Pavillon France label fresh products from French fisheries that guarantee more environmentally friendly fishing practices (selective fishing methods, respect for seasonality of products, etc.).

Since 2017, Nespresso coffee capsules have been sorted for recycling, and a collection system for employees has also been put in place.

Selective sorting was introduced in the restaurant in January 2018 for separate collection of cardboard and cans, glass bottles and bio-waste. Bio-waste is taken to an anaerobic digester. Measures have also been taken to limit food waste.

DEPLOYING A RESPONSIBLE PURCHASING POLICY

CAA, a subsidiary of Credit Agricole S.A., applies and observes Credit Agricole S.A. Group guidelines on the purchasing process and responsible purchasing. The CAA Group purchasing charter, which is set out in an internal procedure memo, forms part of these guidelines. It includes a detailed description of the basics of the CSR approach in terms of purchasing.

The guiding principles of its CSR policy are based on the following commitments:

- UN Global Compact;
- Diversity Charter;
- Responsible Supplier Relations Mediation Charter.

All the commitments cover human rights and labour regulations, combating all forms of discrimination, promoting diversity, environmental protection and business ethics based on the duty of care.

CAA wishes to encourage its suppliers, service providers and their sub-contractors to share these commitments by observing the principles set out in the international conventions, the laws and regulations in the country where they operate, and practices in their business sector, and more specifically:

1. human rights;
2. diversity and working conditions;
3. environment;
4. business ethics and the value chain.

Being responsible throughout the supply chain

CAA's responsible purchasing policy is based on the following:

- encouraging responsible supplier relations;
- assessing its suppliers on the basis of their CSR management system and the products proposed to CAA Group;
- Raising awareness among buyers and suppliers.

Committing to suppliers

Credit Agricole S.A. is a signatory of the Responsible Supplier Relations Charter, which aims to create a balanced relationship with its suppliers in an unstable economic environment.

This charter comprises ten commitments for responsible purchasing and a fair and lasting relationship between large buyers, SMEs and suppliers more generally, notably with regard to environmental impacts, financial fairness and reducing the risks of reciprocal dependence.

CAA therefore appends the Responsible Purchasing Charter to all its tender documents and contracts. The Charter is a joint initiative between French banks and insurance companies that wish to encourage their suppliers to implement duty of care measures as part of their corporate social responsibility (CSR) approach. It sets out:

- the commitments made by the signatories to their suppliers in terms of fairness, ethics and transparency, reciprocal dependence, respect for payment periods, confidentiality and intellectual property rights, small and mid-size suppliers, and recourse to mediation;
- the commitments made by suppliers in terms of the environment, human rights and labour, business ethics, sub-contracting, progress approach, and monitoring compliance with the Charter;
- the reference texts: the 10 principles of the Global Compact, the 30 articles of the Universal Declaration of Human Right and the fundamental Conventions of the International Labour Organisation (ILO).

2

Assessing its suppliers

The vast majority of CAA's suppliers are listed on Credit Agricole Group's panels. These suppliers, selected at Credit Agricole Group level, are assessed on their CSR policies not only in terms of their CSR management system, but also in terms of their products themselves.

Independent specialist firm EcoVadis has been appointed to assess the supplier's CSR management system. This approach, common to all Credit Agricole S.A. Group entities, is led by Credit Agricole S.A. The scoring principle involves sending suppliers a questionnaire based on four themes: the environment, labour, ethics and supply chain management. Over 900 suppliers common to Credit Agricole S.A. Group entities have now been rated and additional suppliers are in the process of being rated.

Meanwhile, where appropriate for the purchasing category, CAA assesses the CSR quality of the supplier's product or service by including technical and specific sustainable development criteria in the specifications. The supplier must show that its procedures comply with specific principles throughout the entire product life cycle and provide documentary evidence of this.

The CSR criterion accounts for 15% of a supplier's rating in a call for tenders.

Raising awareness among buyers and suppliers

CAA buyers are made aware of responsible purchasing at meetings run by Crédit Agricole S.A.'s Purchasing department.

Everyone involved in the purchasing function receives training in responsible purchasing provided by Credit Agricole S.A. Group.

A specific policy of sourcing from companies in the sheltered sector has been implemented for the Purchasing function.

In 2019, the purchasing policy was assessed on the basis of EcoVadis rating criteria. It obtained a score of 70/100.

DEVELOPING AN OUTREACH CULTURE

Set up a system to encourage employee outreach engagement

With respect to employees

Since 2011, Credit Agricole Assurances Group has been financing community projects in which employees of the Credit Agricole Assurances entities have been actively involved, through its *Courte Échelle* programme. At the end of 2018, 70 projects came to fruition thanks to a grant of up to €3,000. These community projects involve international outreach, environmental protection and social inclusion.

In 2019, the *Coup de Cœur* scheme was renewed, enabling employees to vote for the *Courte Échelle* project of their choice, which receives an additional €3,000 grant. In early 2019, the *Courte Échelle* winning associations attended a training day on how to develop resources and communications for their project.

CAA Group also organises periodic charity events among employees, and more specifically in 2019:

- events during the European Sustainable Development week;
- collection of mobile phones for donation to Emmaüs Connect, which acts to reduce digital exclusion and make new technological advances available to everyone. The mobile phones were distributed to the most needy to help combat digital exclusion;
- a personal carbon assessment workshop;
- a zero waste workshop.

Furthermore, multi-year agreements with bee-keepers have been entered into to establish beehives at the Paris and Vaison-La-Romaine premises. The honey produced by these bees will be sold to employees by the bee-keepers themselves.

To create the framework for a more ambitious outreach programme and following a survey conducted in 2017 among its French-based employees to gauge their appetite for corporate outreach initiatives, CAA began work in 2018 to propose an innovative, scalable outreach programme for employees. The programme has been validated by CAA's Executive Committee.

Scheduled to begin in the first quarter of 2020, the programme aims to facilitate employee engagement in community initiatives and to develop an outreach culture within the company. It will list all proposals on a single extranet site (skills volunteering, donations and collections, mentoring, outreach events, intergenerational cohabitation, etc.).

With respect to suppliers

In 2019, CAA continued its partnership with the association #STOPILLETTRISME to help address the problem of reading and writing difficulties in the workplace.

It is an innovative scheme combining a training cycle with mentoring provided by some thirty employees for about ten volunteer employees of GSF, the cleaning company responsible for cleaning CAA Group's premises. The mentoring is provided during the employees' working hours as part of a skills volunteering initiative.

In 2019, the Stop Illiteracy programme was named as an innovative action in the insurance sector, winning an award in the "Civic Company" category at the 15th annual Insurance Argus d'Or *awards.*

Being an engaged sponsor

In favour of caregivers

For almost 10 years, CAA Group has been engaged in a policy to sponsor family caregivers by financing community projects throughout France. Caregivers play a key role in intergenerational solidarity and home care for dependent people.

In 2019, the ninth call for projects to help caregivers was based on three emerging or developing themes in support for caregivers:

- young caregivers under 25 years of age, a population about which little is as yet known;
- caregivers and employment: caregivers are often forced to cut down or stop their professional activities to devote their time to a family member needing care;
- raising awareness among healthcare professionals, who are still not well enough informed about the increased health problems that can be suffered by caregivers.

The aim of the call for projects is to finance some 10 community projects every year with an annual budget of €150,000.

Projects are selected by a Committee made up of people from civil society (sociologists, geriatricians, French Association of Caregivers, the CNSA, etc.) and members of Credit Agricole Group.

Since 2010, CAA has received over 1,200 applications, mainly from the Regional Banks that promote the initiative. At the end of 2019, 160 local projects to help family caregivers had been financed and more than €2.5 million distributed.

In 2019, the associations short-listed and selected for the call for projects were given two days of training on how to develop resources and communications for their project, with support from an outside firm.

An initiative to measure the social impact of the call for projects since the outset was also taken among financed and non-financed associations and the Regional Banks.

In favour of French forests

Since 2019, Crédit Agricole Assurances, the leading forestry insurer in France, has provided financial support to the fund *Plantons pour l'Avenir* with a grant of €207,000 determined so as to offset its annual CO_2 emissions. The fund's main objective is to replant forests in France by providing the funds required for owners engaged in sustainable forestry to replant their land. Through these funds, Crédit Agricole Assurances guarantees the plantation of 200,000 additional trees a year. Together with the Plant a Tree customer pledge, more than 500,000 trees were planted in 2019.

3

CORPORATE GOVERNANCE

REPORT ON THE CORPORATE GOVERNANCE

This report of the Board of Directors on Corporate Governance is included in the management report.

Pursuant to Article L. 225-37 of the French Commercial Code, its purpose is to report to shareholders on the following:

- composition of the Board and preparation and organisation of its work;
- Crédit Agricole Assurances' position with regard to the regulated information referred to in Article L. 225-37-4 of the French Commercial Code, *i.e.*:
  - a list of all the mandates and functions exercised in any company by each corporate officer,
  - agreements entered into, either directly or through an intermediary, between, on the one hand, one of the corporate officers or one of the shareholders with a fraction of the voting rights greater than 10% of a company and, on the other hand, another company controlled by the former within the meaning of Article L. 233-33, with the exception of agreements involving transactions entered into in the ordinary course of business on an arm's length basis,
  - a summary table showing the current authorisations granted by the General Meeting of Shareholders in the field of capital increases, and the use made of these authorisations during the financial year,
  - any limitations that the Board of Directors may place on the powers of the Chief Executive Officer,
  - the governance rules adopted by Crédit Agricole Assurances in addition to those required by law and in comparison to the recommendations of the AFEP-MEDEF Code,
  - the procedure for shareholders to take part in the General Meeting of Shareholders, provided for in the articles of association (Article 18).

COMPOSITION OF THE BOARD AND PREPARATION AND ORGANISATION OF ITS WORK

The preparation and organisation of the work of the Board of Directors is governed by current legislation and regulations, by the company's articles of association, and the Rules of Procedure of the Board of Directors (see below).

On 31 July 2015, the Board of Directors of Crédit Agricole Assurances decided not to adopt a Code of Corporate Governance (AFEP-MEDEF or Middlenext), as some of their provisions do not apply to Crédit Agricole Assurances due to it being 100% owned by Crédit Agricole S.A., a CAC 40 company.

However, Crédit Agricole Assurances complies with the main recommendations of the AFEP-MEDEF Code. The governance rules applied in addition to legal requirements are described in an overview table at the end of the section "Composition of the Board and preparation and organisation of its work".

Governance structure

Crédit Agricole Assurances, a French public limited company (*société anonyme*), is managed by a Board of Directors which has at least three members and at most eighteen members, subject to the exemptions provided by law.

The Board is a collegial body mandated by all of the shareholders.

The offices of Chairman of the Board and Chief Executive Officer are separated in accordance with Crédit Agricole Group's specific governance model, which separates the strategic and oversight functions from the executive functions.

The duties of the Chairman of the Board are those conferred on him by law.

In accordance with the law and the articles of association the Chairman of the Board of Directors organises and directs the work of the Board and reports to the General Meeting of Shareholders on its activities.

His legal duties include drawing up the agenda for Board meetings and ensuring that the information provided to the directors is sufficient for them to make an informed judgement. In this respect, he contributes to the smooth flow of information between the Board and Senior Management and between the Board and its Committees. He encourages and promotes open, critical discussion and ensures that all points of view can be expressed within the Board. He ensures that the responsibilities of the Board are clear to all directors.

As indicated in the Rules of Procedure, reproduced hereafter, the Chairman of the Board of Directors ensures that, prior to each meeting, the directors receive the information that is necessary and sufficient to deliberate with full knowledge of the issues.

Following consultation with the Chief Executive Officer, the Chairman of the Board of Directors assesses the work carried out and the work still to be carried out, in particular, when the Board's meeting agendas are being set.

Presentation and composition of the Board

At 31 December 2019, the Board was composed of nine members including four women, *i.e.* 44.4% of the members. On 30 July 2019 a female non-voting Board member was appointed.

Given its membership of Crédit Agricole Group and its status as the holding company of an insurance group that issues debt instruments on the regulated market, the Board of Directors of Crédit Agricole Assurances has one independent director, four directors who are corporate executive officers of the Crédit Agricole Regional Banks and four directors who are members of Crédit Agricole S.A.'s Senior Management. The non-voting Board member is the Deputy Chief Executive Officer of Fédération Nationale du Crédit Agricole.

The Board has not appointed a Lead Director.

Although at 31 December 2019 Crédit Agricole Assurances and its subsidiaries in France and abroad had 5,163 employees (of which 4,588 in France), its Board does not have a director representing employees, as its parent company is subject to and fulfils that requirement.

Nor does the Board have a director representing the employee shareholders. None of the employees or directors of Crédit Agricole Assurances Group hold shares in the company. Neither the law nor the articles of association of Crédit Agricole Assurances require directors to hold a minimum number of shares in the company.

Non-voting Board members are appointed for a three-year term by the Board of Directors on a proposal from the Chairman. They cannot serve for more than four terms. They may be dismissed by the Board at any time.

At 31 December 2019, the nine directors and the non-voting director of Crédit Agricole Assurances were:

	Date of birth	Nationality	Role on the Board	Position held	Date of appointment
Nicole GOURMELON	1963	French	Director Chairwoman of the Board of Directors	Chief Executive Officer of CRCAM Atlantique Vendée	27/07/2016 30/07/2019
Nicolas DENIS	1967	French	Director Chairman of the Audit and Accounts Committee Chairman of the Customer Processes and IT Strategic Committee	Chief Executive Officer of CRCAM Normandie-Seine	27/07/2017
Marc DIDIER	1965	French	Director Member of the Audit and Accounts Committee	Chairman of CRCAM Pyrénées Gascogne	18/04/2019
Elisabeth EYCHENNE	1958	French	Director	Chief Executive Officer of CRCAM Franche-Comté	14/06/2016
Jérôme GRIVET	1962	French	Director	Deputy Chief Executive Officer of Crédit Agricole S.A.	29/10/2015
Isabelle JOB-BAZILLE	1968	French	Director Member of the Audit and Accounts Committee	Chief Economist at Crédit Agricole S.A.	14/06/2016
Murielle LEMOINE	1967	French	Independent director Member of the Audit and Accounts Committee	Independent director	15/10/2019
Xavier MUSCA	1960	French	Director	Deputy Chief Executive Officer of Crédit Agricole S.A.	07/11/2012
Yves PERRIER	1954	French	Director	Deputy Chief Executive Officer of Crédit Agricole S.A.	29/10/2015
Marie-Agnès CHESNEAU	1968	French	Non-voting member Participant in the Audit and Accounts Committee	Deputy Chief Executive Officer of FNCA	30/07/2019

Directorships and other offices held by each of the directors within the Group or in other listed or unlisted companies in France or abroad are disclosed in the corporate governance report and in section 3 of the Crédit Agricole Assurances Universal registration document.

Each year, the Board reviews the desirable balance in the composition of the Board and its Committees, particularly in terms of diversity (gender, age, qualifications and professional experience, etc.).

Movements within the Board in 2019

During 2019, the composition of the Board of Directors underwent a number of changes:

Departures in 2019

- Resignation:

  Jean-Marie MALHERBE resigned as non-voting Board member on 6 February 2019.

- Age limit of 65 reached:

  Bernard PACORY reached the age of 65 in July 2018 and his term of office therefore ended at the General Meeting of Shareholders held on 18 April 2019.

Appointments and reappointments in 2019

- General Meeting of Shareholders of 18 April 2019:
  - appointment of Marc DIDIER as director for a term of three years;
  - reappointment of Elisabeth EYCHENNE as director for a term of three years;
  - reappointment of Isabelle JOB-BAZILLE as director for a term of three years;
  - reappointment of Yves PERRIER as director until the first General Meeting of Shareholders held after his 65th birthday on 26 October 2019.
- Board of Directors' meeting of 30 July 2019:
  - appointment of Nicole GOURMELON as Chairwoman of the Board of Directors to replace Elisabeth EYCHENNE. The Chief Executive Officer, whose term of office is linked to the Chairwoman's term of office, was therefore reappointed;
  - appointment of Marie-Agnès CHESNEAU as non-voting member for a term of three years.
- General Meeting of Shareholders of 15 October 2019:
  - appointment of Murielle LEMOINE as independent director for a term of three years.

    Her appointment was based on an assessment of several criteria: expertise in insurance, no conflicts of interest, respect for the principle of gender diversity and diversity, respect for the age limit, availability, involvement, adaptation to Crédit Agricole Group's culture.

    The independence criteria used by the Board were as follows:

    - not to have a relationship of any kind whatsoever with the company, its group or its management that may interfere with the person's freedom of judgement,
    - not to be or to have been in the previous five years: an employee, Chief Executive Officer or director of the company, one of its subsidiaries or its parent company,
    - not to be a corporate executive officer of a company in which Crédit Agricole Assurances is a director,
    - not to be a customer, supplier, investment banker, commercial banker or consultant that is significant to the company or its group,
    - not to be related by close family ties to a company officer,
    - not to have been an auditor of the company within the previous five years.

The status of independent director is lost after 12 years.

An independent director cannot receive variable compensation linked to the performance of the company or group.

Board's practices and procedures, duties and work

Board meetings are called by the Chairman as often as required in the company's interests and at least four times a year.

Directors receive compensation (formerly known as directors' fees) for their attendance at Board meetings. Each year, the overall budget for directors' compensation is set by the General Meeting of Shareholders and its allocation is decided by the Board of Directors. If a director's repeated absence disrupts the smooth functioning of the Board, the Chairman may ask that director to stand down (see Rules of Procedure below).

The Board of Directors performs the duties conferred on it by law and the company's articles of association. It acts in all circumstances in the interest of the company. It strives to promote long-term value creation taking into account the social and environmental impacts of its operations. It proposes any amendments to the articles of association it deems appropriate. It determines the company's strategy and general policies. It approves, where appropriate, at the proposal of the Chief Executive Officer, the resources, structures and plans required to implement the strategy and general policies it has determined. It rules on all matters concerning the running of the company referred to it by the Chairman and the Chief Executive Officer. It takes decisions on all transactions falling within its exclusive remit. It performs any controls or inspections that it deems necessary.

The non-voting Board member takes part in Board meetings in an advisory capacity. He is consulted on any item tabled on the Board's agenda. Thus, apart from his duty to ensure compliance with the articles of association, he may, after review, give his opinion during the meeting on an agenda item, in particular regarding strategy, business, growth, operational matters, results, risk governance and the company's financial statements.

On 21 July 2009, the Board of Directors of Crédit Agricole Assurances adopted Rules of Procedure which set out the operating procedures for the company's Board and Senior Management, while taking into account the separation of the offices of Chairman of the Board of Directors and Chief Executive Officer. A directors' Code of Conduct has now been added to the Rules of Procedure. The main provisions of the Rules of Procedure are presented in this report.

The Rules of Procedure set out the way in which the Board's work is organised in Board meetings and in meetings held by its specific Committees (Audit and Accounts Committee, Customer Processes and IT Strategic Committee).

The directors' Code of Conduct appended to the Rules of Procedure constitutes a formal reminder of the provisions of the laws, regulations and articles of association governing the prerogatives and responsibilities associated with a directorship (regular attendance, duty of discretion, protection of the company's interests, prevention of conflicts of interest, right to receive information, etc.).

Since their adoption, the Board of Directors has amended the Rules of Procedure (reproduced below) on several occasions.

Assessment of the Board's practices and procedures

As regards its practices and procedures, in early 2019, the Board of Directors expressed its wish to shorten the time taken to send out briefing documents, spend more time on the Group's strategy and in particular the challenges of digital transformation, and extend the length of Board meetings.

As regards its composition, the Board expressed the wish to achieve greater diversity and gender diversity by the end of 2019 and set the objective of appointing a female independent director and expert.

During 2019, except for accounting documents, the briefing documents were made available to the directors no later than the Friday before the Board meeting.

On 20 March 2019, a Board meeting was entirely devoted to the 2020-2022 strategic plan, which includes the digital transformation.

On 15 October 2019, an independent director was appointed at the General Meeting of Shareholders following work done by a selection Committee created for that purpose.

At the end of 2019, a new self-assessment questionnaire on the Board's practices and procedures was sent to all the directors to determine new areas for improvement.

Director training

In accordance with the wishes expressed by the directors at the end of 2018, nine training courses were given during 2019 on the following subjects: 1) Directors' liability; 2) Brokers' liability; 3) Basic principles of life insurance accounting; 4) Compliance: regulatory developments (Sapin 2 law, anti-corruption and IDD regulations); 5) Financial issues involved in the savings model management rules for solvency calculation purposes; 6) Business continuity plan; 7) Basic principles of non-life insurance accounting; 8) IFRS 17; 9) Insurance market in France and Europe – Bancassurance segment.

Directors may if they wish receive training on the specifics of the company, its methods, business sector and social and environmental responsibility issues.

Activity of the Board of Directors during 2019

The Board of Directors met seven times in 2019, on 6 February, 18 April, 7 May, 30 July, 25 September, 6 November and 4 December 2019. The average attendance rate over the year was 77.5%.

The main items on the agenda were as follows:

- **business:** at each of its meetings, the Board reviewed quarterly trends in Crédit Agricole Assurances Group's business in France and International and compared them with the budget. It also analysed the impact of major events on each subsidiary's business;
- **disposal and acquisitions of entities:** as Crédit Agricole Assurances is an insurance holding company whose main purpose is to "acquire shareholdings in insurance and reinsurance companies", the Board was required to vote on proposals to sell or acquire companies, mainly outside France;
- **strategy, organisation:** the Board discussed the strategic guidelines in the 2020-2022 medium-term plan at a seminar held on 20 March 2019;
- **capital management, funding plan:** transactions carried out during 2019 reviewed by the Board were a bond issue made by Crédit Agricole Assurances to Crédit Agricole S.A in September 2019, capital increases made by several subsidiaries (some by way of a stock dividend payment) and subordinated bond issues and redemptions involving Crédit Agricole Assurances;
- **budget:** at its first meeting in 2019, the Board approved the 2019 budget for Crédit Agricole Assurances S.A. and for the Crédit Agricole Assurances Group as a whole. On 4 December, the Board discussed the initial 2020 budget guidelines;
- **review of the financial statements:** at the end of each quarter, after review by the Audit and Accounts Committee, the Board validated the contribution of the Insurance business line to Crédit Agricole S.A. Group's results. The individual and consolidated financial statements for 2018 were approved by the Board of Directors on 6 February 2019. On 30 July 2019, the Board approved the consolidated financial statements at 30 June 2019;
- **annual regulatory reports:** the management report (including the corporate governance report) for 2018 was signed off by the Board on 6 February 2019. The Solvency and Financial Conditions Report (SFCR) and Regular Supervisory Report (RSR) were approved by the Board on 18 April 2019. The Own Risk and Solvency Assessment (ORSA) was approved by the Board on 4 December 2019. The Annual Reports of the Key Function Holders were also presented and signed off (see section below on Key Function Holders);
- **supervision, control, risk management, solvency:** as the head of an insurance group, Crédit Agricole Assurances is subject to Solvency II regulations. In this respect, the Board's role and duties in terms of risk control and Group solvency have been strengthened in the past few years.

  For example, the Board signs off Crédit Agricole Assurances Group's Solvency II governance policies each year.

  During 2019, the Board approved the renewal of eight policies without amendment: Asset and Liability Management, Risk Governance, Outsourcing, Compensation, Liquidity Risk Management, Reporting to the Public and for Control Purposes, Data Quality, and Prudential Provisioning. It also approved amendments to the following eight policies: Investment, Operational Risk Management, Internal Audit, Capital Management, Fit & Proper, ORSA, Underwriting and Reinsurance.

  At the end of each quarter, the Group's solvency ratios are analysed.

  A quarterly report on the risk appetite matrix is also submitted to the Board for review.

  The Board reviewed and signed off Crédit Agricole Assurances Group's ORSA scenario typology on 7 May 2019, approved its ORSA scenario severity on 30 July 2019 and reviewed the initial prospective ORSA results on 6 November 2019.

at its meeting on 4 December 2019, the Board approved Crédit Agricole Assurances Group's ORSA report, the risk appetite statement, the 2020 risk strategy and the financial policy, including investment guidelines for 2020;

- **financial policies – Investments:** the Board reviews the asset and liability framework. Investments are monitored quarterly either directly by the Board or *via* the work of the Audit and Accounts Committee. At the end of the year, the Board reviews a report on operations and sets the guidelines for the year. On 7 May 2019, the Board signed off the company's ecology and energy transition report;
- **reporting of key function holders:** the key function holders are the heads of Internal Audit, Compliance, Risk Management and the Actuarial Function. They report to the Board as often as necessary and at least once a year on their activity and on the plan for the coming year. The Board approved the Actuarial function's Annual Report on 18 April 2019, Internal Audit's 2019 audit execution plan and 2020 audit plan on 6 November 2019, the 2020 risk appetite statement together with the 2020 risk strategy presented by the Risk Management function, and the Compliance function's 2019 report and 2020 action plan on 4 December 2019. The Chairman of the Audit and Accounts Committee also reports regularly to the Board on the work of the key function holders;
- **Crédit Agricole Assurances Group compensation policy:** on 30 July 2019, the Board approved the annual work done by Crédit Agricole S.A.'s Compensation Committee (a delegated Committee) as regards the Crédit Agricole Assurances Group, on the overall budget for variable compensation, the identification and registration of "Identified Staff" and monitoring of compensation policy implementation;
- **governance:** several changes were made to the composition of the Board and the Audit and Accounts Committee during 2019. On 30 July 2019, Nicole GOURMELON was appointed as Chairwoman of the Board of Directors to replace Elisabeth EYCHENNE. The Chief Executive Officer's term of office was renewed. Two new directors were appointed, Marc DIDIER (AGM of 18 April 2019) and Murielle LEMOINE (AGM of 15 October 2019), and well as a new non-voting member: Marie-Agnès CHESNEAU (Board meeting of 30 July 2019). The Board now has nine directors and a non-voting member. Marc DIDIER and Murielle LEMOINE were appointed as members of the Audit and Accounts Committee on, respectively, 18 April 2019 and 6 November 2019. Marie-Agnès CHESNEAU, non-voting member, is a permanent participant in Audit and Accounts Committee meetings. On 6 February 2019, the Board created a Selection Committee comprising four directors (Elisabeth EYCHENNE, Nicole GOURMELON, Jérôme GRIVET, Nicolas DENIS) to select a candidate for appointment as an independent director. This temporary Committee met twice on 24 July and 18 September 2019.;

  On 6 February 2019, the Board adopted a "Succession planning process for Crédit Agricole Assurances directors" to be appended to the Board's Rules of Procedure. It sets out the process to be followed to prepare for the succession of a director, in compliance with governance principles (parity between representatives of the Regional Banks and representatives of Crédit Agricole S.A, fit and properness, diversity, gender diversity and presence of an independent director).;

  The allocation of directors' compensation (formerly known as directors' fees) was determined by the Board on 18 April 2019.;

  The results of the questionnaires of the overall skills and expertise of the Board were reviewed at the first Board meeting of the year, held on 6 February 2019. The requisite training was provided accordingly during 2019;

  Frédéric THOMAS resigned as Chief Executive Officer of Crédit Agricole Assurances with effect from 31 December 2019, following his retirement. At its meeting of 6 November 2019, the Board appointed Philippe DUMONT as Chief Executive Officer of Crédit Agricole Assurances with effect from 1 January 2020. At the time of his appointment, Philippe DUMONT was Deputy Chief Executive Officer and a member of the Executive Committee of Crédit Agricole S.A. in charge of the Specialised Financial Service division, which comprises Consumer Finance and Leasing & Factoring, as well as Chief Executive Officer of Crédit Agricole Consumer Finance. On 1 January 2020, the Board appointed three key executive officers in accordance with Article L. 322-3-2 of the French Insurance Code: Philippe DUMONT, Chief Executive Officer, and Henri LE BIHAN and Thierry LANGRENEY, both of whom were confirmed as Deputy Chief Executive Officers;
- **Crédit Agricole Group's *raison d'être* "Working every day in the interest of our customers and society":** on 6 November 2019, the directors reviewed the Crédit Agricole Group's founding pact setting out the broad governance principles applicable within Crédit Agricole Group, including its *raison d'être*: *"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 life plans, in particular by helping them to guard against uncertainties and to plan for the long term. Crédit Agricole Group 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 supports 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 all its employees to excellence in customer relations and operations."*

Presentation of the Committees

The Board has two specialised Committees, the Audit and Accounts Committee and the Customer Processes and IT Strategic Committee. During 2019, a temporary Selection Committee was created to appoint an independent director. Once its mission had been accomplished, the Committee was disbanded.

The Committees in no way remove any authority from the Board, which has sole legal decision-making power. The Committees do not replace the Board, but simply facilitate its work.

Audit and Accounts Committee

By decision taken on 21 July 2009, the Board of Directors of Crédit Agricole Assurances created an Audit and Accounts Committee to deal with financial, accounting and risk management matters.

The Audit and Accounts Committee meets at least twice a year on the initiative of its Chairman or at the request of the Chairman of the Board of Directors or the Chief Executive Officer.

COMPOSITION OF THE AUDIT AND ACCOUNTS COMMITTEE

On 31 December 2019, members of the Audit and Accounts Committee were:

- Nicolas DENIS (Chair), director;
- Isabelle JOB-BAZILLE, director;
- Marc DIDIER, director;
- Murielle LEMOINE, independent director;
- Marie-Agnès CHESNEAU, non-voting director and permanent invitee.

All of the members have accounting and financial skills.

In addition to the non-voting director, representatives from the Finance department, the Secretary General's office, the Investment department, the statutory auditors as well as the four key function holders (Internal Audit, Risk Management, Compliance, Actuarial) referred to in Article L. 356-18 of the French Insurance Code are also invited to take part in Committee meetings.

DUTIES OF THE AUDIT AND ACCOUNTS COMMITTEE

The practices, procedures and duties of the Audit and Accounts Committee are set out in Rules of Procedure approved by the Board of Directors (see below).

As regards procedures for preparing and processing accounting and financial information, its duties include 1) monitoring the process of preparing financial information and, as appropriate, making recommendations to assure its integrity; 2) ensuring that significant transactions at Crédit Agricole Assurances Group level and major risks are properly accounted for, consistent in overall terms and compliant with Crédit Agricole S.A.'s internal control rules; 3) ensuring that internal procedures for gathering and controlling data to guarantee its reliability are in place; 4) reviewing the Crédit Agricole Assurances Group's internal audit plan.

The Committee makes sure that the accounting methods used to prepare the consolidated and parent company financial statements are appropriate and applied consistently from year to year. It monitors the statutory auditors' audit of the parent company and consolidated financial statements. It reviews the statutory auditors' audit plan. It makes sure that the statutory auditors comply with the independence conditions required by law and, if applicable, take the necessary measures. It makes recommendations to the Board on the reappointment or appointment of the statutory auditors (the recommendation made to the General Meeting of Shareholders must be made on the basis of a competitive bidding procedure). It reviews any financial or accounting matters referred to it by the Chairman of the Board of Directors or the Chief Executive Officer. It reviews any conflicts of interest of which it is aware. It approves the provision of non-audit services permitted by law. It reports to the Board of Directors on the statutory audit engagement, how the engagement contributed to financial data integrity and the role played by the Committee in the process, and to advise the Board promptly of any difficulties experienced.

The Committee also oversees the effectiveness of the internal control, risk management and internal audit systems. For that purpose, it meets the four key function holders at each of its meetings: Internal Audit, Risk Management, Compliance and Actuarial.

It reports regularly to the Board of Directors on its work.

WORK OF THE AUDIT AND ACCOUNTS COMMITTEE

The Audit and Accounts Committee met seven times in 2019, on 6 February, 18 April, 7 May, 30 July, 25 September, 6 November, and 4 December. The average attendance rate was 77.58%.

The Committee's work focused mainly on reviewing the annual and interim financial statements. The main accounting options with a significant impact on the financial statements were described. The consolidated results, together with the contribution from the main Crédit Agricole Assurances Group subsidiaries, were reviewed at Crédit Agricole Assurances Group level as well as its contribution to the Crédit Agricole S.A. Group. The regulatory position, as well as the financial reporting guidelines, were presented. The statutory auditors gave a detailed report on their audit of the 2019 interim and annual financial statements.

The second aspect of the Committee's work involved risk management and, more particularly, matters falling within the scope of the four key function holders (Internal Audit, Risk Management, Compliance and Actuarial). In 2019, their work addressed the following:

- for the Internal Audit function: monitoring the 2019 audit plan, its possible revision, reviewing the results of audits performed during the year, implementing recommendations, validating the 2020 audit plan and discussions with the ACPR on its inspection;
- for the Risk Management function:
  - review of Crédit Agricole Group's major risks (risk mapping, summary of significant events, identification of major risks, risk strategy guidelines), regular review of aggregate limits set as an acceptable risk level, limit utilisation, management decisions to remedy any limit breaches or formally approve derogations in the event of a limit breach,
  - review of the Solvency and Financial Conditions Report (SFCR) and Regular Supervisory Report (RSR),
  - annual review of Solvency II policies,
  - monitoring of Crédit Agricole Assurances Group's solvency ratios,
  - risk appetite framework and risk appetite statement for Crédit Agricole Assurances Group (strategy and monitoring),
  - approval of the Own Risk and Solvency Assessment (ORSA) report,
  - qualitative summary of permanent controls;

- for the Compliance function: monitoring the 2019 activity plan and its results, validating the 2020 plan, Annual Report on the Crédit Agricole Assurances Group's anti-money laundering and counter terrorism financing report, application of the GDPR and OFAC to the Crédit Agricole Assurances Group;
- for the Actuarial function: presentation of its Annual Report.

Minutes of Committee meetings are drawn up and distributed to all the directors.

The Chairman of Committee reports to the Board on the Committee's work.

Crédit Agricole Assurances Customer Processes and IT Strategic Committee

The Board created a new research Committee called the Customer Processes and IT Strategic Committee on 27 July 2017. The Committee is chaired by Nicolas Denis and is responsible for reviewing and issuing opinions on major project monitoring, the quality of IT operations and services performed across the front-to-back chain, and in particular the cost charge-backs. The Committee meets at least twice a year. The Chairman reports to the Board of Directors on the Committee's work.

The Committee met twice in 2019, on 30 April and 24 October.

The Chairman of Committee reports to the Board on the Committee's work.

Compensation Committee

Crédit Agricole Assurances (parent company) has not had any employees since 1 April 2017. At 31 December 2019, the Crédit Agricole Assurances Group, with its French and International subsidiaries, had 5,163 employees.

Crédit Agricole Assurances does not have its own Compensation Committee. At its meeting of 5 November 2013, at the proposal of Crédit Agricole S.A., the Board of Directors delegated compensation matters to Crédit Agricole S.A.'s Compensation Committee.

The role, responsibilities, composition, meeting frequency and work of Crédit Agricole S.A.'s Compensation Committee are described in Crédit Agricole S.A.'s Universal registration document.

On 30 July 2019, the Board was informed of the Compensation Committee's work on variable compensation at its meeting of 15 January 2019, on identified employees at its meeting on 11 February 2019, and on the deployment and control of the compensation policy and control arrangements at its meeting of 12 April 2019.

Compensation of the Chairman and the directors

The Chairman of the Board only receives directors' compensation as defined below.

Compensation of directors

The total amount of directors' compensation (formerly known as directors' fees) is set on an annual basis by the General Meeting of Shareholders and the Board of Directors then decides how it is to be shared out between directors and non-voting members. A set amount of €2,000 per meeting, decided by the Board, is then allocated to each director and non-voting Board member who has attended a meeting of the Board of Directors, the Audit and Accounts Committee, the Customer Processes and IT Strategic Committee or any *ad hoc* study groups (such as the Selection Committee this year). Only the independent director and the directors representing the Regional Banks actually receive this compensation, as the directors representing Crédit Agricole S.A. have waived their entitlement. The total amount paid by the company in directors' compensation in 2019 was €112,000 including tax, or €78,400 excluding tax.

No Crédit Agricole Assurances or Crédit Agricole S.A. stock options or bonus shares were awarded to Crédit Agricole Assurances directors in respect of their directorship of the company.

There are no service contracts between the members of the administrative or management bodies and Crédit Agricole Assurances S.A. or any of its subsidiaries that grant benefits to such members.

Rules of Procedure of the Board of Directors (full text)

- Adopted by the Board on 21 July 2009.
- Article 3 "Duties and operation of the Committees" amended by the Board on 18 February 2010.
- Article 4 "Power of the Chief Executive Officer" amended by the Board on 21 April 2011.
- Article 3.1 "Compensation Committee" amended by the Board on 05 November 2013.
- Article 4 "Power of the Chief Executive Officer" amended by the Board on 19 December 2013.
- Article 4 "Power of the Chief Executive Officer" amended by the Board on 12 February 2015.
- Article 2 "Organisation of the Board's works" and Article 3 "Duties and operation of the Committees" amended by the Board on 02 December 2015.
- Article 1 "Meetings of the Board of Directors" and Article 4 "Powers of the Chief Executive Officer" amended by the Board on 09 February 2017.
- Article 3 "Duties and operation of the Committees" and Article 4 "Powers of the Chief Executive Officer" amended by the Board on 27 July 2017.
- Article 3 "Organisation of the Board's works" amended by the Board on 05 May 2018.
- Article 4 "Powers of the Chief Executive Officer" amended by the Board on 13 December 2018.
- Appendix completed by the director succession process by the Board on 06 February 2019

The Board of Directors of Crédit Agricole Assurances meeting on 21 July 2009, adopted these Rules of Procedure which set out the operating procedures of the company's Board of Directors and Executive Management, while taking account of:

A) the deliberation of the Board dated 21 July 2009 deciding to entrust the duties of Chairman of the Board of Directors and Chief Executive Officer to two separate people;

B) the need to incorporate the company into the Crédit Agricole S.A. control system since it holds, directly or indirectly, almost all of its share capital.

Article 1 – Meetings of the Board of Directors

MEETINGS OF THE BOARD OF DIRECTORS

The Board is convened by its Chairman as often as required by the company's interests and at least four times a year. If a director is repeatedly absent, for whatever reason, the Chairman may ask said director to tender his resignation, so as not to disrupt the smooth operation of the Board. The Chief Executive Officer attends all Board meetings but does not have the right to vote.

VIDEOCONFERENCING AND CONFERENCE CALL

Directors who cannot physically attend a meeting of the Board of Directors may inform the Chairman of their intention to participate by videoconference or telecommunication means. The means of videoconferencing and telecommunications used must meet technical specifications guaranteeing the effective participation of each person in the Board of Directors' meeting. They must allow the identification, by the other members, of the director participating in the meeting by videoconference or telecommunication, transmit at least his voice and ensure the continuous and simultaneous retransmission of the deliberations. A director participating in the meeting by videoconference or telecommunication may represent another director provided that the Chairman of the Board of Directors has, on the day of the meeting, a power of attorney from the director so represented. directors attending the Board of Directors' meeting by videoconference or telecommunication shall be deemed to be present for the purpose of calculating quorum and majority. In the event of a malfunction of the videoconferencing or telecommunications system noted by the Chairman of the Board of Directors, the Board of Directors may validly deliberate and/or continue to conduct business with the members present only physically, provided that the quorum requirements are met. The attendance register and the minutes must mention the names of the directors present and deemed to be present within the meaning of Article L. 225-37 of the French Commercial Code. In accordance with the law, participation in videoconferencing or telecommunications cannot be accepted for the following decisions: preparation of the annual financial statements and management report; preparation of the Group's consolidated financial statements and Management Report, if not included in the Annual Report. The aforementioned exclusions relate only to the inclusion of remote participants in the quorum and majority and not to the possibility for the directors concerned to participate in the meeting and to give their opinion, in an advisory capacity, on the decisions concerned. Participation in videoconferencing or telecommunications may also be refused for technical reasons by the Chairman, insofar as these technical reasons would prevent the Board of Directors from being convened by videoconferencing or telecommunications under the applicable legal and regulatory conditions.

Article 2 – Organisation of the Board's work

A) The Board of Directors exercises the powers invested in it by the law and the company's articles of association:

- it determines overall corporate strategies as well as general company policies;
- it approves, where appropriate, on a proposal from the Chief Executive Officer, the resources, structures and plans needed to implement the general strategies and policies it has determined;
- it rules on all corporate administration-related issues referred to it by the Chairman and the Chief Executive Officer;
- it takes decisions on all company operations falling solely within its remit;
- it conducts any inspections or audits that it deems necessary;
- it consults, in accordance with Article L. 322-3-2 of the French Insurance Code, the heads of key functions directly and on its own initiative, whenever it considers it necessary and at least once a year. The hearing may take place without the Chief Executive Officer present if members of the Board of Directors deem it necessary. The Board of Directors may delegate this hearing to one of its Specialised Committees. Heads of key functions may directly, on their own initiative, inform the Board of Directors where events occur such as to justify it;
- the Board of Directors shall consult Crédit Agricole S.A. prior to taking the decision to appoint its Chairman, Chief Executive Officer or one, or more, Deputy Chief Executive Officers.

B) The Chairman of the Board of Directors organises the Board's work and ensures that it operates smoothly:

- he/she convenes the Board of Directors, sets the agenda for meetings and ensures that directors receive necessary and sufficient information, in advance, so that decisions can be taken with full knowledge of the facts;
- the Chairman alone is authorised to ask the Executive Management for documents and information about the company outside Board meetings;
- directors also have this option subject to prior notification of the Chairman.

Article 3 – Duties and operation of the Committees

COMPENSATION COMMITTEE

By decision of the Board of Directors on 5 November 2013, at the proposal of Crédit Agricole S.A., the duties of Crédit Agricole Assurances' Compensation Committee were devolved to Crédit Agricole S.A.'s Compensation Committee.

AUDIT AND ACCOUNTS COMMITTEE

An Audit and Accounts Committee has been created comprising at least two members appointed by the Board of Directors from among its members that do not hold a management position within the company. A non-voting member may also be designated as a permanent guest.

The Chairman of the Audit and Accounts Committee is appointed by the Board of Directors.

Meetings are attended by any person charged with reporting or authorised to report on matters relating to finance, risk control, audit work or company accounts. Representatives from the Finance department and the Secretary General's office and the four key function holders (Internal Audit, Risk Management, Compliance, Actuarial Function) referred to in Article L. 356-18 of the French Insurance Code are invited to attend Committee meetings, under the conditions set out in Article L. 322-3-2 of the French Insurance Code.

A quorum exists if two of its members are present.

Members who are unable to attend a Committee meeting in person may inform the Chairman of their intention to take part in the meeting by videoconferencing or other means of telecommunication enabling the members to be identified and the proceedings to be faithfully recorded.

The minutes of the Committee meeting shall list the names of those members attending the meeting by video conferencing or other means of telecommunication.

Attendance *via* videoconferencing or other means of telecommunication may be refused by the Chairman for technical reasons.

The Committee meets on the initiative of its Chairman or at the request of the Chairman of the Board of Directors or the Chief Executive Officer.

The Committee may consult the Chief Accounting Officer and Accounts department employees without members of Executive Management being present. The Committee hears comments from the statutory auditors without representatives from Crédit Agricole Assurances Group departments being present.

The Committee meets at least twice a year to review the half-year and annual financial statements prior to their submission to the Board.

The agenda is set by the Chairman of the Committee,

The Committee's main duties are:

- to oversee the preparation of financial information and, if necessary, make recommendations to ensure its integrity;
- to monitor the effectiveness of internal control, risk management and, where appropriate, internal audit systems, as regards the preparation and processing of accounting and financial information, and in particular:
  1) to ensure the appropriate accounting treatment of Crédit Agricole Assurances Group significant transactions as well as major risks, in addition to the overall consistency and compliance with Crédit Agricole S.A.'s internal audit rules,
  2) to make sure that internal procedures are in place for collecting and auditing data, thus ensuring their reliability,
  3) to review the Crédit Agricole Assurances Group's internal audit plan,
  4) to familiarise itself with the Crédit Agricole Assurances Group internal audit programmes;
- to make sure that the accounting methods used to prepare the consolidated and parent company financial statements are appropriate and applied consistently from year to year;
- to monitor the statutory auditors' audit of the parent company and consolidated financial statements;
- to review the statutory auditors' audit plan;
- to make sure that the statutory auditors comply with the independence conditions required by law and, if applicable, take the necessary measures;
- to make recommendations to the Board on the reappointment or appointment of the statutory auditors (the recommendation made to the General Meeting of Shareholders must be made on the basis of a competitive bidding procedure);
- to review any financial or accounting matters referred to it by the Chairman of the Board of Directors or the Chief Executive Officer;
- to review any conflicts of interest of which it is aware;
- to approve the provision of non-audit services permitted by law;
- to report regularly to the Board of Directors on its work;
- to report to the Board of Directors on the statutory audit engagement, how the engagement contributed to financial data integrity and the role played by the Committee in the process, and to advise the Board promptly of any difficulties experienced.

The Committee meeting held at the end of the year is devoted mainly to reviewing risk matters.

CUSTOMER PROCESSES AND IT STRATEGIC COMMITTEE

The Committee comprises three directors appointed by the Board. Its Chairman must be a director of Crédit Agricole Assurances and a representative of the Regional Banks. Each Committee member must hold one or more directorships in CAA, Predica, Pacifica or CACI such that all four companies are represented by the three members. Other permanent invitees also attend meetings. They include the chairs of the France life and non-life IT & Customer Processes Committees, internal representatives of Crédit Agricole Assurances Solutions and heads of banking and insurance distributors. The opinions issued by the Committee to the Board of Directors are based on work done by the two technical Committees (France life and France non-life IT & Customer Processes Committees) that meet quarterly to monitor implementation of strategic guidelines. The Committee is responsible for reviewing and issuing opinions on major project monitoring, the quality of IT operations and services performed across the front-to-back chain, and in particular the cost charge-backs. The Committee's role is to define guidelines for IT strategy and customer processes to ensure a consistent group-wide approach in these areas. The Committee meets at least twice a year. The agenda is set by the Chairman of the Committee, who reports on its work at the next Board meeting. Members who are unable to attend a Committee meeting in person may inform the Chairman of their intention to take part in the meeting by videoconferencing or other means of telecommunication enabling the members to be identified and the proceedings to be faithfully recorded. The minutes of the Committee meeting shall list the names of those members attending the meeting by videoconferencing or other means of telecommunication. Attendance *via* videoconferencing or other means of telecommunication may be refused by the Chairman for technical reasons.

Article 4 – Powers of the Chief Executive Officer

The Chief Executive Officer has the fullest powers to act in the name of the company in all circumstances and to represent it with respect to third parties.

1/ Nevertheless, prior agreement from Crédit Agricole S.A. and the Board of Directors of Crédit Agricole Assurances is required for the following investment or divestment transactions, in excess of €25 million:

- acquisition or subscription of securities for the purpose of long-term investment, and their disposal (whether majority equity investments or not),
- asset contributions, mergers or partnerships resulting in changes to the legal scope of Crédit Agricole Assurances Group,
- decisions to bring in new shareholders of Crédit Agricole Assurances consolidated entities,
- contributions (and disposals) of assets or businesses,
- any transactions that may result from the deferred implementation of the transactions described above.

Where the transactions referred to above are for less than €25 million and meet one of the four criteria listed below, they shall be reported, for information purposes, to the Chairman of the Board:

- aggregate investments (cost of acquisition and capital increases) over five years in excess of €10 million,
- asset contributions, mergers or partnerships resulting in changes to the legal scope of the business (the creation of a branch is considered to be a change of legal scope),
- annual operating expenses in excess of €3 million,
- a run-off period of more than three years, where a decision is subsequently taken to sell or discontinue an activity.

In addition, investment transactions made by Crédit Agricole Assurances (parent company) that meet the following conditions may derogate from the company's portfolio risk strategy and are reported annually to the Audit and Accounts Committee:

- the investment is in line with a Crédit Agricole Group policy,
- the amount of the transaction is less than or equal to €2 million,
- the aggregate amount of investments made under these rules may not exceed €20 million.

2/ Moreover, by delegation of Crédit Agricole Assurances Group entities authorised by their Board of Directors, the Chief Executive Officer of Crédit Agricole Assurances may carry out investments or divestments involving four types of assets on behalf of all Crédit Agricole Assurances Group entities.

- Nevertheless, if the transaction involves its subsidiary Predica or if the aggregate counterparty exposure (existing outstanding amounts plus investment projects) for a given type of asset exceeds one of the thresholds indicated below (see §A and §B), prior approval is required from the Chairman and the Deputy Chairman (which may be delegated) and, where appropriate, prior consultation of the Crédit Agricole S.A. Group Risk Management department.
- These rules do not cover transactions falling within the scope of fund management mandates given by the entities to asset management companies, or strategic investments related to the development of bancassurance activities, *i.e.* creating branches, spinning off a business into a subsidiary, acquiring equity interests, selling or acquiring a business, for which the Chief Executive Officer must obtain prior approval from the Chairman (or Deputy Chairman, where applicable).

§A: THRESHOLDS ON TRANSACTIONS INVOLVING INVESTMENTS OTHER THAN IN COLLECTIVE FUNDS

Asset category 1: Fixed income

- prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €150 million (excluding the receiving of a stock dividend);
- prior consultation with the Crédit Agricole S.A. Group Risk Management department, if the exposure is covered by a Crédit Agricole Group conglomerate level framework, provided that the consumption of the individual limit set by the Group Risk Committee exceeds 90% (excluding the receiving of a stock dividend).

Asset category 2: Listed equities

- prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €120 million;
- prior consultation with the Crédit Agricole S.A. Group Risk Management department, excluding the receipt of a dividend in shares, if the exposure is covered by a Crédit Agricole Group conglomerate level framework, provided that the consumption of the individual limit set by the Group Risk Committee exceeds 90%.

Asset category 3: Property assets

- prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €120 million;
- prior consultation with the Crédit Agricole S.A. Group Risk Management department, if the exposure is covered by a Crédit Agricole Group conglomerate level framework, provided that the consumption of the individual limit set by the Group Risk Committee exceeds 90%.

Asset category 4: Unlisted equities

- prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €60 million;
- prior consultation with the Crédit Agricole S.A. Group Risk Management department, excluding the receipt of a dividend in shares, if the exposure is covered by a Crédit Agricole Group conglomerate level framework, provided that the consumption of the individual limit set by the Group Risk Committee exceeds 90%.

§B: THRESHOLDS ON TRANSACTIONS INVOLVING INVESTMENTS COLLECTIVE FUNDS

Asset category 1: Fixed income

Prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €300 million or if exposure to the asset management company exceeds €750 million[1].

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[1] *Collective funds do not fall within the scope of management by the conglomerate Crédit Agricole Group. Only the aggregate exposure criterion determines whether prior consultation of Crédit Agricole S.A. is required.*
Clarification of the concepts of aggregate exposure and exposure to an asset management company: the amount of aggregate exposure corresponds to total transactions in the risk group. For collective funds, the concept of risk group corresponds to funds with the same investment universe or processes.
Exposure to the asset management company is equal to the sum of drawn and undrawn commitments on the funds managed by the management company.

Asset category 2: Listed equities

Prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €240 million or if exposure to the asset management company exceeds €600 million[1].

Asset category 3: Property assets

Prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €240 million or if exposure to the asset management company exceeds €600 million[1].

Asset category 4: Unlisted equities

Prior approval from the Chairman and Deputy Chairman of Predica if aggregate exposure exceeds €120 million or if exposure to the asset management company exceeds €300 million[1].

Article 5 – Amendments to the articles of association and these Rules of Procedure

The Board of Directors shall not propose to the General Meeting of Shareholders any amendment of the articles of association or any other operation over which the Extraordinary General Meeting of Shareholders has jurisdiction unless it has been approved in advance by Crédit Agricole S.A.

Likewise, it shall not decide on any changes to the company's Executive Management or Rules of Procedure, unless it has received approval from Crédit Agricole S.A., said approval being recorded in the Minutes of the relevant Board meeting.

Appendix – Directors' Code of Conduct

All company directors shall comply unreservedly with the provisions of this Code of Conduct, appended to the Board of Directors' Rules of Procedure, of which it forms an integral part.

The Board of Directors, of which you are a member, is the corporate body which, on behalf of all shareholders taken as a whole, appoints corporate officers and oversees and supervises the company's management.

You have been elected by the General Meeting of Shareholders on the basis of your expertise and the contribution that you can make to running the company.

Your work within the Board of Directors shall be guided solely by the interests of the company, considered with regard to the expectations:

- of shareholders;
- of Crédit Agricole Regional Banks;
- of customers;
- of employees.

All the company-related information which you received within the context of your duties, whether on the occasion of meetings of the Board or of any specialised Committees, is supplied to you *intuitu personæ*. According to the law, directors are bound by an obligation of discretion. Furthermore, you shall ensure that such information is kept confidential. If you represent a director that is a legal entity, you are subject to same confidentiality requirement.

Your duties as a director are regulated by the French Commercial Code. In addition to such regulation, this Code of Conduct has been drawn up to enable you to exercise your powers in full and to ensure the overall effectiveness of your contribution. It is therefore vital that you comply with the Code of Conduct even if you are the permanent representative of a director that is a legal entity.

In this respect:

- you shall ensure that your attendance at Board meetings is not a source of any conflict of interest either on a personal level or as a result of your professional responsibilities;
- should you consider yourself unable to fulfil your role on the Board of Directors and/or any specialised Committees of which you are a member, you shall resign;
- you shall abstain from deciding and voting on any resolution intended for the purpose of authorising any operation whatsoever in which you (or the company that you represent) have a direct, or indirect, interest;
- you have the option of consulting the Crédit Agricole S.A. Group Ethics Officer on any ethical issues, even on an *ad hoc* basis;
- you shall ensure that material issues affecting the life of the company are the subject of Board of Directors' decisions sanctioned by formal votes, in particular:
  - appointing of members of the executive body,
  - strategic guidelines resulting in product and market policy choices,
  - presenting the budget,
  - estimating results,
  - presenting the management report,
  - approving the financial statements and allocating profits,
  - presenting resolutions for submission to the General Meeting of Shareholders,
  - reports from any specialised Committees created,
  - significant acquisitions or disposals of assets.

  Should you consider it necessary for a topic to be debated by the Board of Directors, you are responsible for asking the Chairman of the Board to list said topic on the agenda;
- you shall commit to making an active, critical and constructive contribution to the work of the Board of Directors and of any Committees of which you are a member. Attendance at Board and Committee meetings is the primary condition of this involvement.

  So that you are able to perform your duties to the best of your ability, the Chairman of the Board of Directors shall provide you, wherever possible prior to the Board meeting, with all the information regarding the documents that are to be discussed at said meeting. You also have the option of obtaining information directly from members of the company's management, subject to having informed the Chairman in advance that you wish to exercise this option.

If you no longer comply with the principles or rules of conduct described in this Code of Conduct, you shall tender your resignation to the shareholders.

All members of the Board of Directors adhere unreservedly to the directors' Charter (reproduced above). The main commitments made in the Charter are to make decisions at all times in the interest of the company, comply with their duty of discretion and

(1) *Collective funds do not fall within the scope of management by the conglomerate Crédit Agricole Group. Only the aggregate exposure criterion determines whether prior consultation of Crédit Agricole S.A. is required.*
Clarification of the concepts of aggregate exposure and exposure to an asset management company: the amount of aggregate exposure corresponds to total transactions in the risk group. For collective funds, the concept of risk group corresponds to funds with the same investment universe or processes.
Exposure to the asset management company is equal to the sum of drawn and undrawn commitments on the funds managed by the management company.

confidentiality, ensure that their participation in Board meetings does not cause a conflict of interest either personally or professionally, abstain from voting on any resolution which would have the effect of authorising an transaction of any kind in which they have a direct or indirect interest, ensure that all matters that are important for the company are discussed by the Board, participate actively in a critical and constructive way in the Board's work, and keep abreast of all matters concerning the company.

To the knowledge of the company and on the date this document was drawn up, no conflict of interests is identified between the duties of a corporate officer of the company and his private interests or other duties.

REGULATED INFORMATION REFERRED TO ARTICLE L. 225-37-4 OF THE FRENCH COMMERCIAL CODE

List of directorships and other offices held

The directorships and offices held by each of the directors in other companies (Group or non-Group, listed or unlisted, in France or abroad) are indicated below.

Agreements entered into between a corporate officer or a significant shareholder and a subsidiary

No agreements that fall within the scope of Article L. 225-37-4, point 2, of the French Commercial Code were entered into in 2019. The agreements referred to are agreements between (i) a corporate officer of Crédit Agricole Assurances (Chief Executive Officer or director) or a shareholder holding more than 10% of the company's voting rights (*i.e.* Crédit Agricole S.A.) and (ii) a company controlled by Crédit Agricole Assurances within the meaning of Article L. 233-33 of the French Commercial Code.

Agreements that fall within the scope of Article L. 225-38 of the French Commercial Code (related-party agreements) entered into by Crédit Agricole Assurances and one of its corporate officers or shareholders or a company that shares a common director with Crédit Agricole Assurances, are subject to special oversight due to potential conflicts of interest. Since the creation of Crédit Agricole Assurances, no agreement falling within the scope of Article L. 225-38 of the French Commercial Code has required prior authorisation by the Board, including in 2019.

Authorisations to effect capital increases

Table summarising authorisations in force granted by the General Meeting of Shareholders to the Board of Directors to effect capital increases and use made of such authorisations during the year (information required by Order no. 2004-604 of 24 June 2004 reforming the system applicable to negotiable securities):

General meetings Resolutions	Purpose of authorizations to the Board of Directors	Duration, ceilings, limitations	Use made of authorizations in 2019
General Meeting of Shareholders of 18 April 2019 18th resolution	Increase share capital in one or more transactions at such times as the Board of Directors shall determine, through contributions in cash, to be paid up in cash or by offsetting against claims which are unequivocal, clearly defined and due for payment against the company.	**Ceiling:** The total amount of capital increases may not exceed €500 million. **Term:** One year from the General Meeting of Shareholders.	None.

Restrictions on the Chief Executive Officer's powers imposed by the Board of Directors

The Chief Executive Officer has the widest powers to act in the name of the company in all circumstances and to represent the company in its dealings with third parties.

Nevertheless, prior agreement from Crédit Agricole S.A. and the Board of Directors of Crédit Agricole Assurances is required for investment transactions described in Article 4 of the Rules of procedures reproduced above.

Summary table showing the governance rules laid down by Crédit Agricole Assurances in addition to the standard required by law

This table is presented below.

Terms and conditions of shareholders' participation in general meetings of shareholders

The terms and conditions of shareholders' participation in general meetings of shareholders are laid down in Article 18 of the company's articles of association.

At 31 December, Crédit Agricole Assurances had seven shareholders: Crédit Agricole S.A. for all the shares except six shares each held by six simplified joint stock companies (Sigma 39 to Sigma 44) wholly owned subsidiaries by Crédit Agricole S.A.

General Meetings of Shareholders are convened and held under the terms and conditions provided by law.

These meetings are held at the registered office or at any other venue as indicated in the meeting notice.

Except in the cases expressly provided for by law, any shareholder has the right to attend General Meetings and to take part in the deliberations, in person or by proxy, regardless of the number of shares held.

As provided for by law, holders of shares registered for at least three working days prior to the date of the General Meeting may attend or be represented at the meeting with no prior formality, by providing proof of their identity. The Board of Directors may decide to shorten this period.

Any shareholder may also cast a vote remotely by post in accordance with the legal and regulatory provisions.

The General Meeting is chaired by the Chairman of the Board of Directors or, in his/her absence, by the Deputy Chairman, where applicable, or by a director delegated by the Board of Directors; failing this, by a person appointed by the General Meeting. Where the meeting has not been convened by the Board of Directors, the meeting is chaired by the person or one of the persons who convened it.

Ordinary and extraordinary General Meetings of Shareholders acting in accordance with the quorum and majority requirements provided for by law, exercise the powers granted to them by the legislation in force.

Minutes of meetings shall be drawn up and copies thereof shall be certified and issued in accordance with the law.

Company capital structure

At 31 December 2019, Crédit Agricole Assurances S.A.'s share capital was composed of 149,040,367 ordinary shares, each with a par value of €10.

Crédit Agricole Assurances has seven shareholders. All but six shares are held by Crédit Agricole S.A. The six other shares are each held by a simplified joint stock company in turn wholly owned by Crédit Agricole S.A.

	Number of shares	%
Crédit Agricole S.A.	149,040,361	99.99
Autres	6	NS
TOTAL	**149,040,367**	**100.00**

Company shares have not been the subject of any public offering and are not admitted for trading on any regulated market.

On 31 December 2019, there was no Crédit Agricole Assurances Group employee shareholding in the share capital of Crédit Agricole Assurances S.A.

SUMMARY TABLE SHOWING THE GOVERNANCE RULES LAID DOWN BY CRÉDIT AGRICOLE ASSURANCES IN ADDITION TO THE STANDARD REQUIRED LAW

Governance structure and role of the Chairman

Separation of the functions of Chairman of the Board and Chief Executive Officer

Law:
The decision shall be taken by the Board of Directors. (L. 225-51-1, para. 2)
AFEP-MEDEF Code of Governance (June 2018):
It is the responsibility of the Board of Directors to decide and to explain its decision. (Recommendation 3)
Governance of Crédit Agricole Assurances:
"In accordance with the Act of 15 May 2001 on the new economic regulations and general rules of governance applicable within the Crédit Agricole Group which distinguish between guidance, decision-making and control functions on the one hand, and executive functions on the other, the offices of Chairman and Chief Executive Officer of Crédit Agricole Assurances have been separated. The Board reiterates this principle each time the Chairman or Chief Executive Officer is appointed or reappointed."

Role of the Chairman

Law:
The Chairman organises and leads the work of the Board of Directors and reports thereon to the General Meeting of Shareholders. The Chairman ensures that the company's bodies run smoothly and, in particular, that directors are in a position to fulfil their duties. (L. 225-51)
AFEP-MEDEF Code of Governance (June 2018):
Shareholder relations with the Board of Directors, particularly with regard to corporate governance aspects, may be entrusted to the Chairman of the Board of Directors or, if applicable, to the Lead Director. He or she shall report on this task to the Board of Directors. (Recommendation 4)
Governance of Crédit Agricole Assurances:
"In accordance with the law and the articles of association the Chairman of the Board of Directors organises and directs the work of the Board and reports to the General Meeting of Shareholders on its activities. (...) Following consultation with the Chief Executive Officer, the Chairman of the Board of Directors assesses the work carried out during the year and still to be carried out, in particular, when the Board's schedule and meeting agendas are being set." Relations between the Board and Crédit Agricole S.A. (100% shareholder of Crédit Agricole Assurances) on corporate governance matters are the responsibility of the Chairman.

Composition and diversity of the Board of Directors

Number of Directors

Law:
Composed of 3 members at least and of 18 members at most. (L. 225-17 para. 1)
AFEP-MEDEF Code of Governance (June 2018):
The organization of the Board's work, and likewise its membership, must be suited to the shareholder make-up, to the size and nature of each firm's business (...). Each Board is the best judge and its main responsibility is to choose the organizational and operating structure, which the best to carry out its missions. (Recommendation 2.2)
Governance of Crédit Agricole Assurances:
"Crédit Agricole Assurances, a French public limited company (société anonyme) and holding company, head of the insurance group, is managed by a Board of Directors which has at least three members and at most eighteen members, subject to the exemptions provided by law. (...)
At 31 December 2019, the Board is composed of nine members and a censor. The Board is composed of an independent director, and for the other directors, 50% composed of Regional Bank executives and 50% Crédit Agricole S.A. Management."

Gender balance

Law:
The Board of Directors must seek a balanced representation between women and men. (L. 225-17, para. 2)
- Company whose **shares** are traded on a regulated market: Women and men must each represent at least 40% of directors as of the 2017 Shareholders' Meeting.
- **Large company:** women and men must each represent at least 40% of directors as of the 2017 Shareholders' Meeting for companies that, over three consecutive financial year, have more than 500 employees and €50 million of revenue (or have total assets of at least that amount) and, as of the 2020 Shareholders' Meeting for companies that, over three consecutive years, have more than 250 employees and €50 million of revenue (or total assets of at least that amount). (L. 225-18-1)

AFEP-MEDEF Code of Governance (June 2018):
Women and men must each represent at least 40% of directors as of the 2016 Shareholders' Meeting. (Recommendation 6.4)
Governance of Crédit Agricole Assurances:
The Board of Directors of Crédit Agricole Assurances includes four women out of nine members, i.e. 44.4%. Crédit Agricole Assurances, whose shares are not traded on a regulated market, has no employees.

Directors' age

Law:

The number of Directors above the age of 70 may not be more than a third of the number of directors in office. (L. 225-19 para. 2)

Governance of Crédit Agricole Assurances:

"The average age of directors of Crédit Agricole Assurances is 56. The company's articles of association set an age limit of 65; any director who exceeds this limit will be automatically deemed to have resigned at the end of the next Ordinary General Meeting."

Shares held by directors

Law:

The governing chapters can impose that each director owns a number of Society's shares, which is determined by the governing chapters. (L. 225-25 para. 1)

AFEP-MEDEF Code of Governance (June 2018):

Directors have to own a significant number of shares. (Recommendation 19)

Governance of Crédit Agricole Assurances:

"Since neither the law nor the articles of association require directors to hold a minimum number of shares, the directors of Crédit Agricole Assurances are not company shareholders."

Directors representing employees shareholders

Law:

If employee shareholders represent more than 3% of the share capital, the Shareholders' Meeting appoints a director representing them. (L. 225-23, para. 1)

AFEP-MEDEF Code of Governance (June 2018):

Recommendation 7.

Governance of Crédit Agricole Assurances:

The appointment of a director to represent employee shareholders does not apply.

"All but six shares are held by Crédit Agricole S.A."

Directors representing employees

Law:

In companies employing, at the end of two consecutive financial years, more than 1,000 employees with their French subsidiaries or more than 5,000 employees with their French and international subsidiaries, their Board of Directors must include at least one employee director of the company. (L. 225-27-1)

AFEP-MEDEF Code of Governance (June 2018):

Recommendation 7.

Governance of Crédit Agricole Assurances:

The obligation to appoint a director representing employees does not apply to Crédit Agricole Assurances, since it already applies to its parent company, Credit Agricole S.A.

Independent directors

Law:

At least one member of the Audit and Accounts Committee must be an independent director. (L. 823-19, II, para. 1)

AFEP-MEDEF Code of Governance (June 2018):

For controlled companies, at least one third of directors must be independent. (Recommendation 8)

Governance of Crédit Agricole Assurances:

As Crédit Agricole Assurances is wholly owned by Crédit Agricole S.A., its Board of Directors is composed of an independent director, and for the other directors, 50% composed of Regional Bank (main distributor of the group's insurance products) executives and 50% Crédit Agricole S.A. Management.

Advisory Board

Law:

Non-voting Board members are not required.

Governance of Crédit Agricole Assurances:

"Non-voting Board members are appointed for a three-year term by the Board of Directors on a proposal from the Chairman. They cannot serve for more than four terms. They may be dismissed by the Board at any time."

The non-voting Board member shall participate in the meetings of the Board of Directors in an advisory capacity. In particular, he monitors compliance with the articles of association and provides the Board with information and comments. On 31 December 2019, the Board of Directors of Crédit Agricole Assurances consisted of nine directors and one non-voting woman member.

Rules to prevent and deal with conflicts of interest situations, which can involve directors

Governance of Crédit Agricole Assurances:

- "you shall ensure that your attendance at Board meetings is not a source of any conflict of interest either on a personal level or as a result of your professional responsibilities;
- should you consider yourself unable to fulfil your role on the Board of Directors and/or any specialized Committees of which you are a member, you shall resign;
- you shall abstain from deciding and voting on any resolution intended for the purpose of authorizing any operation whatsoever in which you (or the company that you represent) have a direct, or indirect, interest;
- you have the option of consulting the Crédit Agricole S.A. Group Ethics Officer on any ethical issues, even on an ad hoc basis." (Directors' Code of Conduct appended to the Rules of Procedure)

Directorships

List of directorships held by directors and executive officers

Law:

Directorships to be disclosed in the corporate governance report. (L. 225-37-4)

Governance of Crédit Agricole Assurances:

A list of directorships held by each director is disclosed in this report.

Term of directorship held by directors

Law:

The duration of directorship held by directors is set by the by-laws, and may not exceed six years. (L. 225-18 para. 1)

AFEP-MEDEF Code of Governance (June 2018):

The duration of directorship held by directors is set by the by-laws, and may not exceed four years. (Recommendation 13.1)

Governance of Crédit Agricole Assurances:

The term of directorship of Crédit Agricole Assurances directors is set at three years by the company's articles of association. This term is renewable although directors cannot serve for more than four consecutive terms of directorship.

Functioning and organisation of the Board (see existence of rules of procedure)

Number of Board of Directors meetings

Law:

The frequency of meetings is not regulated. Only one meeting is compulsory in the year, the one which approves the financial statements.

AFEP-MEDEF Code of Governance (June 2018):

Recommendation 10.2 advocates that the frequency of the meetings is such that they allow for in-depth review of the matters falling within the Committee's scope.

Governance of Crédit Agricole Assurances:

The Board of Directors is convened by its Chairman as often as required by the company's interests and at least four times a year.

"The Board of Directors met seven times in 2019."

Video Conferencing

Law:

The law gives a capacity.

Governance of Crédit Agricole Assurances:

"Directors who cannot physically attend a meeting of the Board of Directors may inform the Chairman of their intention to participate by videoconference or telecommunication means. The means of videoconferencing and telecommunications used must meet technical specifications guaranteeing the effective participation of each person in the Board of Directors' meeting. They must allow the identification, by the other members, of the director participating in the meeting by videoconference or telecommunication, transmit at least his voice and ensure the continuous and simultaneous retransmission of the deliberations. (...) Participation in videoconferencing or telecommunications may also be refused for technical reasons by the Chairman." (Board of Directors' Rules of Procedure)

Attendance of the directors to the Board

Law:
No legislation requires the attendance of Directors to the meetings. Article R 225-19 allows directors to have a representative.
AFEP-MEDEF and MIDLLENEXT Code of Governance (June 2018):
It is expected of any director that he or she has the requisite qualities and in particular that he or she is honest, present, active and involved. (Recommendation 6.1)
Governance of Crédit Agricole Assurances:
"Attendance of Directors at meetings of the Board of Directors is compensated by the payment of Directors' fees. Each year, its overall budget is set by the General Meeting of Shareholders and its distribution is decided by the Board of Directors. If a director is repeatedly absent, such as to disrupt the smooth functioning of the Board, the Chairman may ask that director to tender his or her resignation (see Rules of Procedure)."
"The Board of Directors met seven times in 2019. There was a 77.5% rate of attendance over the year."
"You shall commit to making an active, critical and constructive contribution to the work of the Board of Directors and of any Committees of which you are a member. Attendance at Board and Committee meetings is the primary condition of this involvement." (Directors' Code of Conduct appended to the Rules of Procedure)

Compensation Committee

Law:
The Board of Directors may set up specialised Committees (R 225-29, para. 2). An insurance group company such as Crédit Agricole Assurances is not required by law to have a Compensation Committee.
AFEP-MEDEF Code of Governance (June 2018):
In recommendation 17, the AFEP-MEDEF Code recommends the creation of a Compensation Committee responsible for reviewing and proposing to the Board all compensation and benefits to be paid to the company officers and for making a recommendation on the amount and allocation of directors' fees.
Governance of Crédit Agricole Assurances:
"By decision of the Board of Directors on 5 November 2013, at the proposal of Crédit Agricole S.A., the duties of Crédit Agricole Assurances' Compensation Committee were devolved to Crédit Agricole S.A.'s Compensation Committee."

Nominations Committee

Law:
The Board of Directors may set up specialised Committees (R 225-29, para. 2). An insurance group company such as Crédit Agricole Assurances is not required by law to have a Nominations Committee.
AFEP-MEDEF Code of Governance (June 2018):
Recommendation 16
Governance of Crédit Agricole Assurances:
No Nominations Committee

Audit and Accounts Committee

Law:
Crédit Agricole Assurances, company whose securities are admitted to trading on a regulated market, has to set up an Audit and Accounts Committee. (L. 823-19 para. 1)
AFEP-MEDEF Code of Governance (June 2018):
Recommendation 15 sets out certain requirements relative to the composition, tasks and operation.
Governance of Crédit Agricole Assurances:
"The Audit and Accounts Committee must have at least two members, meet at least twice a year on *the initiative* of its Chairman or at the request of the Chairman of the Board of Directors or the Chief Executive Officer, and report to the Board of Directors on its work."

Existence of rules of procedure

Law:
Rules of procedure are not required by law.
AFEP-MEDEF Code of Governance (June 2018):
Recommendations 1.9, 2.2, 11.1, 14.3 and 19
Governance of Crédit Agricole Assurances:
"On 21 July 2009, the Board of Directors of Crédit Agricole Assurances adopted Rules of Procedure which set out the operating procedures for the company's Board and Senior Management, while taking into account the separation of the offices of Chairman of the Board of Directors and Chief Executive Officer. A directors' Code of Conduct has now been added to the Rules of Procedure."
In particular, "the Rules of Procedure set out the way in which the Board's work is organised in Board meetings and in meetings held by its specific Committees".
"The directors' Code of Conduct appended to the Rules of Procedure constitutes a formal reminder of the provisions of the laws, regulations and articles of association governing the prerogatives and responsibilities associated with a directorship (regular attendance, duty of discretion, protection of the company's interests, prevention of conflicts of interest, right to receive information, etc.). It explicitly refers to a director's right to consult the Crédit Agricole S.A. Group Ethics Officer if necessary.
Since their adoption, the Board of Directors has amended the Rules of Procedure (reproduced below) on several occasions."

Directors' Code of Conduct

AFEP-MEDEF Code of Governance (June 2018):
Recommendation 19: director's ethics
Governance of Crédit Agricole Assurances:
(See directors' Code of Conduct attached to the rules of procedures of the Board of Directors)

Right to be personally informed

Law:
The Chairman or the Chief Executive Officer is bound to disclose to each director all the documents and information required for performance of his or her duties. (L. 225-35 para. 3)
AFEP-MEDEF Code of Governance (June 2018):
Recommendation 11:
the rules of procedure should set out the manner in which this right to disclosure is exercised and the related confidentiality duty;
importance of providing all relevant information, even critical, at any moment of the company's life, between the Board's meeting if the emergency or importance of the matter so requires;
importance of providing directors with information, if they do not have a sufficient knowledge of the company's organization and activity.
Governance of Crédit Agricole Assurances:
"The Chairman of the Board of Directors organises the Board's work and ensures that it operates smoothly. He/she convenes the Board of Directors, sets the agenda for meetings and ensures that directors receive necessary and sufficient information, in advance, so that decisions can be taken with full knowledge of the facts. The Chairman alone is authorised to ask the Executive Management for documents and information about the company outside Board meetings. Directors also have this option subject to prior notification of the Chairman." (Rules of procedure of the Board of Directors)

Board assessment

Assessment of the Board's work and communication of information relative to the results of these assessments

Law:
No requirement is set down by law.
AFEP-MEDEF Code of Governance (June 2018):
Recommendation 9 sets out that the Board should periodically review its organisation and functioning. The Board has to make sure that important issues are suitably prepared and debated. He has to measure the actual contribution of each director to the Board's work.
It is recommended that the Board:
- shall organise once year a discussion on how it operates;
- shall carry out a formal evaluation every three years with the assistance of an external consultant;
- shall inform shareholders.

Governance of Crédit Agricole Assurances:
During the year, the Board of Directors conducted an assessment of the way it works. The foregoing underlines that the directors expressed their unanimous satisfaction with regard to the way the Board of Directors and the Audit and Accounts Committee work, as well as concerning their composition and dynamism. Within the framework of a constructive approach, the directors have expressed a number of suggestions that could improve the common work.

Corporate officers' compensation

Information on directors and executive officers' compensation

Law:
L. 225-37-3
AFEP-MEDEF Code of Governance (June 2018):
Recommendations 24 and 25
Governance of Crédit Agricole Assurances:
Crédit Agricole Assurances shares are not listed. Only securities are admitted to trading on a regulated market. Consequently the provisions of th Article L. 225-37-3 of the French Commercial Code do not apply to it.

BIOGRAPHY OF CORPORATE OFFICERS

Marie-Agnès Chesneau

Marie-Agnès Chesneau is a graduate of the École de management de Normandie. She has spent her entire career with Crédit Agricole. She began her career in 1992 in the branch network of Crédit Agricole Atlantique Vendée regional bank. In 2002, she was promoted to head of Marketing and Retail Markets and then, in 2006, she became head of the Corporate Secretary's department and communications. In 2008, she joined Crédit Agricole Provence Côte d'Azur regional bank as head of Marketing and Mutualism and then, in 2009, she was appointed head of Human Resources. In 2013, she became head of Retail Banking and Private Banking for Crédit Agricole Provence Côte d'Azur regional bank with responsibility for 230 branches and more than 1,400 employees. Since June 2019, Marie-Agnès Chesneau has been deputy chief executive officer of Fédération Nationale du Crédit Agricole in charge of the Customers, Mutualism and Innovation department.

Nicolas DENIS

A graduate of ENSAE, Nicolas Denis began his career in 1990 with Compagnie Bancaire (BNP Paribas). In 1992, he joined an insurance company, member of the Generali group, specializing in risk and marketing. In 1998, he joined Finaref, a subsidiary of the Crédit Agricole Group and leader in private banking cards, where he worked for six years in the insurance business, before becoming head of direct marketing and distribution and then sales director. In October 2008, he joined Crédit Agricole Centre-Est as Deputy Chief Executive Officer. He supervised the private and corporate banking, credit and agricultural development, Human Resources and Communication departments before joining LCL in 2013 as director of Technology and Banking Services, responsible for the Île-de-France network and the online network. In 2016, Nicolas Denis becomes Chief Executive Officer of Crédit Agricole de Normandie-Seine.

Marc Didier

Marc Didier owns a farming business which he founded in 1984, where he practices polyculture, livestock farming and winegrowing. In 2009, he also set up a photovoltaic energy production company there. He very quickly became involved with many organisations and businesses such as Vignerons du Gerland and the Vivadour cooperative group. He became a director of Crédit Agricole du Gers regional bank in 1988 (which became Crédit Agricole Pyrénées Gascogne regional bank in 1992).

He has been an elected representative at the Gers Chamber of Agriculture for 12 years and since 2005 has also been President of ADASEA (Association de Développement, d'Aménagement et de Services en Environnement et en Agriculture) an association providing services to the rural world and recognised for its action in environmental protection. He is a founder member of IMAGIN'RURAL, a national association that also works in the environmental field.

He is a municipal councillor in the town of Manciet (Gers). Within Crédit Agricole Group, Marc Didier is a member of the Board of Directors of several entities including CA Chèques, HECA, IFCAM, Pacifica and Crédit Agricole Assurances, and a member of the Supervisory Board of Crédit du Maroc. He is Chairman of the Board of Directors of the Fondation Crédit Agricole Pyrénées Gascogne.

Elisabeth EYCHENNE

A graduate of the HEC business school in Paris, Elisabeth Eychenne joined Crédit Lyonnais in 1979, where she held commercial and management roles first in corporate banking and later in the Finance department. Appointed Head of Products and Services Marketing in 2000, in 2002 she took over the regional management of branches in the south Paris area. After moving to Crédit Agricole S.A., where she started out in the Group Risk Management department, she later joined the Regional Banks Group as Deputy Chief Executive Officer of the Caisse régionale de Credit Agricole de Val de France in 2007. Elisabeth Eychenne has been Chief Executive Officer of the Caisse régionale du Crédit Agricole Franche-Comté Regional Bank since March 2010.

Nicole GOURMELON

A graduate of CESA HEC strategic Management, of ITB and of BP Banque, Nicole Gourmelon began her career in 1982 in the Caisse régionale of Finistère, where she carried on almost all the development activities, as much from the standpoint of production as of management, across all markets: Individuals, Agriculture, Professionals and Companies. In 1999, she joined the Caisse régionale de Charente-Périgord as business director. In 2002, Nicole Gourmelon became director of finance, strategic marketing and communication in the Caisse régionale d'Aquitaine before joining, in 2004, the Caisse régionale of Normandie as Deputy chief executive officer in charge of the Development department (until end 2006) and then Deputy chief executive officer in charge of the Management department (from 2007 to 2009). In 2009, Nicole Gourmelon became Deputy chief executive officer of Predica. She became Chief executive officer of the Caisse régionale of Normandie in 2010 then Chief executive officer of the Caisse régionale of Atlantique-Vendée in 2019.

Jérôme GRIVET

A graduate of ESSEC and IEP Paris, and a former student of ENA, Jérôme Grivet began his career in government, notably as the Prime Minister's advisor for European Affairs. In 1998, he joined Crédit Lyonnais as Finance and Management Control officer. In 2001, he was appointed as Crédit Lyonnais' Head of Strategy. He later served in the same role for Crédit Agricole S.A. In 2004, he was put in charge of finance, general secretariat and strategy at Calyon, before being appointed its Deputy Chief Executive Officer in 2007. Since the end of 2010, Jérôme Grivet has been Chief Executive Officer of Crédit Agricole Assurances and Predica. In May 2015, he became Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Group Finance.

Isabelle JOB-BAZILLE

A doctor in Economics from the University of Paris X Nanterre, Isabelle Job-Bazille began her career with Paribas in 1997 as a country risk analyst for the Middle-East-Africa region. She joined Crédit Agricole S.A. in September 2000 as an economist specialising in Japan and Asia before being appointed head of the Macroeconomics division in May 2005. From 2007 to 2011, she worked with Crédit Agricole Corporate and Investment Bank's Capital Markets Research teams, first in Paris and then in London, whilst continuing her responsibilities within Crédit Agricole S.A. Since 1 February 2013, Isabelle Job-Bazille has been Chief Economist at Crédit Agricole S.A., and a member of the Management Committee of Crédit Agricole S.A.

Murielle Lemoine

Muriel Lemoine is a graduate of ESCP business school, holds a bachelor's degree in theology and a master's degree in philosophy. She worked with Citibank for four years as a relationship manager for multinational corporations and then as a strategy consultant with McKinsey & Co for six years, specialising in the pharmaceuticals and insurance sectors. She then joined AGF-Allianz in the Finance department, later becoming a member of AGF's Executive Committee in charge of strategy, marketing and communications. In 2008, she decided to pursue various personal projects, including founding Carthera, a medical devices start-up, and supporting new or high-growth companies and foundations.

Xavier MUSCA

A graduate of IEP Paris and ENA (1985), Xavier Musca began his career at the Inspectorate-General of Finance in 1985. In 1989 he joined the French Treasury, before being invited to work for the Prime Minister's Office in 1993. Between 2002 and 2004, he was Principal Private Secretary for the French Ministry of the Economy, Finance and Industry. In 2004, he was made Director General of the Treasury, and became Deputy Secretary General of the French President's Office in 2009, in charge of economic affairs, followed by Secretary General in 2011. In 2012, Xavier Musca was appointed Deputy Chief Executive Officer of Crédit Agricole S.A., responsible for international retail banking, asset management and insurance. Since May 2015, Xavier Musca has been Deputy Chief Executive Officer of Crédit Agricole S.A. and is the second executive director.

Yves PERRIER

A graduate of ESSEC and a chartered accountant, Yves Perrier joined Société Générale in 1987 after 10 years in auditing, where he became Chief Financial Officer in 1995. In September 1999, he joined Crédit Lyonnais where he oversaw the Finance, Risk Management and Audit functions. In 2003 he joined Calyon, where he was appointed Deputy Chief Executive Officer in 2004. In 2007, he joined the asset management business as Chairman and CEO of CAAM. In 2010, he was appointed Chief Executive Officer of Amundi, following the consolidation of the asset management business of Crédit Agricole and Société Générale, where he oversees administration and custody for the Crédit Agricole S.A. Group. Since May 2015, Yves Perrier has been Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Savings, Insurance and Real Estate, and Chief Executive Officer of Amundi.

Frédéric THOMAS

Frédéric Thomas has a degree in agronomy from ENSA Rennes and holds a postgraduate degree in business management. He began his career with the Caisse régionale du Pas de Calais Regional Bank in 1982, where he held various posts, including Head of Financing from 1993 to 1996 and Head of Networks from 1996 to 2000. In 2000, Frédéric Thomas became Deputy Chief Executive Officer of the Caisse régionale Charente-Maritime Deux-Sèvres. In 2007, he became Chief Executive Officer of the Caisse régionale du Crédit Agricole Normandie-Seine and Chairman of Crédit Agricole Technologies. He has served on the Adicam Board since 2010. Since September 2015, Frédéric Thomas has been Chief Executive Officer of Crédit Agricole Assurances and Predica. He is a member of the Executive Committee of Crédit Agricole S.A.

OFFICE HELD BY CORPORATE OFFICERS

In 2019

Marie-Agnès CHESNEAU

Main office within Crédit Agricole Assurances:
Non-voting Board member since 30/07/2019

Business adress:
Fédération Nationale du Crédit Agricole
48, rue La Boétie
75008 PARIS

Born in 1968
(French nationality)

Date first appointed:
Board on 30/07/2019

Term of office ends:
Board on July 2022

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*
IN CREDIT AGRICOLE GROUP COMPANIES		
Deputy Chief Executive Officer:	▶ FNCA (Fédération Nationale du Crédit Agricole)	
Board member:	▶ CAMCA Assurance (SA Lux) ▶ CAMCA Réassurance (SA Lux) ▶ BforBank (SA)	
Permanent guest:	▶ CAMCA Mutuelle ▶ CAMCA Courtage	
Non-voting Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[1] ▶ Predica (SA)[1] ▶ Pacifica (SA)[1]	

(1) *Crédit Agricole Assurances Group.*

Nicolas DENIS

Main office within Crédit Agricole Assurances:
Board member since 27/07/2017

Business adress:
CRCAM de Normandie-Seine
Cité de l'Agriculture – Chemin de la Bretèque CS 70800
76238 BOIS-GUILLAUME Cedex

Born in 1967
(French nationality)

Date first appointed:
Co-opted by the Board on 27/07/2017 to replace Raphaël APPERT

Reappointed:
2018 AGM

Term of office ends:
2021 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer:	▶ CR Normandie-Seine (co-operative society)		
		Chairman:	▶ Caagis (SAS) (2017)[1]
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[1] ▶ Predica (SA)[1] ▶ Pacifica (SA)[1] ▶ Crédit Agricole Technologies & Services (GIE) ▶ CAMCA Mutuelle (SAS) ▶ CAMCA Courtage (SAS) ▶ CAMCA Assurance (SA Lux) ▶ CAMCA Réassurance (SA Lux) ▶ CA GIP (SAS)	**Board member:**	▶ BforBank (SA) (2018)
		Member of the Supervisory Board:	▶ CA Titres (SNC) (2018)
Member of the FNCA (Fédération Nationale du Crédit Agricole)	▶ Member of the Transformation and Performance Committee ▶ Member of the Transformation Quality Functioning Committee ▶ Member of the Strategic IT Committee		
OTHERS			
Member:	▶ SNCD ▶ Association Nationale des Cadres Dirigeants		

(1) Crédit Agricole Assurances Group.

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Marc DIDIER

Main office within Crédit Agricole Assurances:
Board member since 18/04/2019

Business adress:
CRCAM Pyrénées Gascogne
11, boulevard du Président Kennedy
65000 TARBES

Born in 1965
(French nationality)

Date first appointed:
Board on 18/04/2019

Term of office ends:
2022 AGM

	OFFICES HELD AT 31/12/2019	OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*
IN CREDIT AGRICOLE GROUP COMPANIES		
Chairman:	▶ CR Pyrénées Gascogne (co-operative society)	
Deputy Chairman:	▶ Caisse locale de Crédit Agricole Armagnac	
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[2] ▶ Pacifica (SA)[2] ▶ CA Chèques (SAS) ▶ HECA (association L1901) ▶ Bankoa (SA)[1] ▶ IFCAM (GIE) ▶ GRAND SUD OUEST CAPITAL (SA) ▶ GSO INNOVATION (SAS)	
Member of the Supervisory Board:	▶ Crédit du Maroc (SA)[1]	
Member of the FNCA (Fédération Nationale du Crédit Agricole):	▶ Member of the Human Ressources Committee ▶ Chairman of the Political and Social Negotiations Committee ▶ Secretary of the Strategic Purchasing Committee ▶ Member of the Agriculture and Agribusiness Committee	
OTHERS		
Chairman:	▶ Fondation d'entreprise CA Pyrénées Gascogne ▶ Association École Territoriale pour l'Innovation et la Coopération (association L1901) ▶ ADASEA du Gers (association L1901) ▶ SASU DIDIER ▶ Amicale Sud (Crédit Agricole)	
Board member:	▶ Vivadour (SCA) ▶ Vignerons du Gerland (SCA)	
Treasurer:	▶ Cuma de Bergon	

(1) International appointments.
(2) Crédit Agricole Assurances Group.

Elisabeth EYCHENNE

Main office within Crédit Agricole Assurances:
Board member since 14/06/2016
Chairwoman from 27/07/2017 to 30/07/2019

Business adress:
CRCAM de Franche-Comté
11, avenue Elisée Cusenier
25084 BESANÇON Cedex 09

Born in 1958
(French nationality)

Date first appointed:
Appointed Board member at the General Meeting of Shareholders on 14/06/2016

Reappointed:
18/04/2019 AGM

Term of offices ends:
2022 AGM

Previous office:
Chairwoman from 27/07/2017 to 30/07/2019
Chairwoman of the Audit and Accounts Committee until 27/07/2017

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer:	▶ CR de Franche-Comté (co-operative society)		
Chairwoman:	▶ Predica (SA)[2]	**Chairwoman:**	▶ Caagis (SAS) (2016)[2] ▶ CAFCI (CA Franche-Comté Investissements) (SAS) (2016)[2] ▶ Crédit Agricole Assurances (SA, listed debt securities issuer) (2019)[2]
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[2] ▶ Pacifica (SA)[2] ▶ CA Next Bank (Suisse) (SA)[1] ▶ SAS La Boétie	**Board member:**	▶ CA Titres (SNC) (2016) ▶ CA Solidarité Développement (Foundation) (2016) ▶ CAAGIS (SAS) (2017) ▶ CA Technologie (GIE) (2015) ▶ CA Services (GIE) (2015) ▶ CA Home Loan SFH ▶ GIE Copernic (GIE) ▶ CACIB (SA, listed debt securities issuer)
		Non-voting Board Member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer) (2016)[2]
Management Board member:	▶ Uni-Editions (SAS)		
Strategic Committee member:	▶ Carvest (SAS)		
Member of the FNCA (Fédération Nationale du Crédit Agricole):	▶ Member of the internal Financial Organisation Steering Committee ▶ Member of the Transformation Quality Functioning Committee ▶ Member of the Federal Bureau ▶ Member of the Finance and Risks Committee	**Membre of the FNCA (Fédération Nationale du Crédit Agricole):**	▶ Member of the Economy and Territories Committee (2015) ▶ Member of the Multi-channel Retail Banking Committee (2016) ▶ Member of the Mutual and Life Insurance Committee (2017)
OTHERS			
Board member	▶ SNCD (SAS)	**Board member:**	▶ Association Nationale des Cadres Dirigeants (2017)
		Non-voting Board member:	▶ SNCD (SAS)
		Permanent delegate:	▶ Amicale du Nord et de l'Est (2015)

(1) *International appointments.*
(2) *Crédit Agricole Assurances Group.*

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Nicole GOURMELON

Main office within Crédit Agricole Assurances:
Board member since 27/07/2016
Chairwoman since 30/07/2019

Business address:
CRCAM Atlantique Vendée
Route de Paris
44949 NANTES

Born in 1963
(French nationality)

Date first appointed:
Board on 27/07/2016

Reappointed:
2018 AGM

Term of office ends:
2021 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer:	▶ CR de Atlantique Vendée (co-opérative society)	**Chief Executive Officer:**	▶ CR de Normandie Seine (co-opérative society) ▶ Sofinormandie (SAS) (2018)
Chairwoman:	▶ Pacifica (SA)[2] ▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[2]	**Chairwoman:**	▶ CA Normandie Immobilier (SAS) (2016)
		Legal representative of CRCAM Normandie, chairwoman:	▶ Britline (SAS)
Board member:	▶ CA Technologies et Serevices (SNC)	**Board member:**	▶ CAMCA (Mutuelle) (2016) ▶ CA Egypt (SA) (2016)[1] ▶ Adicam (SARL) (2017) ▶ CACIB (SA, listed debt securities issuer) (2019) ▶ Normandie Attractivité (Ass.) (2018)
Representative of CR Atlantique Vendée:	▶ Unexo (SA), Unexo Financement (SA), Unexo gestion (SAS), CAPS (SAS), CAAVIP (SAS), Atlantique Vendée Innovation (SAS), Village by CA (SAS), Foncière Atlantique Vendée (SAS), SCI Les terres noires, SCI Challans, SCI Les sables, SCI Le Pertuis		
Permanent representative of Sacam Participations, Board member:	▶ Predica (SA)[2]		
Permanent representative of Sacam Développement, Board member:	▶ LCL (SA)	**Permanent representative of CRCAM Normandie, Board member:**	▶ Unexo (2018)
		Member of the Supervisory Board:	▶ CAMCA Courtage (SAS) (2016)
Member of the FNCA (Fédération Nationale du Crédit Agricole):	▶ Member of the Human Ressources Committee ▶ Member of the marketing steering Committee	**Member of the FNCA (Fédération Nationale du Crédit Agricole):**	▶ Member of the Economy and Territories Committee (2016) ▶ Reporting member of the CA's mutual Life and Identity Committee (2017) ▶ Member of the Agriculture and Agribusiness Committee (2018)
OTHERS			
Member:	▶ Association Nationale des Cadres Dirigeants	**Member:**	▶ Conseil supérieur de la Coopération (2018)

(1) International appointments.
(2) Crédit Agricole Assurances Group.

Jérôme GRIVET

Main office within Crédit Agricole Assurances:
Board member since 29/10/2015
Chief Executive Officer from 01/12/2010 to 31/08/2015

Business adress:
Crédit Agricole S.A.
12, place des États-Unis
92120 MONTROUGE

Born in 1962
(French nationality)

Date first appointed:
Co-opted by the Board on 29/10/2015 to replace Bernard DELPIT

Reappointed:
31/03/2017 AGM

Term of office ends:
2020 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Deputy Chief Executive Officer in charge of Group Finance, member of the Executive Committee and Management Committee:	▶ Crédit Agricole S.A. (SA, listed company)	**Chief Executive Officer:**	▶ Crédit Agricole Assurances (SA, listed debt securities issuer) (2015)[2] ▶ Predica (2015)[2]
		Chairman:	▶ Spirica (2015)[2] ▶ CA Life Greece (SA) (2016)[1] [2]
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[2] ▶ CACEIS (SA) ▶ CACEIS Bank France (SA)	**Board member:**	▶ CAAGIS (2015) ▶ Pacifica (2015)[2] ▶ CA Vita (2015)[1] [2]
Member of the Supervisory Board:	▶ Fonds de garantie des dépôts (association L1901)	**Permanent representative of Predica, Board member, member of the supervisory Board:**	▶ CA Grands Crus (2015)
		Permanent representative of Crédit Agricole Assurances, Board member:	▶ CACI (2015)[2]
		Non-voting Board member:	▶ La Médicale de France (2015)[2] ▶ CA Immobiier (2015)
OTHERS			
		Chairman:	▶ Groupement français des bancassureurs (2015)
Board member:	▶ Korian (SA, listed company) ▶ Nexity (SA, listed company)	**Board member:**	▶ Icade (SA, listed company) (2016)
Permanent representative of Predica, Board member:	▶ Covivio (ex-Foncière des régions) (SA, listed company)	**Permanent representative of Predica, Board member:**	▶ Fonds stratégique Participations (SICAV) (2016)
		Member of the Board and Executive Committee:	▶ FFSA (2015)
		Deputy Chairman:	▶ FFSAM (2015)

(1) International appointments.
(2) Crédit Agricole Assurances Group.

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Isabelle JOB-BAZILLE

Main office within Crédit Agricole Assurances:
Board member since 14/06/2016

Business adress:
Crédit Agricole S.A.
12, place des États-Unis
92120 MONTROUGE

Born in 1968
(French nationality)

Date first appointed:
General Meeting of Shareholders on 14/06/2016

Reappointed:
2019 AGM

Term of office ends:
2022 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Member of the Management Committee:	▶ Crédit Agricole S.A. (SA, listed company)	**Member of the extended Executive Committee:**	▶ Crédit Agricole S.A. (SA, listed company) (2016)
Chief Economist:	▶ Crédit Agricole S.A. (SA, listed company)		
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[1] ▶ Predica (SA)[1] ▶ LCL (SA, listed debt securities issuer) ▶ Mutuelle parisienne de crédit (Caisse locale Paris-Lafayette) ▶ FARM (Foundation)		
		Co-Chairwoman:	▶ Financi'elles (association L1901) (2017)

(1) *Crédit Agricole Assurances Group.*

Murielle LEMOINE

Main office within Crédit Agricole Assurances:
Board member since 15/10/2019

Born in 1967
(French nationality)

Date first appointed:
15/10/2019 AGM

Term of office ends:
2022 AGM

	OFFICES HELD AT 31/12/2019	OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*
IN CREDIT AGRICOLE GROUP COMPANIES		
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[1]	
OTHERS		
Board member:	▶ IMMOSTEF (SA) ▶ Pharnext (SA, listed company) ▶ STEF (SA, listed company) ▶ Société d'Édition de Revues SER (SA)	
Board member, member of the Bureau:	▶ Œuvre de la Croix Saint Simon (Foundation) ▶ Groupe hospitalier Diaconesses Croix Saint Simon ▶ La Source des Sources (Association)	

(1) *Crédit Agricole Assurances Group.*

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Jean-Marie MALHERBE

Main office within Crédit Agricole Assurances:
Non-voting Board member from 09/02/2017 to 06/02/2019

Business adress:
Fédération Nationale du Crédit Agricole
48,, rue La Boétie
75008 PARIS

Born in 1963
(French nationality)

Date first appointed:
Board on 09/02/2017

Term of office ends:
Resignation in February 2019

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Deputy Chief Executive Officer:	▶ Agos Ducato Italie	**Deputy Chief Executive Officer:**	▶ FNCA (Fédération Nationale du Crédit Agricole) (2019)
		Chief Executive Officer:	▶ CA Village de l'innovation (2019)
Board member:	▶ Village by CA Milan	**Board member:**	▶ CAMCA Assurance (SA Lux) (2018) ▶ CAMCA Réassurance (SA Lux) (2018) ▶ BforBank (SA) (2019)
		Permanent representative of FNCA (Fédération Nationale du Crédit Agricole), Board member:	▶ CA-Innove (GIE) ▶ Crédit Agricole Store (GIE)
		Non-voting Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[(1)] ▶ Predica (SA)[(1)] ▶ Pacifica (SA)[(1)]
		Member of the Strategic Committee:	▶ Crédit Agricole E-Immo (GIE)

(1) *Crédit Agricole Assurances Group.*

Xavier MUSCA

Main office within Crédit Agricole Assurances:
Board member since 07/11/2012

Business adress:
Crédit Agricole S.A.
12, place des États-Unis
92120 MONTROUGE

Born in 1960
(French nationality)

Date first appointed:
Co-opted by the Board on 07/11/2012

Reappointed:
31/03/2017 AGM

Term of office ends:
2020 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Deputy Chief Executive Officer, second executive director, member of the Executive Committee, member of the Management Committee:	▶ Crédit Agricole S.A. (SA, listed company)		
Chairman:	▶ CA Consumer Finance (SA) ▶ Amundi (SA, listed company)		
Deputy Chairman, Board member:	▶ Predica (SA)[2] ▶ CA Italia (SPA)[1]	**Deputy Chairman, Board member:**	▶ Crédit Agricole Egyt (2015)[1] ▶ Ubaf (2015)
Permanent representative of Crédit Agricole S.A., Board member:	▶ Pacifica (SA)[2]	**Deputy Chairman Supervisory Board:**	▶ Crédit du Maroc (2015)[1]
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)[2]	**Board member:**	▶ CACEIS (2015) ▶ CACI (SA) (2017)[2]
OTHERS			
Board member:	▶ Cap Gemini (SA, listed company)		

(1) *International appointments.*
(2) *Crédit Agricole Assurances Group.*

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Bernard PACORY

Main office within Crédit Agricole Assurances:
Board member from 17/06/2014 to 18/04/2019

Business adress:
CRCAM Nord de France
10, square Foch
59800 LILLE

Born in 1953
(French nationality)

Date first appointed:
2014 AGM

Reappointed:
31/03/2017 AGM

Term of office ends:
2019 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Chairman:	▶ CR Nord de France (co-operative society) ▶ Foncière de l'Erable (SA) ▶ Segam Lille (SA)		
Board member:	▶ Predica (SA)[1] ▶ Pacifica (SA)[1] ▶ Turenne capital partenaires (SAS) ▶ CA Immobilier (SA) ▶ Square Habitat Nord de France (SAS) ▶ CA Polska (SA) ▶ Nord Capital Investissement (SA) ▶ Nord Capital Partenaire (SAS)	**Board member:**	▶ CA Payment Services (SA) (2018) ▶ LCL (SA, listed debt securities issuer) (2019) ▶ Crédit Agricole Assurances (SA, listed debt securities issuer) (2019)[1]
Representative of CR Nord de France, Manager:	▶ Sainte Croix (SCI)		
OTHERS			
Chairman:	▶ Fondation d'entreprise CA Nord de France	**Chairman:**	▶ Socarenord (2015) radiation
Board member:	▶ Voix du Nord (SA) ▶ SPL Euratechnologies (SAEM) ▶ Groupe Rossel La Voix (SA)	**Board member:**	▶ Finorpa Financement (SAS) (2018)
		Permanent representative of CR Nord de France, Board member:	▶ Soginorpa Maisons des Cités (SA) (2017)
Member of the FNCA (Fédération Nationale du Crédit Agricole):	▶ Healthcare and Ageing Committee ▶ Chairman of the Housing Committee	**Member of the FNCA (Fédération Nationale du Crédit Agricole):**	▶ Customer Relations Committee (2016) ▶ Economy and Territories Committee (2017) ▶ Transformation and Performance Committee (2018)

(1) Crédit Agricole Assurances Group.

Yves PERRIER

Main office within Crédit Agricole Assurances:
Board member since 29/10/2015

Business adress:
Amundi
91-93, boulevard Pasteur
75015 PARIS

Born in 1954
(French nationality)

Date first appointed:
Co-opted by the Board on 29/10/2015 to replace Jérôme BRUNEL

Reappointed:
2019 AGM

Term of office ends:
2020 AGM

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Deputy Chief Executive Officer, in charge of Savings, Insurance and Real Estate, member of the Executive Committee:	▶ Crédit Agricole S.A. (SA, listed company)		
Chief Executive Officer, Board member:	▶ Amundi (SA, listed company)	**Chairman and Chief Executive Officer:**	▶ Amundi AM (SA) (2018)
Chairman:	▶ Amundi AM (SAS)	**Chairman:**	▶ CACEIS (2015) ▶ Société Générale Gestion (2015)
Board member:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)(2) ▶ Pacifica (SA)(2)	**Board member:**	▶ Euro Securities Partners (2015)
Permanent representative of Crédit Agricole S.A., Board member:	▶ Predica (SA)(2) ▶ CA Immobilier (SA)	**Member of Supervisory Board:**	▶ CA Titres (2015)
OTHERS			
Chairman:	▶ Comité Médicis (Association)	**Chairman:**	▶ AFG (Association) (2017)
		Deputy Chairman:	▶ Paris Europlace
Membre du Comité stratégique:	▶ AFG (Association)	**Member of Supervisory Board:**	▶ Maike automotive (SAS) (2016)
		Board member:	▶ Ciel Group (2015) ▶ LCH Clearnet (SA) (2016)(1) ▶ LCH Clearnet Group (2016)(1)

(1) International appointments.
(2) Crédit Agricole Assurances Group.

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Information on executives

At 31 December 2019

Frédéric THOMAS

Main office within Crédit Agricole Assurances:
Chief Executive Officer

Business adress:
Crédit Agricole Assurances
16/18, boulevard Vaugirard
75015 PARIS

Born in 1956
(French nationality)

Date first appointed:
Board on 31/07/2015, effective 01/09/2015

Term of office ends:
31/12/2019

OFFICES HELD AT 31/12/2019		OTHER APPOINTMENTS HELD IN THE PAST FIVE YEARS *(Appointments that expired between 2015 and 2019)*	
IN CREDIT AGRICOLE GROUP COMPANIES			
Executive Com. member:	▶ Crédit Agricole S.A. (SA, listed company)		
Chief Executive Officer:	▶ Crédit Agricole Assurances (SA, listed debt securities issuer)(2) ▶ Predica (SA)(2)	**Chief Executive Officer:**	▶ Caisse régionale Normandie Seine (2015)
Chairman of the Supervisory Committee:	▶ Fintech/Insurtech Venture (SAS)	**Chairman:**	▶ CA Tech. et services (2015) ▶ Delta (2015) ▶ Progica (SAS) (2016)(2)
Board member:	▶ Pacifica (SA)(2) ▶ Spirica (SA)(2) ▶ CA Vita (SPA)(1) (2) ▶ Adicam (SARL) ▶ CA Indosuez Wealth (France) (SA) ▶ LCL (SA, listed debt securities issuer) ▶ CA GIP (SAS)	**Board member:**	▶ Crédit Agricole Services (2015) ▶ Ifcam (2015) ▶ Acticam (2015) ▶ Cité de l'agriculture (2015) ▶ Uni Editions (2015) ▶ CA Consumer Finance (2015) ▶ CA Leasing & Factoring (2015) ▶ NCI Normandie Capital Investissement (2015) ▶ CAAGIS (SAS) (2017)(2)
Member of the Sup. Committee:	▶ Crédit Agricole Innovations et Territoires		
CAA permanent representative, Board member:	▶ CACI (SA)(2)		
CAA legal repr., Chairman:	▶ Crédit Agricole Assurances Solutions(2)	**Representative of CR Normandie Seine:**	▶ Uni Expansion Ouest (2015)
		Manager:	▶ SCI Montaigne (2015) ▶ SEP Normandie Seine (2015)
		Permanent representative of Predica, member of the Sup. Board:	▶ CA Grands crus (SAS) (2016)
Non-voting Board member:	▶ La Médicale de France (SA)(2)	**Non-voting Board member:**	▶ CA Immobilier (2017) (SA)
		Member of the FNCA (Féd. Nationale du Crédit Agricole):	▶ Member of the HR Committee (2015) ▶ Deputy Chairman of the SNCD Executive Committee (National Syndicate of Senior Executives) (2015)
OTHERS			
Chairman:	▶ Icade (SA, listed company)		
Deputy Chairman:	▶ Groupement français des bancassureurs (association L1901)		
Permanent repr. of Predica, Chairman:	▶ Fonds stratégique Participations (SICAV)		

(1) International appointments.
(2) Crédit Agricole Assurances Group.

MANAGEMENT BODIES AT 1 JANUARY, 2020

COMPOSITION OF THE CRÉDIT AGRICOLE ASSURANCES GROUP'S EXECUTIVE COMMITTEE

Philippe DUMONT	Chief Executive Officer of Crédit Agricole Assurances
Thierry LANGRENEY	Second executive director of Crédit Agricole Assurances
Henri LE BIHAN	Second executive director of Crédit Agricole Assurances
Jean-Jacques DUCHAMP	Deputy Chief Executive Officer of Crédit Agricole Assurances, in charge of Investments
Aurelia ALRAN	Head of the Internal audit function
Yannick APPERT-RAULLIN	Head of the Actuarial function
Christian COUCHOUD	Head of Human resources
Françoise DEBRUS	Head of Investments
Patrick DEGIOVANNI	Second executive director of Pacifica
Éric FÉRON	Second executive director of Pacifica
Sébastien GARNIER	Head of Compliance
Jean-Luc FRANÇOIS	Head of Savings/Individual retirement France
Pierre GUILLOCHEAU	Head of Group insurance
Hichem JABALLAH	Head of the Crédit Agricole Assurances Group's Informatics
Clément MICHAUD	Chief Financial Officer
Bruno MOATTI	Secretary General
Caroline NICAISE	Head of Communication, Innovation and CSR
Guillaume ORECKIN	Head of International Insurance
Andrée-Lise RÉMY	Head of Risks and Permanent control

COMPOSITION OF THE CRÉDIT AGRICOLE ASSURANCES GROUP'S MANAGEMENT COMMITTEE

Philippe DUMONT	Chief Executive Officer of Crédit Agricole Assurances
Thierry LANGRENEY	Second executive director of Crédit Agricole Assurances
Henri LE BIHAN	Second executive director of Crédit Agricole Assurances
Jean-Jacques DUCHAMP	Deputy Chief Executive Officer of Crédit Agricole Assurances, in charge of Investments
Aurelia ALRAN	Head of the Internal audit function
Yannick APPERT-RAULLIN	Head of the Actuarial function
Daniel COLLIGNON	Chief Executive Officer of Spirica
Christian COUCHOUD	Head of Human resources
Françoise DEBRUS	Head of Investments
Patrick DEGIOVANNI	Second executive director of Pacifica
Gilles DEMONSANT	Deputy Head of Savings/Individual retirement France
Marco DI GUIDA	Chief Executive Officer of CA Vita
Éric FÉRON	Second executive director of Pacifica
Jean-Luc FRANÇOIS	Head of Savings/Individual retirement France
Sébastien GARNIER	Head of Compliance
Pierre GUILLOCHEAU	Head of Group insurance
Laurent GOULOT	Head of Organization and Transformation
Hichem JABALLAH	Head of the Crédit Agricole Assurances Group's Informatics
Noël LÉGER	Head of General resources and Security
Clément MICHAUD	Chief Financial Officer
Bruno MOATTI	Secretary General
Caroline NICAISE	Head of Communication, Innovation and CSR
Guillaume ORECKIN	Head of International Insurance
Andrée-Lise RÉMY	Head of Risks and Permanent control
Yann RENAUT	Chief Executive Officer of La Médicale de France
Alain ROUSSEL	Deputy Head of Death & disability France and Creditor insurance
Guy VAN DEN BOSCH	Chief Executive Officer of Cali Europe

COMPENSATION POLICY

COMPENSATION POLICY OF CRÉDIT AGRICOLE ASSURANCES

General principles applicable to all Crédit Agricole Assurances employees

As a subsidiary of the Crédit Agricole S.A. Group, the compensation policy of Crédit Agricole Assurances shares the same principles of competitiveness, responsible commitment and consistency of compensation structures.

Crédit Agricole S.A. has established a responsible compensation policy aimed at reflecting the values of the Agricole S.A. Group and respecting the interests of all stakeholders, be they employees, customers or shareholders. The aim of the policy is to recognise individual and collective performance over the long term.

In line with the specific characteristics of its business lines, legal entities and legislation in local markets, Crédit Agricole S.A. Group's compensation system aims at offering competitive compensation relative to its benchmark markets to attract and retain the best talent. Compensation is dependent on individual performance, but also the overall performance of the business lines. Lastly, the compensation policy aims at limiting excessive risk-taking.

The Crédit Agricole Assurances compensation policy reflects the targets defined by Crédit Agricole S.A. Group, while seeking to adapt them to different employee categories and the specific features of the insurance market.

Total compensation paid to employees of Crédit Agricole Assurances comprises the following elements:

- basic salary;
- individual variable compensation;
- collective variable compensation;
- long-term variable and deferred compensation;
- peripheral compensation (supplementary pension and health insurance schemes).

Crédit Agricole Assurances compares its practices with those of its market (mutual insurance, insurance, and bancassurance companies) and thus seeks to position the overall compensation of its employees around the median market practice.

Basic salary

The basic salary rewards employees for the skills required to exercise the responsibilities associated with their position.

A position (and by extension the associated function) are characterised by a particular role and contributions, a grade within the organisation and a job description outlining the expected competencies and experience.

Individual variable compensation

Individual variable compensation rewards employee performance and is an integral part of the annual compensation structure.

The basic salary and variable compensation are calculated to allow a fully flexible variable compensation policy, with the possibility of non-payment of individual variable compensation in the event of under-performance and/or reported and proven risk behaviours.

Furthermore, variable compensation is set in such a way that it does not impede the ability of Group entities to increase their solvency when necessary.

Individual variable compensation is assessed by precise measurement of the results obtained relative to specific annual objectives (how much), taking into account the conditions in which the objectives were achieved (how).

The extent to which objectives are achieved or exceeded is the key criterion for the allocation of individual variable compensation, in addition to a qualitative evaluation focusing on how the targets were achieved (examining criteria such as autonomy, involvement, uncertainty, general context, etc.), and in light of consequences for other stakeholders in the company (managers, colleagues, other sectors, etc.).

Taking these various aspects into account helps to differentiate between individual performance levels.

In response to regulatory requirements both in Europe (Solvency II, Directive on insurance distribution) and the United States (the Volcker Rule), a Code of Conduct is included in the compensation policy so that compensation practices:

- do not create incentives that might encourage the persons concerned to promote their own interests to the potential detriment of their client;
- do not hinder the ability of their employees to act in the best interests of their clients, or dissuade them from presenting information in an unbiased, clear and non-misleading way;
- do not encourage speculative trading positions to be taken, where proprietary trading is permitted by law;
- prohibit employees from any recourse to an individual hedging strategy or income protection or liability insurance that could compromise the risk alignment envisaged by variable compensation schemes.

In accordance with the regulatory requirements under Solvency II, to prevent any conflict of interest, the compensation of personnel occupying "key" functions will be set independently of that of the business lines they oversee or audit. These include functions such as those defined by Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, namely Risk Management, Compliance, Internal Audit and Actuarial functions.

The targets set for them and the indicators used to determine their variable compensation do not take into account criteria relating to the results and financial performance of the entities they control.

These targets can be economic and/or non-economic:

- economic targets are disconnected with the results of the controlled entity, Crédit Agricole Assurances, and based on the results of the immediately upper entity, Crédit Agricole S.A.;
- non-economic targets are set up with respect to the SMART method (Specific, Measurable, Accessible, Realistic and Time-limited). These targets can for instance focus on the quality/reliability of the control procedures under their responsibility.

Collective variable compensation

Collective variable compensation rewards the collective performance of Crédit Agricole Assurances. It consists of profit-sharing and incentive plans.

Collective variable compensation is supplemented by a company savings scheme and collective pension savings plan for the benefit of all employees.

Employee share ownership to Crédit Agricole S.A.'s equity

In 2019, Crédit Agricole S.A. has carried out a capital increase reserved for the employees of the Group Crédit Agricole.

Employees were offered an investment where the subscription price was discounted by 20% compared to the Crédit Agricole share price.

Compensation policy for executive managers of Crédit Agricole Assurances

Crédit Agricole Assurances has implemented the Credit Agricole S.A. compensation policy for executive managers of the Crédit Agricole S.A. Group.

These managers, members of the Crédit Agricole Assurances management team, are identified and named according to the rules laid down and defined by Crédit Agricole S.A.: they then join the management pools established by Crédit Agricole S.A. Group.

The variable compensation policy put in place by Crédit Agricole S.A. for executive managers of Crédit Agricole Assurances Group is aimed in particular at:

- correlating compensation levels with actual performance in the long term;
- aligning management interests with those of the Crédit Agricole S.A. ecosystem, by differentiating between individual and collective objectives and linking economic and non-economic performance (customer satisfaction, management efficiency and impact on society);
- attract, motivate and keep executive managers in.

Individual variable compensation

Among individual variable compensation mechanisms, executive managers of Crédit Agricole Assurances are eligible for a Crédit Agricole S.A. Group variable compensation scheme: individual variable compensation, based on the achievement of pre-defined individual and collective targets within an employee's area of responsibility.

This programme has been designed and adapted for senior executives, who are not executive managers, of Crédit Agricole Assurances who also receive individual variable compensation.

The calculation of individual variable compensation measures individual performance, on the basis of the attainment of individual and collective targets in four areas specified below.

These areas are weighed according to the level of responsibility of the executive manager or senior executive:

- economic results are weighted by 20% to 50% of the total individual variable compensation, the weight increasing with the level of responsibility;
- the remaining 50% to 80% are spited by the management between the three other areas, according to the level of responsibility.

ECONOMIC RESULTS

The creation of shareholder value is assessed according to the nature of the function concerned. It must cross-reference financial results as well as levels of investment and risks generated, the cost of capital and liquidity, in harmony with the development strategy of Crédit Agricole S.A. Group and its businesses.

HUMAN CAPITAL

The creation of management value is assessed according to the ability to attract, develop and retain the employees necessary for the development of Crédit Agricole S.A. Group by:

- finding and developing talent and future leaders;
- developing skills (training, delegation, etc.);
- managing careers: promotion, internal mobility, etc.;
- motivating teams: sharing information, participating in projects, etc.;
- initiating a managerial transformation allowing for a reinforced framework of trust.

INTERNAL AND EXTERNAL CUSTOMERS

Value creation for internal or external customers according to the department is assessed by measuring satisfaction with the services and advice provided, the adaptation of our offers to new uses, the dynamics of innovation.

SOCIETY

The creation of societal value, in line with the mutualist and ethical identity of Crédit Agricole, is measured internally (corporate social responsibility, respect for values other than legal and economic obligations, etc.) and externally (impact on the environment, dealings with partners, customers, investors, suppliers, ethics, etc.).

Conduct that is found to be contrary to fit and proper requirements, compliance rules and procedures and risk limits has a direct impact on the variable compensation awarded.

The amounts of annual variable compensation are calculated as a percentage of base salary. Target bonus increases in line with responsibility levels.

The financial objectives set for each executive manager, irrespective of his/her business line or function, are partly based on Crédit Agricole S.A. Group criteria, commensurate with his/her level of responsibility, and partly on the entity's financial objectives.

Long term variable compensation

The long-term compensation plan set up by Crédit Agricole S.A. Group in 2011 takes the form of a share award and/or cash scheme indexed to long-term performance conditions:

- Crédit Agricole S.A.'s intrinsic economic performance, defined by the evolution of Crédit Agricole S.A.'s gross operating income;
- the relative performance of Crédit Agricole S.A.'s share, compared with a composite index of European banks;
- Crédit Agricole S.A. societal performance, measured by the FReD index.

For each target, the Board of Directors observes a level of achievement included between 0% and 120% of the target the Board defined formerly. Each year, the global rate of acquisition of the deferred and conditional variable compensation is equal to the average of the achievement rate for each target, this average being caped at 100%.

Subject to the fulfilment of the performance conditions, the shares are vested annually in equal proportions over a three-year vesting period.

An additional holding requirement may subsequently be imposed on beneficiaries for a further period.

At the end of the deferred period, the vesting of the shares is linked to the fulfilment of strict long-term performance conditions, on the basis of the following criteria:

- the intrinsic economic performance of Crédit Agricole S.A. Group;
- the relative performance of Crédit Agricole S.A. shares compared to a composite index of European banks;
- societal performance measured by FReD, Crédit Agricole's CSR performance index.

If performance conditions are met or exceeded at the end of the vesting period, 100% of the rights awarded are deemed to have vested.

In the event of partial achievement of performance conditions, a proportional reduction is applied.

Each performance condition accounts for a third of the initial award.

The Chief Executive Officers of Crédit Agricole Assurances are eligible for this long-term plan. The award is determined on an annual basis following a recommendation from the Chief Executive Officer of Crédit Agricole S.A.

Supplementary pension schemes

Since 2011, executive managers of Crédit Agricole Assurances have been eligible for supplementary pension schemes, comprising a combination of defined-contribution plans and a top-up defined-benefit plan:

- the aggregate contributions to the two defined-contribution supplementary pension plans (the branch scheme and the company scheme), are equal to 8% of gross salary capped at eight times the social security cap (of which 5% is paid by the employer and 3% by the beneficiary);
- the rights to the defined-benefit top-up scheme are determined after the rights paid under the defined-contribution plans. Provided that the beneficiary is still employed on the vesting date, these rights are equal to a pension rate of between 0.125% and 0.30% for every quarter of service (with a maximum limit of 120 quarters) multiplied by the reference compensation.

The reference compensation is defined as the average of the highest gross annual compensation for three out of the last ten years of service in Crédit Agricole entities, including both fixed and variable compensation, with the latter capped at between 40% and 60% of fixed compensation, according to the last salary level.

In all cases, at the settlement date, the total retirement annuity of all schemes is capped at 70% of the reference compensation.

Entitlements that have been accumulated within the Group before the current regulation effective date, are held and, if applicable, cumulative with the rights arising out of the current regulation enforcement, including for the calculation of the payable annuity cap.

In accordance with Order no. 2019-697 of 3 July 2019, the entitlements of this defined benefit pension plan were crystallized as of 31 December 2019. No additional entitlements will be granted in respect of periods of employment after 1 January 2020, and the benefit of these entitlements remains uncertain and subject to the condition of presence at the end of the period of employment.

Compensation policy for the Chief Executive Officer of Crédit Agricole Assurances

Crédit Agricole Assurances does pay any compensation to the Chief Executive Officer in respect of his office, as his compensation is paid by Crédit Agricole S.A. in accordance with the provisions applicable within the Group. He is not entitled to any benefits, specific pension arrangements, death and disability insurance or severance benefits of any kind in respect of his office. However, he is "identified staff" (as defined under the heading "Reward policiy" of the registration document of Crédit Agricole S.A.) and his compensation is structured in such a way as to be aligned to the longterm interests of the company.

Thus, and in accordance with regulatory obligations, strict rules apply to the compensation of Crédit Agricole Assurances' Chief Executive Officer, in particular through a compensation policy that encourages sound and effective risk management, a variable compensation that is partly deferred and paid in the form of instruments, and which may be adjusted according to risks (malus and/or clawback clause).

This annual variable compensation is also determined on the basis of economic and non-economic objectives measuring the creation of managerial, social and customer value.

Governance of compensation

As a Crédit Agricole S.A. Group entity, the compensation policies and practices of Crédit Agricole Assurances are placed under the governance of Crédit Agricole S.A. Group.

On 5 November 2013, the Board of Directors of Crédit Agricole Assurances decided to transfer the functions of the Compensation Committee to Crédit Agricole S.A.

The Human Resources department of Crédit Agricole Assurances Group provides the Crédit Agricole S.A. Compensation Committee with all the necessary information for that purpose.

Crédit Agricole Assurances thus implements its compensation policy on the basis of decisions adopted by the Board of Directors of Crédit Agricole S.A., in consultation with the Compensation Committee and the Compensation Policy Control Committee of Crédit Agricole S.A. Group. The latter includes the Group Risk Management and Permanent Control department, the Group Compliance department and the Human Resources department of the Crédit Agricole S.A. Group.

The Finance department of Crédit Agricole S.A. Group is also involved in validating procedures for determining the economic results of the variable compensation paid to executive managers.

The definition and implementation of the Compensation Policy are audited by the Crédit Agricole S.A. Group Control and Audit function.

In addition and in order to comply with regulatory requirements, Crédit Agricole Assurances has established a Committee to implement compensation policies; this Committee gathers the Risks Management and Permanent Control department, the Compliance department and the Human Resources department.

The role of this Committee, that allows to involve Control functions in the process of variable compensations review and more precisely the ones relative to identified staff, is to:

- define identification criteria for employee considered as « risk-takers », in a consistent manner within the framework given by the Group for each period, and regulatory requirements specific to Insurance;
- identify and update the list of identified staff;
- coordinate the effective implementation of a risk-behavior control, in accordance with the ongoing procedures and norms;
- validate the review of the process and the reporting to the Group governance bodies, including the information relative to observed risk-behavior individual situation.

An arbitration procedure has also been formalised to deal with any cases of risky behaviour observed during a financial year.

Through its audits, the Group Control function guarantees compliance of the practices with the policy.

COMPENSATION OF IDENTIFIED STAFF

The determination of employees as identified staff is the result of a joint process that involves the Risks Management and Permanent Control department, the Compliance department and the Human Resources department. This process is under the supervision of the Crédit Agricole S.A. compensation Committee.

In accordance with the Delegated Regulation (EU) 2015/35 of 10 October 2014, the employees considered as “identified staff” include the employees that belong to a category of staff that could have an impact on the risk profile, because of the function they carry out, namely:

- corporate officers and executive directors;
- members of Crédit Agricole Assurances Executive Committee;
- staff holding « key » positions specified in Article 269 to 272 of the Delegated Regulation (EU) 2015/35: risks management, compliance control, internal audit, actuarial function;
- the staff responsible for the underwriting activity and the business development;
- the staff responsible for investments.

For each new financial year, the list or categories of employees identified are presented to the Compensation Committee of Crédit Agricole S.A. on the recommendation of the executive management of each entity, after validation by the risk, compliance and human resources functions.

The compensation policy of identified staff is specific in terms of variable compensation, 40% of this compensation (60% for the highest compensations) being deffered over three years, subject to performance conditions:

- the deferred share is acquired in one-third tranches: one third during the year N+1, one third during the year N+2 and one third during the year N+3, N being the reference year, provided that the acquisitions conditions are fulfilled (performance conditions);
- the performance conditions are in line with the ones of the long term variable compensation, defined in the chapter “Long term variable compensation” above;
- the differed variable compensation is acquired in the form of shares Crédit Agricole S.A. or instruments indexed to shares Crédit Agricole S.A.;
- the employees involved in this scheme are prohibited from implementing a hedging or insurance strategy (whether on a personal basis or through their employer) with a view to limiting the scope of the statements contained in the compensation system in order to align a portion of the variable compensation with risks taken;
- the total amount of variable compensation attributed to an employee being identified staff can entirely or partially be reduced in function of the actions or risk behavior observed;
- in case of proven risky behaviour or particularly serious acts, subject to applicable local laws, the return of all or part of the variable compensation already paid could be demanded, up to five years after the payment;
- the staff whose variable compensation is below €120,000 is excluded from the scope for the application of these rules relative to deferred compensation.

The compensation paid during the fiscal year to identified staff is the subject of a resolution that is annually submitted to Crédit Agricole S.A.’s General Meeting.

STATUTORY AUDITOR’S REPORT ON RELATED PARTY AGREEMENTS

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Crédit Agricole Assurances

Annual General Meeting of Shareholders to approve the financial statements for the year ended 31 December 2019.

Statutory auditor's report on related party agreements

To the Annual General Meeting of Crédit Agricole Assurances,

In our capacity as statutory auditors of your company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended 31 December 2019, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this type of engagement.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized during the year ended 31 December 2019 to be submitted to the Annual General Meeting for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements already approved by the Annual General Meeting

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended 31 December 2019.

Neuilly-sur-Seine and Paris-La Défense, 19 March 2020

The statutory auditors

French original signed by

PricewaterhouseCoopers Audit		**ERNST & YOUNG et Autres**
Anik Chaumartin	Frédéric Trouillard-Mignen	Olivier Drion

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2019 OPERATING AND FINANCIAL REVIEW

BUSINESS ACTIVITY AND INFORMATION ON THE CRÉDIT AGRICOLE ASSURANCES GROUP

PRESENTATION OF THE CRÉDIT AGRICOLE ASSURANCES GROUP FINANCIAL STATEMENTS

Changes to accounting policies and principles

Note 1 to Crédit Agricole Assurances Group's consolidated financial statements at 31 December 2019, entitled "Group accounting policies and principles, assessments and estimated applied" sets out the regulatory framework as well as comparability with data for the previous financial year.

Pursuant to EC regulation no. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable at 31 December 2019 and as adopted by the European Union (carve-out version), thus using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards and interpretations are available on the European Commission website at:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

The standards and interpretations are the same as those applied and described in the Group's financial statements for the financial year ended 31 December 2018.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2019 and that must be applied for the first time in 2019. Details are given in the note 1 to Crédit Agricole Assurances Group's consolidated financial statements.

Changes in the scope of consolidation

Note 11 to Crédit Agricole Assurances Group's consolidated financial statements present the scope of consolidation and changes thereto, respectively, throughout the financial year.

ECONOMIC AND FINANCIAL ENVIRONMENT

Overview of 2019

In a climate of great uncertainty, growth continued to slow down, marked by a weak performance of productive investments and global trade

In 2019, the global economic cycle continued the slow slowdown that began with the recent peak in growth of 3.8% in 2017. Global growth is estimated to have reached 2.9% in 2019 (after 3.6% in 2018), its slowest pace since the rebound following the global financial crisis of 2008/2009. This slowdown is obviously the result of strong trends affecting, albeit unevenly, all countries and elements specific to each economy or each sector. In addition to the general trends amplifying the cyclical and structural slowdowns already at work (major developed economies and China) there are weaknesses specific to certain major emerging countries (Brazil, India, Mexico, Russia). Some industrial sectors, such as the automotive industry, have been penalised by regulatory changes (new emission standards). These specific shocks have remained limited and have had little impact on the services or construction sectors.

Looking beyond the specifics, Sino-US trade tensions (effective trade barriers, but also concerns regarding sectors and countries likely to constitute new targets) and the climate of uncertainty have clearly weighed on the outlook for demand, the incentive to invest and, more generally, on the business climate. In a more "anxiety-provoking" economic environment, the most notable slowdown was recorded by productive investments, while household consumption, overall, held up well.

Businesses have revised their investment outlooks downwards and household consumption of durable goods declined slightly. Faced with less engagement or more uncertain demand, businesses eventually adjusted their production. Global trade, which is more sensitive to investment and consumption of durable goods, weakened further. Global trade in goods and services has grown by only 1.1% in 2019, after increasing 3.6% and 5.7% in 2018 and 2017, respectively. This decline of almost 1% is also close to the average annual rate recorded between 2010 and 2018, which was close to 5% (3.8% for world GDP). However, very accommodative and largely pre-emptive monetary policies (see below) and, more particular, favourable financial terms helped to cushion the slowdown and ultimately contribute to the resilience of the labour market. Job creation, gradual wage increases, continued contained inflation and gains in purchasing power have supported confidence and household spending.

A common trend towards deceleration but national characteristics conditioned by the degree of exposure to global trade and the industrial sector

In the United States, the year 2019 ended with annualised quarterly growth of 2.1%, supported by net exports (contraction of imports) as consumer spending slowed, inventories weighed on growth and business fixed capital investment contracted for the third consecutive quarter. For the year as a whole, growth declined from 2.9% to 2.3%, but remained above the estimated potential rate of close to 2%. Domestic demand remained the main driver, with strong contributions from household consumption (1.8 percentage point) and public expenditure (0.4 point), but a marked decline in productive investment (0.2 point) and a negative contribution from foreign trade (-0.2 point). While the economy is at full employment (with an unemployment rate of 3.5% at the end of 2019), inflation remained moderate. The Federal Reserve's preferred index (PCE, Personal Consumption Expenditures) rose by 1.4% in the fourth quarter of 2019 (annualised quarterly change), under the 2% inflation target. After averaging 2.1% in 2018, PCE inflation for the year reached 1.4%.

In China, the factors that led to a slow and natural slowdown in growth (tertiarisation, ageing, increased propensity to save, decline in the pace of job creation) were compounded by urban job losses and the trade dispute with the United States. The pace of growth slowed at the end of the year, bringing average growth for 2019 to 6.1%, its lowest level since 1990. Private and public consumption provided the bulk (60%) of the expansion, while the contribution of productive investment declined (1.9 percentage point, its lowest contribution since 2000) and that of foreign trade remained positive (0.7 point).

In the United Kingdom, the year 2019 was undeniably dominated by the Brexit saga. Lengthy parliamentary negotiations led to a stalemate involving three postponements of the Brexit date (initially set for 31 March 2019). What was at stake? Major divisions within Theresa May's minority government and the unpopularity of her "backstop" on the Irish border. After the European elections in May, in which the Conservative Party suffered a heavy defeat, Theresa May was forced to resign as Prime Minister. Her successor Boris Johnson renegotiated the "backstop" with the EU and managed to push Labour into early general elections in mid-December. The elections resulted in a historic victory for the Conservatives over Labour, which was disadvantaged by an overly left-wing and anti-business policy.

In a context of global slowdown, uncertainty about Brexit weighed on British growth, which also proved more volatile. While household consumption held up well thanks to a fully employed labour market, private investment suffered particularly badly and recorded the worst growth rate in the G7 countries. For 2019 as a whole, growth was 1.4% on a yearly average basis.

In the Euro zone, growth in 2019 was first disappointing and then reassuring. Disappointed because the rebound expected in the first half of the year after the manufacturing recession of late 2018 did not take place. Reassured because, although it failed to rebound, activity nevertheless stabilised in the second half of the year, avoiding a "recessionary" spiral. The resilience of domestic demand, both private consumption and investment, limited the contagion from industry to the services industry. Although job creation did slow, it still led to a fall in the unemployment rate (7.4% at the end of 2019 after 7.8% at the end of 2018). The ECB's preventive action has been effective: it has made it possible to maintain favourable financing conditions, limit the appreciation of the Euro and, finally, support confidence. The fiscal impulse has been less significant, but greater than in the past in countries with room for manoeuvre. Below its potential pace (estimated at 1.3%) and still unable to revive inflation, which is still well below the ECB's target (1.2% and 1% respectively, for total and underlying inflation), GDP growth have reached 1.2% on a yearly average basis (after 1.9% in 2018): an overall result covering significant disparities between countries depending, in particular, on their degree of exposure to global trade and industry. The disappointing performances of Germany (0.6%) and Italy (0.2%), which are more industrial and open, are contrasted with the still correct growth recorded by France (1.2%).

After 1.7% in 2018, French growth reached 1.2% thanks to robust domestic demand. Household consumption has accelerated (+1.2% in 2019 compared to 0.9% in 2018), thanks to fiscal measures to support purchasing power, announced following the "yellow jackets" protest movement and the Great National Debate in the spring. Low inflation and very dynamic job creation also contributed to the dynamic purchasing power gains (+2.1% over the year). The unemployment rate thus fell from an average of 8.7% in 2018, to an average of 8.3% in 2019. Investment by non-financial businesses also remained very dynamic and even accelerated, increasing with 4.1% over the year. Businesses thus benefited from an environment of low interest rates but also from temporary effects such as the CICE's switch to lower charges, which boosted profits and supported investment (and job creation). After an exceptionally positive contribution to growth in 2018, foreign trade made a negative contribution to growth in 2019. Indeed, while buoyant domestic demand supported imports, exports suffered from international uncertainties and the crisis in the manufacturing sector, particularly in Europe.

The implementation of accommodative monetary policies conducive to lower interest rates cushioned the economic slowdown while allowing equity markets to perform well

Against a background of low inflation, central banks reacted aggressively and largely pre-emptively to the downturn in activity. The main central banks of the advanced countries (including the US Federal Reserve and the European Central Bank, ECB) but also those of the major emerging markets have lowered their key interest rates.

The Federal Reserve made three pre-emptive cuts in the Fed Funds rate from July to October (-75 basis points, bringing the rate to 1.75%). In September, following a downward revision of growth forecasts accompanied by a downside risk due to a high degree of uncertainty, "dangerously" low inflation, and a drop in market expectations, the ECB once again mobilised all its monetary easing tools: Forward Guidance (rates that will remain at their current level or even lower as long as inflation does not converge "firmly" towards their target), lowering the deposit rate to -0.5%, introduction of a tiering system to relieve the banks. The ECB also reactivated its bond purchase programme (Quantitative Easing) at a monthly rate of €20 billion, from 1 November for an indefinite period and relaxed the conditions for TLTRO III.

In addition to monetary accommodation, 2019 ended on the hopes for a trade agreement between the United States and China, which would result in a stock market boom at the expense of the safest assets. 10-year US and German government bond yields rose sharply to end the year at 1.90% and -0.20%, while equities obviously benefited from the prevailing enthusiasm. Annual growth in the most representative markets reached nearly 15% (MSCI, emerging markets) and peaked at 29% (S&P 500).

As abruptly as the increases in US and German interest rates were at the end of 2019, their respective drops reached nearly 75 and 40 basis points over the past year, due to preventively very accommodating monetary policies that fail to reactivate inflation: growth will remain decent, or even sustained for low inflation. The ECB's policy will have failed to accelerate inflation, raise interest rates and the slope of the curve. On the other hand, success is clear if it can be judged by the tightening of risk premiums in the so-called "peripheral countries", of which Spain and Italy are fine illustrations. Their spreads against the Bund narrowed from 50 bps and 90 bps, respectively, to 65 bps and 160 bps, while the French premium (at 30 bps at the end of 2019) fell by 15 bps.

CRÉDIT AGRICOLE ASSURANCES GROUP CONSOLIDATED RESULTS

Crédit Agricole Assurances Group results

(in € millions)	**2019**	**2018**	**Changes**
Written premiums	36,968	33,534	10.2%
Change in unearned premiums	(225)	(210)	7.1%
Earned premiums	36,743	33,324	10.3%
Gross revenues or income from other activities	(124)	252	NS
Investment income after expenses	15,662	2,453	x 6.4
Claims paid	(45,546)	(29,551)	54.1%
Net income (expense) on business ceded to reinsurers	(43)	(90)	(52.2%)
Other current income (expense)	(4,292)	(4,092)	4.9%
Operating income	**2,400**	**2,296**	**4.5%**
Financing costs	(239)	(429)	(44.3%)
Income tax charge	(647)	(523)	23.7%
Profit/loss after-tax on discontinued operations	8	(1)	NS
Consolidated net income	**1,522**	**1,341**	**13.5%**
Non-controlling interests	(4)	(11)	(63.6%)
CRÉDIT AGRICOLE ASSURANCES GROUP NET INCOME GROUP SHARE	**1,518**	**1,331**	**14.0%**

2019 saw new growth in inflows, with a 10.2% increase in written premiums. Premium income totalled €37.0 billion in 2019, with all lines of business delivering growth. The breakdown by lines of business are detailed in the paragraph below entitled "Gross revenues by business segment".

Investment income after expenses rose sharply, driven mainly by the change in fair value of investments accounted for at fair value through profit or loss, a good performance in the financial markets in 2019 and a favourable baseline effect due to the dip in the financial markets in the final quarter of 2018.

Claims paid were up 54.1%:

- in life insurance, business continued to grow with outstandings up by 6.6% over the year to €304.2 billion. In addition, the Group pursued its policy of strengthening its reserves, notably by allocating almost €1 billion to the policyholders' participation reserve in 2019;
- in non-life insurance, growth momentum continued both in France and international (665 thousand net new contracts in 2019). Revenues in France continued to outperform the market, with growth of about 8%.

Other current expenses rose in line with business. This item mainly comprises administrative expenses and contract acquisition costs.

The 44.3% decrease in financing costs was mainly due to a favourable baseline effect caused by the payment to Crédit Agricole S.A. in 2018 of a cash balance of €174 million before tax related to the early redemption of a €320 million perpetual subordinated debt issue and two redeemable subordinated debt issues totalling €680 million. These redemptions followed a new €1 billion issue of perpetual subordinated bonds on the market in January 2018.

The income tax charge was up relative to 2018, mainly due to fewer disposals of the life insurance investment portfolio at a reduced tax rate in 2019 than in 2018.

Net income (Group share) in 2019 was high at €1.5 billion and up 14.0% compared with 2018. Adjusted for exceptional items (balance paid to Crédit Agricole S.A. of €138 million net of tax), net income (Group share) increased by 3.3%.

The breakdown in net income and gross revenues shown below is done on the same basis as the segment breakdown presented in note 5 to the Crédit Agricole Assurances consolidated financial statements, in accordance with IFRS 8.

BREAKDOWN OF NET INCOME (GROUP SHARE) BY BUSINESS SEGMENT

(in € millions)	2019	2018	Changes
Life, France	1,229	1,242	(1.0%)
Non-life, France	110	144	(23.6%)
Creditors (France and International)	54	12	x 4.5
International (excluding creditors)	73	62	17.7%
Other	51	(129)	NS
CRÉDIT AGRICOLE ASSURANCES GROUP	**1,518**	**1,331**	**14.0%**

Net income Group share in 2019 breaks down as follows:

- €1,229 million from life insurance in France, stable compared with 2018, representing 80% of the Crédit Agricole Assurances Group's net income (Group share);
- €110 million from property & casualty insurance in France, down compared with the previous year;
- €54 million from creditor insurance;
- €73 million from international insurance (excluding creditor), an increase of 17.7% due to business growth;
- €51 million from "Other", up compared with the previous year due to a favourable baseline effect caused by the exceptional payment of a balance to Crédit Agricole S.A. following the early redemption of an perpetual subordinated issue and two redeemable subordinated issues in 2018.

GROSS REVENUES BY BUSINESS SEGMENT[1]

	IFRS	
(in € billions)	2019	2018
Life, France (including intragroup)	23.8	21.8
Non-life, France	4.5	4.2
Creditors (France and International)	1.1	1.1
International (excluding creditors)	7.6	6.5
Other	-	-
CRÉDIT AGRICOLE ASSURANCES GROUP	**37.0**	**33.5**

(1) Gross revenues are presented after eliminating intragroup entries.

IFRS revenues were €37.0 billion in 2019, an increase of 10.2% compared with 2018, driven by growth in life insurance and property & casualty insurance in France, as well as strong momentum in international business.

Life insurance revenues in France totalled €23.8 billion, up by around 9.3% compared with 2018. Gross inflows increased by 7.9% in 2019 in France while net inflows totalled €5.2 billion of which 56% in unit-linked business, *i.e.* €2.9 billion.

Crédit Agricole Assurances Group continued to grow in the property and liability insurance market in France, with revenues amounting to €4.5 billion, an increase of approximately 8.2% compared with 2018, significantly outperforming the market.

Creditor insurance revenues in France and International totalled €1.1 billion in 2019, up slightly compared with 2018.

International revenues (excluding creditor insurance) amounted to €7.6 billion in 2019, an increase of about 16% driven mainly by business growth in Italy.

The main contributors to international revenues were:

- Italy (around 50% of international premiums), in particular for life insurance;
- Luxembourg (around 47% of international premiums).

A breakdown in premiums between France and International is available in note 7.1 to Crédit Agricole Assurances Group's consolidated financial statements.

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CRÉDIT AGRICOLE ASSURANCES GROUP CONSOLIDATED SHEET

Assets

(in € millions)	31/12/2019	31/12/2018
Intangible assets	1,209	1,165
Insurance business investments	413,959	369,400
Including UL financial assets	69,135	59,643
Share of transferees and retrocessionnaires in liabilities relating to insurance and financial contracts	2,099	1,822
Other assets	7,192	8,513
Assets held for sale including discontinued operations	-	257
Cash and cash equivalents	976	1,365
TOTAL ASSETS	**425,435**	**382,523**

Crédit Agricole Assurances Group's insurance business investments amounted to €414 billion at 31 December 2019, up by 12.1% compared with 2018. This growth was mainly due to good business momentum leading to net inflows in savings & retirement in 2019, particularly in unit-linked business, and thus a positive volume effect on outstandings, as well as a good performance in the financial markets.

These investments were split as follows:

- 55% in financial assets at fair value through OCI and 25% in financial assets at fair value through profit or loss of the general fund;
- 17% in investments representing unit-linked contracts;
- 2% in investment properties, 1% in financial assets at amortised cost and derivative financial instruments, and finally 1% in investments in associates and joint ventures.

Approximately 81% of fixed income securities (excluding unit-linked business) have a financial rating of at least A.

Liabilities

(in € millions)	31/12/2019	31/12/2018
Crédit Agricole Assurances equity, Group share	16,238	14,896
Minority interests	95	103
Total equity	**16,333**	**14,999**
Liabilities related to insurance policies and financial contracts	356,590	324,553
including liabilities related to UL	69,340	59,921
Provisions for risks and expenses	165	143
Financing debts	7,597	6,491
Other liabilities	44,750	36,109
Liabilities held for sale including discontinued operations	-	229
TOTAL EQUITY AND LIABILITIES	**425,435**	**382,523**

Crédit Agricole Assurances equity (Group share) amounted to €16.3 billion at 31 December 2019, up €1.3 billion compared with 2018. This increase was driven mainly by net gains recognised directly in equity for €1.1 billion corresponding primarily to changes in unrealised gains and losses on financial assets at fair value through OCI.

On 31 December 2019, insurance policies and financial contract liabilities amounted to €357 billion, comprising:

- €234.8 billion (*i.e.* 66% of liabilities related to insurance policies and financial contracts) in technical liabilities for life insurance (excluding provisions for profit-sharing);
- €10.9 billion in provisions for profit-sharing;
- €69.3 billion in liabilities related to unit-linked contracts (*i.e.* 19% of liabilities related to insurance policies and financial contracts);
- €26.6 billion in provisions for deferred profit-sharing (liability);
- €9.6 billion in non-life technical provisions;
- €5.3 billion in other provisions.

This represents an increase of €32 billion driven by good business momentum in 2019, the policy of strengthening reserves, and the increase in unit-linked business following the rise in the financial markets.

Financing debts mainly comprised subordinated notes issued to Crédit Agricole Group entities or the market and amounts due to banks and financial institutions. The increase in 2019 compared with 2018 was due mainly to the €1 million issue made to Crédit Agricole S.A. in September 2019.

Other liabilities increased by €8.6 billion, mainly due to the change in repurchase.

RELATED PARTIES

The main transactions concluded between related parties, consolidated companies and key executives of Crédit Agricole Assurances Group at 31 December 2019 are described in the section entitled "General framework – information on related parties" of Crédit Agricole Assurances Group's consolidated financial statements.

RECENT TRENDS AND OUTLOOK

The paragraphs dedicated to the economic outlook have been updated after 2019 year end closing on 12 February 2020, so as to integrate the recent evolutions related to the Covid-19 virus. With the exception of the paragraphs below in the "Recent trends and outlook" item and the third paragraph of the risk factor "Market fluctuations and general economic, market and political conditions may adversely affect the market value of the Crédit Agricole Assurances Group's investments and its business" in the "Risk factors and risk management procedures" section referring to the Covid-19 epidemic, there have been no significant changes affecting the financial performance or position of Crédit Agricole Assurances since the 2019 financial statements date.

Even before the outbreak of coronavirus, the climate of anxiety and productive investment that was already in decline were contributing to reduced growth, although there was no indication that a fall was imminent.

As a result of the signature of the so-called "phase 1" agreement, the Sino-American trade conflict no longer seemed destined to escalate in the near future. While it did offer hope for a truce in the tariff war, it did not immunise against a shift in tensions onto other sensitive issues and did not presume a lasting peace in Sino-American relations. In fact, the agreement between the United States and China covers many subjects: trade in goods, particularly agricultural and food products, intellectual property, technology transfers, financial services, an end to exchange rate "manipulation", and a forum for resolving conflicts. While ambitious (the additional imports to which China has committed itself are substantial), this agreement does not address the thorny issues of Chinese subsidies and, more broadly, Chinese state-sponsored capitalism.

In addition, the risk of a "Brexit without a trade agreement" threatened to replace the risk of a "no-deal Brexit". Following the United Kingdom's exit from the European Union on 31 January, the British would like to see the details of their future partnership with the European Union (including a free trade agreement) defined by the end of the year 2020. Subjecting the negotiations to such an ambitious timetable will generate doubts about the quality of the future relationship.

Therefore, although there was the possibility for political and geopolitical tensions and uncertainty to ease temporarily, they were unlikely to disappear permanently and were likely to weigh on investment behavior.

Some initial signs seemed to indicate that the decline in the manufacturing sector (based in particular on an improvement in the automotive sector) and in world trade may have bottomed out. The services sector continued to expand as a result of strong consumer spending, boosted by continued sustained growth in wages. Finally, while productive investment had demonstrated resilience, it was showing signs of slow deceleration: deceleration based on uncertainty about future demand, stemming from concerns about global trade, rather than from a typical degeneration of the cycle. After several years of low investment, companies in the Eurozone, in particular, were preparing to face the slowdown without excess capacity, as evidenced by a capacity utilisation rate that was in decline, yet still remained high. Companies appeared cautious, not responding to the erosion of their margins either by abruptly halting their capital spending or by drastically reducing employment.

Without being able to rely on productive investment or global trade, which is more sensitive to growth in investment than growth in consumption, sustained growth depended on households. The labour market continued to adjust to varying speeds and the decline in job creation was not yet reflected in a significant rise in the unemployment rate. There was an expectation that consumption would also be boosted by the slight increase in wages and purchasing power gains sustained by inflation that was still very moderate. While household consumption provided hopes of a slowdown rather than a collapse in growth, there was nevertheless a fine balance between employment, wages and corporate margins.

(1) The United States has decided to waive an additional tax (mainly on consumer goods) and to halve the 15% tariff imposed in September on $120 billion in imports from China. The rest of the duties already in place (25% on $250 billion) will not decrease. Approximately 65% of US imports from China are still taxed. As a reminder, in 2018, US imports of Chinese goods and services totalled $540 billion and $18 billion, respectively. China, for its part, has committed to import an additional $200 billion in goods and services from the United States in 2020-2021, compared with 2017 when US exports of goods and services to China were $190 billion.

This relatively encouraging observation had been made before the coronavirus epidemic began to spread beyond China.

The epidemic, its impact on Chinese growth (a drop in domestic demand) and global growth (a decline in Chinese demand, tourist flows, disruption of value chains) and its geographical spread imply a significant downward revision of growth forecasts. Given the spread of the epidemic, its consequences become even more difficult to assess and result in a series of firm assumptions, including the one formulated upstream of our central scenario: that the spread of the epidemic will be contained in the second quarter. Given the uncertainties surrounding the development of the epidemic as well as measures to limit the spread of infection, this central scenario is accompanied by a downside risk.

Assuming that China has passed the peak of the epidemic (the number of new cases, which has already fallen sharply both within and outside Hubei, is not expected to settle into a sustainable upward trend), growth is expected to undergo a very violent downturn in the first quarter, then a slow recovery followed by a substantial rebound. At the expense of their aim to reduce domestic debt, the Chinese authorities have both the will and the means to stimulate a revival in economic activity (reducing interest rates and bond reserves, significantly increasing bank credit, infrastructure expenditure, etc.). By implementing aggressive and purportedly effective budgetary and monetary support, the rebound in growth for the second half of the year would enable it to achieve an annual average of around 5.3%.

Our scenario assumed a reduction in US growth of around 1.6%: a downturn that is already being felt, driven by the already well-established decline in investment and the lack of public spending support. Even though the epidemic is not yet compelling the United States to "go slow", the impact of the coronavirus leads to the prospect that growth may not exceed 1.3%. In the Eurozone, although confidence indicators have recovered, suggesting sustained activity in services and construction while the industrial sector appeared to be wavering, the epidemic is expected to slash our already conservative growth forecast of 1% by almost seven tenths of a percentage point. The "China effect" alone (via exports and disruption to supply chains) results in a growth reduction of around 0.2 points. However, the impact of the epidemic now affecting Europe (shutdown and/or slowdown of activity, reduced consumption, of services in particular, and a wait-and-see attitude) is generating additional losses that are estimated at between 0.5 and 1 points of growth, varying by country. At this stage, there is nothing to suggest a combined European budgetary response. The risk is that responses will remain essentially national, being limited in the countries under pressure (France, Italy, Spain, Portugal), and more generous in Germany and the Netherlands.

While the depressive impact of the coronavirus epidemic on business activity is primarily caused by falling demand, underlying inflation is expected to remain low. It is expected to be 1.7% in the United States and 1.2% in the Eurozone on an average annual basis. The decline in Chinese demand has already strongly contributed to a fall in commodity prices, including the price of oil: at $40 per barrel, the price of Brent has already fallen by almost 40% since the beginning of the year. Despite expectations of an upturn in activity in the second half of 2020 (particularly industrial activity in China), oil prices were already at risk of being impacted by excessive supply. Given the crisis between Russia and Saudi Arabia and the unexpected end of the OPEC+ agreement aimed at reducing production, there is an obvious risk of long-term low prices. Overall inflation could therefore remain well below the central banks' inflation targets in the US and especially in Europe.

Even before the coronavirus epidemic broke out, the major central banks, undertaking strategic reviews of their own respective policies, were still tempted by monetary easing, which is crucial.

Given the specific economic consequences of the coronavirus epidemic (including a fall in demand associated with containment measures and reduced transnational mobility, difficulties with supplies and cash flow), the purpose of monetary easing may not be to stimulate economic activity so much as to appease the financial markets and limit self-fulfilling phenomena. Since the beginning of the year, a strong trend towards risk aversion has contributed to a decline in risk-free rates (over two months, US and German 10-year sovereign yields have fallen by 120 basis points to 0.70% and 55 basis points to -0.70%, respectively). The main equity markets recorded sharp falls (around 14% for the Eurostoxx 50 and the CAC 40).

In an attempt to curb risk aversion, the Federal Reserve acted with urgency, announcing a surprise reduction of 50 basis points in the Fed Funds rate (target rate of 1-1.25%). This is the first inter-meeting decision the Federal Reserve has taken since the 50-basis-point reduction in October 2008. This proactive, precautionary course of action did not succeed in curbing the concerns of the markets. Our scenario assumes the Federal Reserve will provide additional easing of a further 50 basis points (split into two reductions of 25 basis points each). Although there is still room for manoeuvre, it could even make the first reduction as early as March, if financial terms continue to tighten. The ECB, on the other hand, has limited room for manoeuvre. Even before growth prospects deteriorated so rapidly, our scenario included a potential drop in the deposit rate of 10 basis points, an extension of quantitative easing, an increase in the holding limit from 33% to 50%, and the continuation of forward guidance. This arrangement may be supplemented by an increase in the proportion of corporate securities purchased under the Corporate Sector Purchase Programme as part of the quantitative easing measures, and the granting of Targeted Longer-Term Refinancing Operations (TLTROs) on more favourable terms in order to encourage banks to lend and, in particular, to support SMEs.

Once again, everything is contributing to keeping core long-term rates extremely low: risk aversion, unprecedented uncertainty and lack of visibility, strong economic slowdowns accompanied by downside risks, and pain-free rates of inflation.

Our scenario includes long-term (10-year) sovereign rates, which, having reached their troughs before the summer, are expected to recover timidly, reaching 1.25% and -0.55% in December 2020 for the United States and Germany, respectively. Despite less favourable growth prospects, the equity markets, supported by very low risk-free rates, which are expected to remain as such for some time, continued to hold up well. Since the coronavirus epidemic broke out, triggering a powerful wave of risk aversion, there has been a considerable slump in the equity markets (registering falls ranging from almost 7% for the S&P 500 index up to 14% for the Eurostoxx and CAC 40 indexes over two months). Despite its highly preventative nature, coming prior to a marked downgrading of the US macroeconomic inflation and employment indicators, the unexpected easing from the Federal Reserve has not succeeded in stemming the concerns of the markets. The equity markets may struggle for as long as the markets lack a minimum of clarity about the depth and duration of the crisis (assuming the lower part of a growth curve develops in the shape of a "U"). Their recovery, a pillar of the wealth effect, is an essential component of a scenario of a very sharp decline in growth with no deterioration into recession.

Only the Bank of Japan, which knows the collateral damage of excesses, will not be tempted.

Once again, everything is contributing to keeping core long-term rates low: materialisation of economic slowdowns, painless inflation, accommodative monetary policies, and a climate marked by proven or latent risks. Our scenario assumes long (10-year) sovereign rates at 1.60% and -0.45% in December 2020 for the United States and Germany, respectively. This will not serve to displease the risk premiums of the "peripheral" bond markets and the equity markets: their resilience will determine the wealth effect and household consumption, an essential ingredient in a scenario of slowdown rather than a collapse in growth.

For Crédit Agricole Assurances Group

Largest insurer in France[1], Crédit Agricole Assurances keeps growing for the customers' satisfaction, with the support of the Crédit Agricole Group's distribution networks in France and in Europe, through an integrated bancassurance model.

On 6 June 2019, the Crédit Agricole Group announced the adoption of its 2022 Medium-Term Plan. The 2022 Medium-Term Plan sets out ambitious targets for Crédit Agricole Assurances as one of the main drivers for achieving targeted revenue synergies by 2022 at the level of Crédit Agricole Group, over €800 million of which is expected to come from the insurance business. The 2022 Medium-Term Plan reflects the following key strategies for the Crédit Agricole Assurances business:

- **life insurance:** in its savings product line, Crédit Agricole Assurances will continue to offer pertinent savings products in a low interest rate environment as part of a global advisory approach, supporting customers in the diversification of their assets and acting as a trusted advisor, while preserving profitability for the Crédit Agricole Assurances Group. In retirement products, Crédit Agricole Assurances will take advantage of new market opportunities provided by the *Loi Pacte* to increase its market share in France, while also strengthening synergies with Amundi for Group retirement plans. In the Death and Disability business, Crédit Agricole Assurances will offer more flexible creditor insurance solutions, boost growth on individual death & disability insurance, and continue to grow its Group health and Group death & disability solutions lines;
- **property & casualty:** in the property & casualty segment product line, Crédit Agricole Assurances will aim to increase penetration among customers of the Crédit Agricole Regional Banks and LCL, offer new solutions to farmers to preserve their farms and crops, and reinforce a "Prevention-Insurance-Protection" approach with a prevention plan for all Regional Banks across a range of customer segments including young adults, families, seniors, farmers and employees.

The 2022 Medium-Term Plan includes targeted offers for each of Crédit Agricole Assurance's main customer segments, including:

- an expanded offering for households, with in-home services such as remote surveillance, extended offers for property & casualty individual risk management and support for key life events. It will offer services for new forms of mobility with specific offerings for individuals and fleet management companies. It will also offer e-health services for key life moments,
- a comprehensive bancassurance offering for corporate customers, including a robust offer for group health, death & disability, and retirement solutions, structured for corporate customers' needs. A property and casualty commercial lines insurance solution will be launched for corporates by the end of 2020,
- increased international business. The Group aims to increase its exposure to international markets, and is targeting reaching €7.3 billion in premium income from international activities by 2022 (a 20% increase from 2018). Crédit Agricole Assurances aims to achieve this through a combination of (i) synergies within the Crédit Agricole Group, such as expanding customer penetration in Italy and developing property & casualty solutions for Italy, Portugal and Poland and (ii) beyond the Crédit Agricole Group through partnerships, using a bancassurance model for partner banks in Italy, Portugal and Japan, and *via* private banks hubs and creditor insurance in Europe,
- reflecting these strategies, the 2022 Medium-Term Plan includes the following targets for Crédit Agricole Assurances by 2022: reaching €322 billion in life insurance outstandings (a 13% increase from 2018) with 26% of life insurance outstandings in unit-linked contracts by the end of 2022, a market share of 15% for new retirement savings in France, €5 billion in premium income from death and disability, creditor and group insurance (a 35% increase from 2018) with a 2% increase in penetration rate, and €5.5 billion in premium income from property and casualty insurance policies (a 31% increase from 2018) with over 5% of customers subscribed to at least one property and casualty insurance contract. In addition, the 2022 Medium-Term Plan targets a 3% compound average growth rate in Group revenues (revenues plus fees paid to distributors) over the 2018-2022 period, to achieve €7.2 billion by 2022. It also targets a combined ratio of less than 96% by 2022 and a cost-income ratio of around 30% by such date.

Subsequent events

No significant events occurred between the reporting date on 31 December 2019 and the date on which the Board of Directors approved the financial statements.

(1) *Source: l'Argus de l'assurance, 20 December 2019, data at end-2018.*

CRÉDIT AGRICOLE ASSURANCES S.A. FINANCIAL STATEMENTS

Crédit Agricole Assurances S.A.'s Financial Statements are prepared using French standards.

CRÉDIT AGRICOLE ASSURANCES S.A. CONDENSED BALANCE SHEET

Assets

(in € millions)	31/12/2019	31/12/2018	Changes
Intangible assets and property, plant & equipment	1	3	(66.7%)
Financial assets	17,443	16,044	8.7%
Current assets	845	1,278	(33.9%)
Accruals and deferred income	17	19	(10.5%)
TOTAL ASSETS	**18,306**	**17,344**	**5.5%**

Total assets amounted to €18.3 billion on 31 December 2019, an increase of 5.5% driven mainly by opposing trends in financial assets and current assets since the end of 2018.

The 8.7% increase in financial assets from €16.0 billion at end 2018 to €17.4 billion at end-2019 stemmed mainly from:

- a €1.07 billion increase in receivables related to equity investments following new loans provided by Crédit Agricole Assurances S.A. to its subsidiaries;
- a €331 million increase in equity investments, mainly due to capital increases and stock dividend distributions made by some subsidiaries, as well as the acquisition of Abanca Generales de Seguros y Reaseguros S.A. during the year.

Current assets mostly consisted of marketable securities. They decreased by 32% to €390 million in 2019 mainly due to disposals of UCITS (Undertakings for the Collective Investment of Transferable Securities).

Liabilities

(in € millions)	31/12/2019	31/12/2018	Changes
Share capital and reserves	9,504	9,103	4.4%
Net income/(loss) for the year	1,325	1,592	(16.8%)
Interim dividend (financial year in progress)	(624)	(569)	9.7%
Total equity	**10,205**	**10,126**	**0.8%**
Other equity	1,745	1,745	0.0%
Financing debts	5,094	4,089	24.6%
Provisions for risks and expenses	1	2	(50.0%)
Debt to credit institutions	1,182	1,267	(6.7%)
Other liabilities	80	117	(31.6%)
TOTAL EQUITY AND LIABILITIES	**18,306**	**17,344**	**5.5%**

Changes in equity in 2019 were driven by:

- 2019 net income for an amount of €1,325 million;
- the transfer of 2018 undistributed net income to retained earnings for €401 million;
- the payment to Crédit Agricole S.A of a final dividend of €621 million for the year 2018 and an interim dividend of €624 million for the year 2019.

Other equity, amounting to €1.7 billion, comprises two subordinated bond issues of €750 million and €1 billion made on 14 October 2014 and 13 January 2015 respectively.

The €1,005 million (*i.e.* 24.6%) increase in financing debts stemmed mainly from a €1 billion loan provided to Crédit Agricole Assurances by Crédit Agricole S.A. in September 2019.

Accounts payable by due date

In accordance with Article L. 441-6-1 and D. 441-4 of the French Commercial Code, Crédit Agricole Assurances S.A. presents the amounts due to suppliers in its management report.

At 31 December 2019, the balance of these accounts amounted to -€0.7 million including VAT, and to -€0.6 million before taxes. As indicated in the table below, the balance comprised one invoice which was not past due at 31 December 2019.

Crédit Agricole Assurances S.A. paid its suppliers within 102.9 days on average in 2019.

	Article D. 441 I.-1°: received unpaid invoices at year-end which are in arrears						**Article D. 441 I.-2°: issued unpaid invoices at year-end which are in arrears**					
	0 day	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**	**0 day**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**
(A) Late payments'instalments												
Cumulative number of corresponding invoices	1					-	1					3
Cumulative amount of corresponding invoices ex. taxes *(million of euros)*	(0.6)	-	-	-	-	-	0.0	0.1	-	-	-	0.1
Percentage of the total amount of the fiscal year purchases ex. taxes	1%	0%	0%	0%	0%	0%						
Percentage of the fiscal year total premiums ex. taxes							0%	0%	0%	0%	0%	0%
(B) Invoices excluded from (A) relatives to contentious or unrecognized liabilities and receivables												
Number of excluded invoices	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-	-	-	-	-	-	-	-
(C) References terms of payment used (contractual or legal terms – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Terms of payment used to calculate the late payments	▶ Contractual terms ▶ Legal terms: 60 days						▶ Contractual terms: 30 days ▶ Legal terms					

	Article D. 441 -II: received invoices for which a late payment occured during the year						**Article D. 441 -II: issued invoices for which a late payment occured during the year**					
	0 day	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**	**0 day**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**
(A) Late payments' instalments												
Cumulative number of corresponding invoices	130					79	3					18
Cumulative amount of corresponding invoices ex. taxes *(million of euros)*	123	1	-	-	1	2	-	-	22	1	4	27
Percentage of the total amount ex. taxes of the invoices received in the year	98%	1%	0%	0%	1%	2%						
Percentage of the total amount ex. taxes of the invoices issued in the year							2%	0%	80%	5%	14%	98%
(B) Invoices excluded from (A) relatives to contentious or unrecognized liabilities and receivables												
Number of excluded invoices	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-	-	-	-	-	-	-	-
(C) References terms of payment used (contractual or legal terms – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Terms of payment used to calculate the late payments	▶ Contractual terms ▶ Legal terms: 60 days						▶ Contractual terms: 30 days ▶ Legal terms					

CRÉDIT AGRICOLE ASSURANCES S.A. CONDENSED INCOME STATEMENT

(in € millions)	2019	2018	Changes
Operating income	1	5	(80.0%)
Operating expenses	(63)	(64)	(1.6%)
Operating income (1)	**(62)**	**(59)**	**5.1%**
Financial income	1,723	2,112	(18.4%)
Financial expenses	(303)	(515)	(41.2%)
Net financial income (2)	**1,419**	**1,596**	**(11.1%)**
Net extraordinary items (3)	**(5)**	**19**	**NS**
Income tax and other (4)	(27)	36	NS
NET INCOME (1)+(2)+(3)+(4)	**1,325**	**1,592**	**(16.8%)**

Crédit Agricole Assurances S.A. reported net income of €1.3 million in 2019, down €267 million, reflecting the movement in net financial income:

- the sharp decrease in financial income was mainly due to an adverse baseline effect caused by the payment by some subsidiaries of the entire 2017 dividend in 2018;
- financial expenses decreased by 41.2% in 2019, mainly due to a positive baseline effect caused by the payment in 2018 of a balance of €174 million to Crédit Agricole S.A. related to the early redemption of subordinated notes.

Corporate income tax increased by €64 million in 2019. This increase was due to an adverse baseline effect caused by the recognition in 2018 of a €36 million tax benefit corresponding to a receivable due from Crédit Agricole S.A. as part of the tax consolidation agreement signed in 2015, following the payment of the €174 million balance to Crédit Agricole S.A.

FIVE YEAR FINANCIAL SUMMARY

(in €)	2015	2016	2017	2018	2019
Share capital at the end of the financial year	**1,448,754,700**	**1,490,403,670**	**1,490,403,670**	**1,490,403,670**	**1,490,403,670**
Number of shares outstanding	144,875,470	149,040,367	149,040,367	149,040,367	149,040,367
Net income & other comprehensive income from transactions					
Gross revenues excluding taxes	25,516,615	28,419,191	16,178,014	335,792	158,424
Earnings before tax, depreciation, amortization and provision expense	1,004,557,767	1,037,236,933	737,897,850	1,574,833,580	1,351,430,625
Income tax charge	4,450,746	(2,973,082)	(4,867,089)	36,447,697	(27,221,561)
Charge to depreciation, amortization and provisions	(43,244,820)	(15,767,075)	(3,392,702)	(19,071,820)	874,465
Earnings after tax, depreciation, amortization and provision expense	965,763,692	1,018,555,404	729,638,059	1,592,209,458	1,325,083,530
Distributed earnings	973,753,170	865,683,633	1,211,698,184	1,190,832,532	1,324,968,863 (1)
Earnings per share					
Earnings after tax but before depreciation, amortization and provision expense	6.96	6.94	4.92	10.81	8.88
Earnings after tax, depreciation, amortization and provision expense	6.67	6.83	4.90	10.68	8.89
Dividend per share	6.72	5.54	8.13	7.99	8.89
Employees					
Number of employees	269.17	302.43	69.41 (2)	- (2)	- (2)
Total payroll for the financial year	25,861,975	28,709,906	12,633,587 (2)	- (2)	- (2)
Cost of benefits paid during the period (costs and social welfare)	**12,388,157**	**13,663,221**	**4,503,867 (2)**	**- (2)**	**- (2)**

(1) Corresponds to the amount of earnings proposed for distribution by the Board of Directors.

(2) On 1 April 2017, Crédit Agricole Assurances S. A.'s employees were transferred to Crédit Agricole Assurances Solutions.

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RISK FACTORS AND RISK MANAGEMENT PROCEDURES

RISK FACTORS

Crédit Agricole Assurances would like to draw attention to the risks described below.

The following description of risks is not exhaustive. Other risks and uncertainties which are currently not known or considered as minor could significantly impact Crédit Agricole Assurances in the future.

The risks described below are inherent in the nature of Crédit Agricole Assurances Group's business as well as in the economic, political, competitive and regulatory environment in which Crédit Agricole Assurances Group operates.

Considering the numerous possibilities and uncertainties related to these risks, Crédit Agricole Assurances is not always able to precisely quantify the impact of these risks. However, several risk management processes, procedures and controls have been implemented in order to continuously monitor and manage these risks, which, nevertheless, have their limits like any control system and cannot protect with absolute certainty against all of the risks described below or losses liable to be generated.

In addition, if the risks described below lead to quantifiable financial losses and/or a potential material liability, these elements are reflected in the Crédit Agricole Assurances Group consolidated financial statements, in accordance with applicable IFRS accounting standards.

RISK RELATED TO THE FINANCIAL INVESTMENTS

The Crédit Agricole Assurances Group's operating income depends to a significant extent on investment returns and changes in the fair value of its portfolio of financial investments.

The Crédit Agricole Assurances Group holds an investment portfolio related to the matching of liabilities and particularly guarantees granted to policyholders. As of 31 December 2019, the Group's portfolio of financial investments from insurance activities amounted to €414.0 billion.

The Crédit Agricole Assurances Group is exposed to a number of financial risks in connection with its financial investment portfolio, including:

- market risks, in particular interest rate risk, which exposes the general account to valuation risk. Investment income net of expenses thus amounted to €11.7 billion in 2017, while it decreased to €2.5 billion in 2018, mainly due to the change in fair value of investments recognized at fair value through profit or loss, penalized by unfavorable financial market trends, particularly in the last quarter of 2018. In 2019, it recovered to €15.7 billion. This demonstrates the volatility of income from the Group's investments, and there is no guarantee that the Group will not incur significant losses in the future;
- asset-liability management risks: the evolution of the portfolio's return is negatively impacted by a low interest rate environment on Euro-denominated life insurance contracts. Such risk does not affect unit-linked contracts, where the policyholder obtains a return directly linked to the return on the underlying asset.

A continuation of the low (or negative) interest rate environment may adversely affect the market value of the Crédit Agricole Assurances Group's investments and operating income.

The continuation of a persistently low or even negative interest rate environment could have a significant impact on the Crédit Agricole Assurances Group's business. As of 31 December 2019, 81% of the Group's investments (excluding unit-linked accounts) consisted of fixed income products. Low (or negative) interest rates weigh on the return on fixed income investments, which may be insufficient to cover the minimum guaranteed rates on savings products, which could affect the Group's operating income and solvency position. While the Group has not issued policies with minimum guaranteed rates in excess of zero (beyond one year) since 2000, certain policies issued prior to that date that remain outstanding offered positive guaranteed rates; the average minimum guaranteed rate being 0.28% for all policies as of 31 December 2019, leaving the Group exposed in a negative interest rate environment.

An increase in interest rates may also have a negative impact on the fair value of the Group's fixed income portfolio, leading to a decrease in unrealised gains which could negatively impact its solvency position and net income. In addition, an increase in interest rates could increase the cost of the debt securities the Group may issue to finance the Group's operations or its regulatory capital requirements.

The fixed income portfolio sensitivity to changes in interest rates provides an assessment of this risk's impact. According to this sensitivity analysis, which is conducted net of the impact on deferred policyholder surplus and tax, as of 31 December 2019, a 100 point increase in risk-free rates would have decreased the Group's net income by €62 million and equity by €2,064 million. As at the same date, a 100 point decline in risk-free rates would have increased the Group's net income by €87 million and equity by €2,067 million. For additional quantitative information on the Group's interest rate risk exposure, see item entitled "Interest rate risk" in the section "Risk factors and risk management procedures – Quantitative and qualitative information".

Market fluctuations and general economic, market and political conditions may adversely affect the market value of the Crédit Agricole Assurances Group's investments and its business.

This risk factor has been updated after 2019 year end closing on 12 February 2020, so as to integrate the recent evolutions related to the Covid-19 virus.

The market value of the Crédit Agricole Assurances Group's investments could be impacted by the general situation of financial markets, or by the situation of particular sectors or geographic markets to which the Group is exposed. As of 31 December 2019, the Group's investments by asset class (excluding unit-linked accounts) consisted of 81% fixed income products, 8% real estate and 7% equities, and 4% others. At that same date, the breakdown of Group's investment portfolio (consisting of assets owned directly, excluding GNB Seguros and CA Assicurazioni as well as Undertakings for Collective Investments in Transferable Securities ("UCITS"), derivatives, repurchase agreements, cash UCITS and unlisted investments) by economic sector included 31% government, 23% financial and securitization, 25% corporate, 11% agencies and 9% real estate. The Group's investments by geographic area (consisting of assets owned directly, excluding GNB Seguros and CA Assicurazioni as well as derivatives, repurchase agreements, cash UCITS and unlisted investments) at the same date included 65% of investments in France, 20% in the Euro zone (excluding France), 5% Europe non Euro zone, 6% Americas and 4% other. The Group's total exposure to sovereign debt was €71.0 billion, of which 74% was exposure to France, 11% exposure to Italy, 5% exposure to Belgium, 4% exposure to Austria and 2% exposure to Spain.

A wide variety of factors could negatively impact economic conditions and consumer confidence resulting in volatile financial markets. Among other things, these factors include concerns over the creditworthiness of certain sovereign issuers, high-levels of corporate indebtedness, the impact of Brexit, the fluctuations of foreign currencies against the Euro, the availability and cost of credit, the stability and solvency of certain financial institutions and other companies, central bank intervention in the financial markets, energy costs, trade disputes and geopolitical issues. Moreover, extreme market events, such as the global financial crisis during 2008 and 2009, have led, and could in the future lead, to a liquidity crisis, highly volatile markets, a steep depreciation of the values of all asset classes, an erosion of investor and public confidence, and a widening of credit spreads. These factors, as well as adverse economic conditions in general, could lead to declines in the market value and performance of the investment portfolio and a decline in the Crédit Agricole Assurances Group's business.

Furthermore, the Covid-19 epidemic is expected to have significant negative impacts on the world economy, which would worsen if the epidemic were not contained quickly. It leads to supply and demand shocks, resulting in a marked slowdown in activity, due to the impact of containment measures on consumption and the distrust of economic agents, as well as production difficulties, supply chain disruptions in some sectors; and slower investment. The result would be a marked drop in growth, or even technical recessions in several countries. These consequences would impact the activity of the counterparties of the banks and, in turn, of the banks themselves. Crédit Agricole S.A., which announced support measures for its corporate and individual customers during the crisis, will be affected by the impact of the crisis on its revenues and results. Crédit Agricole Assurances could therefore be impacted. The extent and duration of these impacts are impossible to determine at this stage.

The Crédit Agricole Assurances Group's hedging programs may be inadequate to protect the Group against the full extent of the exposure or losses the Group seeks to mitigate which may negatively impact the Group's business, operating income and financial condition.

The Crédit Agricole Assurances Group uses derivatives to hedge certain risks. As of 31 December 2019, the notional amount of the Group's total hedging derivative instruments was €3.6 billion. The Group's hedging techniques are designed to reduce the economic impact of unfavorable changes to certain of the Group's exposures to interest rate risk and other factors. In certain cases, however, the hedges are not perfect or limited compared to the overall exposure, due, for example, to the insufficient size of the derivative market or due to excessive hedging costs or the very nature of the risk that can not always be hedged. This may result in losses due to hedging imperfections as well as unanticipated cash needs to collateralize or settle transactions. In addition, hedging counterparties may fail to perform their obligations, resulting in losses on positions that are not collateralized. The operation of the Group's hedging program is based on models and assumptions that may not fully reflect reality and may therefore give rise to a risk, which could impact its operating income and financial position. For further quantitative information on the Group's outstanding hedges, see note 6.9 of the Consolidated financial statements at 31 December 2019.

The Crédit Agricole Assurances Group's valuation of investments that lack an active trading market or observable market data may change significantly based on changes in methodologies, estimations or assumptions, or prove inaccurate.

Certain of the Crédit Agricole Assurances Group's investment assets, for which there is no active trading market or other observable market data, are valued using models and methodologies that involve estimates, assumptions and significant management judgment. As of 31 December 2019, €7.7 billion of the Group's financial instruments, were categorized as Level 3 financial instruments under IFRS 13 and valued based on unobservable data. As of 31 December 2019, financial instruments categorized as Level 3 financial instruments represented 1.9% of total financial assets valued at fair value. See note 6.5 of the Consolidated financial statements dated 31 December 2019 for a breakdown of the Group's assets measured at fair value and otherwise. During periods of market disruption, a larger portion of the Group's investment assets may be valued using these models and methodologies as a result of less frequent trading or less observable market data with respect to certain asset classes that were previously actively traded in liquid markets. There can be no assurance that the Group's valuations on the basis of these models and methodologies represent the actual price for which a security may ultimately be sold or for which it could be sold at any specific point in time. Use of different models, methodologies and/or assumptions may have a material impact on the estimated fair value amounts and inaccurate valuations could have a negative effect on the Group's operating income and financial condition. For additional information on the accounting policies and principles related to the valuation of the Group's investments, see note 1 to the Consolidated financial statements dated 31 December 2019.

Losses due to defaults by financial institution counterparties, reinsurers and/or other third parties could negatively affect the value of the Group's investments and reduce the Crédit Agricole Assurances Group's profitability.

Third parties that owe the Crédit Agricole Assurances Group money, securities or other assets are likely to default to their obligations which could negatively affect the value of the Group's investments and reduce the Group's profitability. These parties include private sector and government (or government-backed) issuers whose securities the Group holds in the Group's investment portfolios, borrowers under mortgages and other loans that the Group extends, reinsurers to which the Group has ceded insurance risks, customers, trading counterparties, counterparties under derivative contracts, other counterparties including brokers and dealers, commercial and investment banks, hedge funds, other investment funds, clearing members, market exchanges, clearing houses and other financial institutions. As of 31 December 2019, the Group's investments by economic sector included 31% government, 23% financial and securitization, 25% corporate, 11% agencies and 9% real estate. In addition, as of 31 December 2019, the breakdown of the Group's bond portfolio by credit rating included approximately 10% exposure to AAA-rated bonds, 47% exposure to AA-rated bonds, 23% exposure to A-rated bonds, 18% exposure to BBB-rated bonds, less than 1% exposure to bonds rated BB or lower and 1% exposure to non-rated bonds. For further quantitative information on the Group's counterparty risk exposure, see item entitled "Counterparty risk" in the section "Risk factors and risk management procedures – Quantitative and qualitative information".

The determination of the amount of allowances and impairments to be taken on the Crédit Agricole Assurances Group's investments requires the use of significant management judgment and could materially impact the Group's operating income or financial position.

The determination of the amount of allowances and impairments under the Crédit Agricole Assurances Group's accounting principles and policies with respect to investments (as detailed in note 1 to the Consolidated financial statements dated 31 December 2019) varies by investment type and is based upon the Group's periodic evaluation and assessment of known and inherent risks associated with the respective asset class. In considering impairments, management considers a wide range of factors and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and the prospects for near-term recovery. For certain asset classes, including debt instruments, management's evaluation involves a variety of assumptions and estimates about the operations of the relevant issuer and its future earnings potential, which may involve significant uncertainty. As of 31 December 2019, the amount of impairment on debt securities at fair value through other comprehensive income was €147 million. Impairments and/or allowances may have a material adverse effect on the Group's operating income and financial position. Note 6.7 of the Consolidated financial statements dated 31 December 2019 provides additional information on the changes in carrying amounts and loss allowances during the period.

Fluctuations in currency exchange rates may adversely affect the Crédit Agricole Assurances Group's reported earnings.

The Crédit Agricole Assurances Group publishes its consolidated financial statements in Euros. A portion of the Group's insurance written premiums and financial revenues, as well as the Group's benefits, claims and other deductions are denominated in currencies other than the Euro. Fluctuations in exchange rates may have an impact on the Group's operating income, cash flows, investments value, shareholders' equity and solvency. As of 31 December 2019, the Group's foreign exchange risk related primarily to structural exposure to the yen for its CA Life Japan subsidiary (net exposure equivalent to €8 million) and to the Polish zloty for its CA Insurance Poland subsidiary (net exposure equivalent to €0.6 million), as well as the risk of operational foreign exchange exposure arising from a mismatch between the currency of assets and liabilities in the Group's global portfolio. For further quantitative information on the Group's foreign exchange risk exposure, including analysis of the sensitivity of the portfolio to increases and decreases of foreign exchange rates, see item entitled "Foreign exchange risk" in the section "Risk factors and risk management procedures – Quantitative and qualitative information".

RISK RELATED TO THE INSURANCE BUSINESS

The Crédit Agricole Assurances Group may not be able to meet its obligations to pay minimum guaranteed returns and the surrender value of policies in connection with its savings and retirement business.

The Crédit Agricole Assurances Group's principal business is savings and retirement, which consists of offering insurance policies that provide policyholders with investment returns, and that can either be surrendered for their cash value at the option of the policyholders or paid out to the beneficiaries in the event of death. In the year ended 31 December 2019, the savings and retirement business accounted for 77% of the Group's gross written premiums.

The Group's savings and retirement business is subject to risks related to the guaranteed surrender value of its Euro-denominated contracts. Under these policies, the surrender value is not tied to the fair value of the underlying assets (unlike unit-linked policies that provide the policyholders with returns specifically tied to underlying assets or indices), which leads to the risk of asset and liability valuation mismatches. If rapid increases in interest rates or other factors lead to a large increase in surrender rates by policyholders, the Group may be unable to meet its obligations under the surrender value of these contracts. As of 31 December 2019, the Group had €304.2 billion of savings and retirement outstandings, of which 77% came from Euro-denominated contracts.

The Group's life insurance business is also subject to risks related to minimum guaranteed rates offered to policyholders on some of its Euro-denominated contracts issued before 2000, corresponding on average to a minimum guaranteed rate of 0.28% for all of the Group's policies as of 31 December 2019. For these policies, a risk exists if investment income falls below the guaranteed rates. See section "Risks related to the financial investments."

Because the Crédit Agricole Assurances Group's business is concentrated in France, a downturn in the French market could have a disproportionate impact on the Group's operating income.

As of 31 December 2019, the Crédit Agricole Assurances Group's life and non-life segments in France accounted for 80% of the Group's gross written premiums. At the same date, 65% of the Group's investments were concentrated on issuers located in France. As a consequence, a significant deterioration in French economic conditions would affect the Crédit Agricole Assurances Group more than a group with more diversified international activities.

Claims experienced could be inconsistent with the assumptions used to price the Crédit Agricole Assurances Group's products and establish its reserves.

The Crédit Agricole Assurances Group's earnings depend significantly upon the extent to which the Group's actual claims experience is consistent with the assumptions the Group uses in setting the prices for the Group's products and establishing the liabilities for obligations for technical provisions and claims. The Group uses both its own experience and industry data to develop estimates of future claims and policy benefits, including information used in pricing insurance products and establishing the related actuarial liabilities. However, the claims experience may be higher than the assumptions used for pricing and establishing reserves. If the Group's actual benefits paid to policyholders are greater than the assumptions on which the pricing was based and the provisions were established, the Group's operating income and financial position may be affected.

The Crédit Agricole Assurances Group's loss reserves for the property & casualty segment may prove to be inadequate.

As of 31 December 2019, the Crédit Agricole Assurances Group's property & casualty segment accounted for 12% of the Group's gross written premiums. In accordance with industry practices and accounting and regulatory requirements, the Group establishes reserves for claims and claims expenses related to the Group's property and casualty business. As of 31 December 2019, the Group had €9.6 billion of technical liabilities relating to non-life insurance business (€8.3 billion after reinsurance). The Group's net revenue after claims expenses is used to cover operational expenses. The Group's combined ratio in France (Pacifica scope) – *i.e.* the ratio of its claims, operating expenses and commissions to gross premiums, net of reinsurance – was 95.9% at 31 December 2019. If the Group were required to increase its technical liabilities or were to incur greater losses than expected, its combined ratio would increase, and its operating income would decline. Reserves do not represent an exact calculation of liability, but instead represent estimates, generally using actuarial projection techniques at a given accounting date. These reserve estimates are expectations of what the ultimate settlement and administration of claims will cost based on the Group's assessment of facts and circumstances then known, review of historical settlement patterns, estimates of trends in claims severity, frequency, legal theories of liability and other factors. No assurance can be given that ultimate losses will not exceed the claims reserves and have a negative effect on the Group's operating income.

The Crédit Agricole Assurances Group is subject to risks specific to catastrophic events, which by definition are unpredictable and can increase the volatility of the Group's operating income.

The Crédit Agricole Assurances Group's insurance operations are exposed to the risk of catastrophic events, particularly in its principal market of France. The extent of losses from a catastrophe is a function of both the total amount of insured exposure in the area affected by the event and the severity of the event. Catastrophes can be caused by various events, including hurricanes, windstorms, earthquakes, hail, tornadoes, explosions, severe winter weather (including snow, freezing water, ice storms and blizzards), fires and man-made events such as terrorist attacks, military actions and core infrastructure failures. Most catastrophes are restricted to small geographic areas; however, hurricanes, earthquakes or man-made catastrophes may produce significant damage or loss of life or property damage in larger areas, especially those that are heavily populated. In addition, changing climate conditions, primarily global warming, may increase the frequency and severity of natural catastrophes such as hurricanes, and result in greater than expected losses. As of 30 November 2019, the Group's subsidiary Pacifica managed nearly 29,000 climate insurance policies. Although the Group takes efforts to limit its exposure to catastrophic risks through volatility management and reinsurance programs, these efforts do not eliminate all risk and claims resulting from catastrophic events could therefore affect the Group's operating income. Recent examples of natural catastrophes that have led to an increase in claims in the Group's non-life insurance business include Hurricane Maria in the French Caribbean in September 2017 and the impact of successive freezes in France in April 2017.

In addition, catastrophic events could harm the financial condition of issuers of financial instruments the Group holds in its investment portfolio, resulting in impairments to these obligations. These events may also affect the financial condition of the Group's reinsurers, thereby increasing the probability of default on reinsurance recoveries. Large-scale catastrophes may also reduce the overall level of economic activity in affected countries, which could hurt the Group's business and the value of its investments or ability to write new business. It is possible that increases in the value of insurance policies, caused by the effects of inflation or other factors, and geographic concentration of insured lives or property, could increase the severity of claims the Group receives from future catastrophic events. Due to their nature, the Group cannot predict the incidence, timing and severity of any such catastrophe, which could lead to increases in claims and adversely affect the Group's operating income.

The Crédit Agricole Assurances Group is subject to risks specific to the death & disability, creditor and group insurance segments.

In 2019, 11% of the Crédit Agricole Assurances Group's gross written premiums originated in the death & disability, creditor and group insurance segments. These segments include insurance products designed to protect against the financial consequences of a serious life event (death, hospitalization, serious injury, disability or long-term care needs), guarantee the repayment of a loan in the event of disability or unemployment and to provide additional health insurance services for employees. In these segments, the Group is particularly exposed to the risk that mortality rates will be higher than expected for policyholders with death coverage or the risk that policyholders with disability coverage will experience health needs that are in excess of those expected when the policies were written. In addition, the Group's life and health insurance operations are exposed to the risk of catastrophic mortality and disease, such as a pandemic or other event that causes a large number of deaths. If any such event occurs, or if the Group's assumptions related to mortality rates, life expectancies and other health-related factors used in pricing insurance policies prove incorrect, the Group's operating income could be adversely affected.

The Crédit Agricole Assurances Group's insurance business may be adversely affected by changes in interest rates.

In addition to impacting the Group's financial investments, changes in prevailing interest rates also affect the Group's insurance operations. For example, in periods of declining interest rates, Euro-denominated contracts in savings and retirement may be relatively more attractive to consumers due to better expected returns compared to other types of savings investments available to them, resulting in increased premium payments on products with flexible premium features and a higher percentage of retirement and savings contracts remaining in force from year-to-year, creating potential asset liability duration mismatches if the change is not properly anticipated.

Conversely, in periods of rapidly increasing interest rates, surrender rates in savings and retirement contracts may increase as policyholders choose to forego insurance and seek higher investment returns. In 2019, in a low interest rate environment, the surrender rate of Predica (the main savings and retirement subsidiary) was 3.4%. An unanticipated increase in policy surrenders could require the Group to liquidate fixed maturity investments in order to obtain cash to satisfy surrender obligations at a time when market prices for such assets are depressed, leading to realized investment losses for the Group. Accelerated surrenders may also cause the Group to accelerate amortization of deferred contracts acquisition costs, which would reduce the Group's net income.

Default of a reinsurer or increased reinsurance costs could adversely affect net income.

The Crédit Agricole Assurances Group reinsures with reinsurance companies to limit its risks. The availability, amount and cost of reinsurance depend on prevailing market conditions, in terms of price and available capacity, which may vary significantly. As of 31 December 2019, reinsurers' shares of liabilities arising from insurance and financial contracts amounted to €2.1 billion.

While the purpose of reinsurance agreements is to transfer a portion of losses and related expenses to other insurers, they do not eliminate the requirement for the Group, the direct insurer, to settle claims. In this regard, the Group is subject to the solvency risk of its reinsurers at the time that sums due must be recovered from them. Although the Group initially places its reinsurance with reinsurers that the Group believes to be financially stable, its assessment of their stability may be incorrect and the financial stability of a reinsurer may change adversely by the time recoveries are due. As of December 31, 2019, net outstandings ceded to reinsurers (ceded reserves and current accounts with reinsurers net of cash deposits received) amounted to €1.3 billion. Their breakdown by financial rating of reinsurers is as follows: 4% exposure to AA+ rated reinsurers, 14% exposure to AA rated reinsurers, 69% exposure to AA- rated reinsurers, 7% exposure to A+ rated reinsurers, 1% exposure to A rated reinsurers, 3% exposure to A- rated reinsurers and 1% exposure to unrated reinsurers. A reinsurer's failure to make payment under the terms of a significant reinsurance contract would have a negative effect on the Group's businesses, financial condition and operating income. In addition, after making large claims under reinsurance policies, the Group may have to pay substantial reinstatement premiums to continue reinsurance coverage.

Furthermore, the availability, amount and cost of reinsurance depend on overall current economic conditions and may vary considerably. In the future, the Group may be unable to obtain reinsurance at commercially reasonable prices, thus increasing its risk of loss due to lower levels of reinsurance, or its income statement could be adversely affected by the increased cost of reinsurance for its already-reinsured activities.

A sustained increase in the inflation rate in the Crédit Agricole Assurances Group's principal markets would have multiple impacts on the Group, particularly in the pricing of insurance related products, and may negatively affect the Group's business, solvency position and operating income.

A sustained increase in the inflation rate in the Crédit Agricole Assurances Group's principal markets could have multiple impacts on the Group and may negatively affect the Group's business, solvency position and operating income. In property and casualty, representing 12% of the Group's gross written premiums in 2019, a sustained increase in inflation may result in (i) claims inflation (*i.e.* an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim), coupled with (ii) an underestimation of corresponding claims reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable to policyholders, and, consequently, (iii) actual claims payments significantly exceeding associated insurance reserves which would negatively impact the Group's operating income. In 2019, 97% of the Group's property and casualty insurance gross written premiums come from the French market. The rate of inflation in France in 2019 was 1.1%. A failure to accurately anticipate higher inflation and factor it into the Group's product pricing assumptions may also lead to underwriting losses which would negatively impact the Group's operating income.

LEGAL AND REGULATORY RISKS

The solvency capital ratios of the Crédit Agricole Assurances Group and its insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors.

Under the Solvency II Directive requirements, the Crédit Agricole Assurances Group is required to maintain eligible own funds sufficient to meet solvency capital requirements. To determine the solvency capital requirement, the regulations allow either a standard formula or an internal model approveed by the regulator to be used. The Group has chosen to use the standard formula and assumptions proposed by the European Insurance and Occupational Pensions Authority (EIOPA). Based on the standard formula calculations (without transitional measures other than the grandfathering of subordinated debts) the Group's Solvency II solvency capital ratio (*i.e.*, the ratio of Group's eligible own funds to its solvency capital requirement) was 263% at the end of 2019. At 31 December 2019, the Group's minimum capital requirement coverage ratio (*i.e.* the ratio of the Group's eligible own funds to its minimum capital requirement) was 490%.

The Group's solvency capital ratios are sensitive to capital market conditions (including the level of interest rates, the performance of equity markets and foreign exchange impacts) as well as a variety of other factors. In particular, the Group's solvency position is affected by the prevailing negative interest rate environment both because it impacts investment returns and the Group's ability to meet minimum guaranteed returns and the guaranteed surrender value in Euro-denominated contracts. See risk factor "A continuation of the low (or negative) interest rate environment may adversely affect the market value of the Crédit Agricole Assurances Group's investments and operating income" above. As of 31 December 2019, a 50 basis point increase in prevailing interest rates would have increased the Solvency II capital ratio to 281%, whereas a 50 basis point decrease would have decreased it to 236%. As at the same date, a 25% decline in equity market prices would have decreased the Solvency II capital ratio to 251%, a 75 basis point increase in corporate borrowing spreads would have decreased the Solvency II capital ratio to 260% and a 75 basis point increase in sovereign borrowing spreads would have decreased the Solvency II capital ratio to 246%.

Insurance regulators generally have broad discretion in interpreting, applying and enforcing their rules and regulations with respect to solvency and regulatory capital requirements and, during periods of extreme financial market turmoil of the type the market has experienced over the recent years, regulators may become more conservative in the interpretation, application and enforcement of these rules which may involve them, for example, imposing increased reserving requirements for certain types of risks, greater liquidity requirements, higher discounts/"haircuts" on certain assets or asset classes, more conservative calculation methodologies or taking other similar measures which may significantly increase regulatory capital requirements.

In the event of a failure by the Group and/or any of its insurance subsidiaries to meet the applicable regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions including limiting or prohibiting the issuance of new business, prohibiting payment of dividends, and/or, in extreme cases, putting a company into rehabilitation or insolvency proceedings. A failure of any of the Group's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Group deciding to inject significant amounts of new capital into its insurance subsidiaries which could adversely affect the Group's liquidity position, operating income and financial position. Regulatory restrictions that inhibit the Group's ability to freely move excess capital among its subsidiaries or which otherwise restrict fungibility of the Group's capital resources may, depending on the nature and extent of the restrictions, adversely affect the capital position of the Group's operating insurance subsidiaries which may have a consequent negative impact on the Group and the perception of its financial strength. Additional regulatory developments regarding solvency requirements, including further implementing measures under the Solvency II Directive or changes resulting from further efforts by EIOPA to harmonize implementation of the Solvency II Directive may lead to further changes in the insurance industry's solvency framework and prudential regime as well as associated costs. It is difficult to predict how the regulations resulting from such initiatives and proposals will affect the insurance industry generally or the Group's operating income, financial condition and liquidity.

Regulatory actions against the Crédit Agricole Assurances Group or an in insurer in the Group in the event of resolution could have a material adverse effect on the financial condition of the Group.

On 28 November 2017, the ordinance no. 2017-1608 of 27 November 2017 (the "Ordinance") establishing a resolution framework for insurers (*Ordonnance n° 2017-1608 du 27 novembre 2017 relative à la création d'un régime de résolution pour le secteur de l'assurance*) was published, setting out the French legal framework providing effective resolution strategies for French insurers. The Ordinance has entered into force.

The Ordinance is designed to provide the French supervision authority, *i.e.* the Autorité de contrôle prudentiel et de résolution (the "ACPR") with a credible set of tools to intervene in an institution failing or likely to fail (as defined in the Ordinance) so as to ensure the continuity of the institution's critical financial and economic functions, while minimizing the impact of an institution's failure on the economy and financial system.

Under the Ordinance, powers are granted to the ACPR to implement resolution measures with respect to an institution and certain of its affiliates (each a "Relevant Entity") in circumstances in which the resolution conditions are met – namely that the institution is failing or likely to fail.

While the Ordinance does not include bail-in powers such as those applicable to credit institutions, it nonetheless provides the ACPR with resolution tools that could, if used, significantly impact the Crédit Agricole Assurances Group:

(i) bridge institution: enables the ACPR to transfer all or part of the business of the Relevant Entity to a "bridge entity";

(ii) asset separation: enables the ACPR to transfer impaired or problem assets of the Relevant Entity to asset management vehicles to allow such assets to be managed and worked out over time; and

(iii) administrator (*administrateur de résolution*): enables the ACPR to intervene in the corporate governance of the Relevant Entity.

The impact of the Ordinance on insurance institutions, is currently unclear but its current and future implementation and applicability to the Group or the taking of any action pursuant to it could materially affect the activity and financial condition of the Group.

Changes in government policy, regulation or legislation in the countries in which the Crédit Agricole Assurances Group operates may affect the Group's profitability.

The Crédit Agricole Assurances Group is subject to extensive regulation and supervision in the various jurisdictions in which its French and international insurance subsidiaries do business, which are mainly France, Italy and Luxembourg, but also other European countries and Japan. Applicable regulations relate to a range of matters, including licensing and examination, rate setting, trade practices, policy reforms, limitations on the nature and amount of certain investments, underwriting and claims practices, mandated participation in shared markets and guarantee funds, adequacy of the Group's claims provisions, capital and surplus requirements, insurer solvency, transactions between affiliates, the amount of dividends that may be paid and underwriting standards. As the amount and complexity of these regulations increase, so will the cost of compliance and the risk of non-compliance. If the Group does not meet regulatory or other requirements, the Group may suffer penalties including fines, suspension or cancellation of its insurance licenses which could adversely affect the Group's ability to do business. In particular, the Group is subject to the solvency and capital requirements of the Solvency II Directive discussed in the risk factor "The solvency capital ratios of the Crédit Agricole Assurances Group and its insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors" and could be placed into resolution by the ACPR per the Ordinance discussed in "Regulatory actions against the Crédit Agricole Assurances Group or an in insurer in the Group in the event of resolution could have a material adverse effect on the financial condition of the Group" above if it is failing or likely to fail. A lack of compliance with the requirements of the Solvency II Directive or any significant regulatory action against the Group could have negative financial effects, cause significant reputational harm or harm the Group's business prospects.

In addition, the Group may be adversely affected by changes in government policy or legislation applying to companies in the insurance industry. These include possible changes in regulations covering selling practices and certain classes of business, regulations covering policy terms and the imposition of new taxes and assessments or changes in the tax treatment of life insurance savings products and retirement savings plans. Regulatory changes may affect the Group's existing and future businesses by, for example, causing customers to cancel or not renew existing policies One recent example is the adoption of the Bourquin amendment to the Sapin 2 law in France in 2018 which led to the unbundling of mortgage loans and creditor insurance products. It is not possible to determine what changes in government policy or legislation will be adopted in any jurisdiction in which the Group operates and, if so, what form they will take or in what jurisdictions they may occur. Insurance laws or regulations that are adopted or amended may be more restrictive than the Group's current requirements, may result in higher costs or limit the Group's growth or otherwise adversely affect the Group's operations.

OPERATIONAL AND OTHER BUSINESS-RELATED RISKS

The Crédit Agricole Assurances Group is subject to cyber security risks.

The most significant operational risk faced by the Crédit Agricole Assurances Group is the risk of unauthorized intrusions into the Group's websites and/or information systems. While no significant cyber security breach has affected the Group to date, the risk of unauthorized intrusions is increasing given the number of incidences of hacking globally. If the Group's information technology systems were compromised by a security breach, the Group could lose the ability to carry out functions that are essential for its activities particularly in the savings and retirement business, including underwriting new insurance contracts, pricing policies, estimating technical liabilities and reserves, conducting relations with customers and implementing risk management activities with respect to its portfolio of financial investments. Moreover, given that the Group's insurance business requires it to obtain and process a large amount of clients' personal data (banking information, health information, etc.), the Group is subject to the risk that such data may become compromised or subject to unauthorized disclosure in the event of a cyber security breach. The occurrence of any of these events could have a material adverse effect on the Group's business and operating income.

The Crédit Agricole Assurances Group could incur significant sanctions if it fails to protect its customers' data.

With the entry into force of Regulation (EU) 2016/679 (the "GDPR"), the data protection framework in the EU has been significantly modified and now includes new restrictions on data usage/processing, disclosures to customers and a stronger enforcement regime. As the Crédit Agricole Assurances Group's insurance business requires it to obtain and process a large amount of personal data of its customers (including banking information, health information, etc.), the Group is particularly exposed to risks related to the protection of its customers' data. If the Group's policies and procedures fail to ensure that data collected by the Group and its third-party service providers is processed in accordance with the requirements of the GDPR or other data protection laws this could result in significant regulatory sanctions (including fines of up to 4% of worldwide revenues) or damage to the Group's reputation and may consequently have a material adverse effect on the Group's business and operating income.

Failure to adequately manage the reputational risk of Crédit Agricole Assurances Group could have a material adverse effect on its competitive position and business prospects.

Considering the highly competitive environment in which the Crédit Agricole Assurances Group operates, a reputation for financial strength, solvency and transparency is critical to its ability to attract and retain customers and employees, access markets, maintain positive interactions with regulatory authorities and compete effectively. The Group's reputation could be harmed as a result of internal operational risks inherent to the business environment in which it operates, by the Group's response to external events affecting its operations, by adverse press coverage or other factors. Further, the Group's membership in the Crédit Agricole Group increases the potential sources of reputational risk to the Group to the extent that any reputational harm to the Crédit Agricole Group or any entity within it may indirectly affect the reputation of its insurance business. Reputational risks may be further compounded by the increasing use of social media channels such as blogs, social networks, online commentaries and consumer surveys, through which damaging and potentially unfounded information may spread rapidly and any such reputational harm could have a material adverse effect on the Group's competitive position and business prospects.

The Crédit Agricole Assurances Group faces strong competition in all of its business segments.

There is substantial competition among general insurance companies in France and the other jurisdictions in which the Crédit Agricole Assurances Group does business, in particular in Italy and Luxembourg, and some of the Group's competitors may benefit from greater financial and marketing resources or name recognition than the Group. In France, the Group is the largest life insurance provider *(source: L'Argus de l'assurance, 28 June 2019, based on written premiums at the end of 2018)*, the fifth largest property and casualty insurer *(source: L'Argus de l'assurance, 20 December 2019, based on premiums at the end of 2018)* and the second largest bancassurer providing creditor insurance *(source: L'Argus de l'assurance, 17 October 2019, based on premiums at the end of 2018)*.

The Group's competitors include not only other insurance companies, but also mutual fund companies, asset management firms, private equity firms, hedge funds and commercial and investment banks, many of which are regulated differently than the Group is and may be able to offer alternative products and services or more competitive pricing than the Group.

In addition, development of alternative distribution channels for certain types of insurance and securities products, including through the internet, may result in increasing competition as well as pressure on margins for certain types of products. While the Group seeks to maintain premium rates at targeted levels, the effect of competitive market conditions may have a material adverse effect on the Group's market share and financial condition. These competitive pressures could result in increased pricing pressures on a number of the Group's products and services, particularly as competitors seek to win market share, which could harm the Group's ability to market certain products profitably.

RISKS RELATED TO THE CRÉDIT AGRICOLE ASSURANCES GROUP'S RELATIONSHIP WITH THE CRÉDIT AGRICOLE GROUP

The Crédit Agricole Assurances Group relies on entities in the Crédit Agricole Group to distribute its insurance products and perform a range of other important services.

The Crédit Agricole Assurances Group relies primarily on the networks of banks affiliated with the Crédit Agricole Group to distribute its products. For the year ended 31 December 2019, 89% of the Group's insurance products (as a percentage of total revenue) were distributed by the Crédit Agricole Group's banking networks and group partnerships and only 11% was distributed through external partnerships. As a result, factors affecting the competitive position, reputation or credit quality of the banks in the Crédit Agricole Group could have an adverse effect on the Group's gross written premiums, reputation and operating income. Similarly, in countries where the Group distributes its products primarily through other partner banks, such as Japan, factors affecting the reputation, performance or credit quality of those banks could have an adverse impact on sales of the Group's products through those channels.

In addition to the distribution of its products, the Group has also entered into contractual outsourcing arrangements with members of the Crédit Agricole Group and other third-party service providers for certain other services required in connection with the day-to-day operation of the Group's insurance businesses. Deficiencies in the performance of outsourced services may expose the Group to significant operational, financial and reputational risk.

The Group's reliance on its affiliates to provide it with important services may give rise to conflicts of interest. Failure to manage these conflicts of interest appropriately could have a material adverse effect on the Group's reputation, gross written premiums or operating income.

The Crédit Agricole Assurances Group may not realize the targets set out for the Group in the Crédit Agricole Group's Group Project & 2022 Medium Term Plan.

On 6 June 2019, the Crédit Agricole Group announced its Group Project & 2022 Medium-Term Plan (the "2022 Medium-Term Plan"), which sets out specific targets for Crédit Agricole Assurances and the Crédit Agricole Group's insurance business. Crédit Agricole Assurances' individual targets and objectives, which are included within the framework of the Crédit Agricole Group's 2022 Medium-Term Plan, were also separately published by Crédit Agricole Assurances on 1 October 2019. The 2022 Medium-Term Plan was developed for internal planning purposes in order to develop the Crédit Agricole Group's strategy and to allow it to allocate resources. The 2022 Medium-Term Plan targets achieving significant revenue synergies by 2022, over €800 million of which is expected to come from Crédit Agricole Assurances. With respect to Crédit Agricole Assurances, the 2022 Medium-Term Plan outlines several key strategies, which include further developing its savings product line by taking advantage of new market opportunities provided by the *Loi Pacte* to increase its market share in France, increasing the penetration of its property & casualty products among customers of the Crédit Agricole Regional Banks and LCL and increasing its international business by developing the synergies with the Crédit Agricole Group. Among other objectives, the 2022 Medium-Term Plan targets Crédit Agricole Assurances increasing life insurance outstandings by more than 13% (to €322 billion by 2022, with unit-linked contracts representing 26% of life insurance outstandings), achieving 15% market share for new retirement savings in France (including individual and group retirement policies), increasing written premiums in death and disability, creditor and group insurance by over 35% (to €5 billion by 2022) and written premiums in property and casualty insurance by over 31% (to €5.5 billion by 2022). The 2022 Medium-Term Plan also targets increasing written premiums from international activity by over 20% (to €7.3 billion by 2022), net banking income by over 3% (to €7.2 billion by 2022) and achieving a combined ratio (Pacifica scope) that is below 96% and a cost-income ratio of approximately 30%.

The plan is based on a number of assumptions, and therefore is by definition subject to uncertainty. While the 2022 Medium-Term Plan is based on assumptions believed to be reasonable, there can be no assurance that they will turn out to be true. Crédit Agricole Assurances may fail to realize the targets described in the 2022 Medium-Term Plan for its business for several reasons, some of which (such as the global, European and French economic and financial environment) are outside the control of Crédit Agricole Assurances. The 2022 Medium-Term Plan is subject to change and no obligation is undertaken to update or revise the information in the 2022 Medium-Term Plan as a result of new information, future events or otherwise.

The plan's success depends on a very large number of initiatives (both significant and modest in scope) within different business units of the Crédit Agricole Assurances Group and the Crédit Agricole Group. While many of these could be successful, it is possible that not all targets will be met, which could impair the ability to achieve one or more of the objectives set forth in the 2022 Medium-Term Plan. The Medium-Term Plan also contemplates significant investments, but if the objectives of the plan are not met, the return on these investments will be less than expected.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

The internal Control system, within the Crédit Agricole Group, is defined as all the measures designed to manage and control all types of operations and risks and to ensure that all transactions are carried out in a manner that is proper (in compliance with regulations), secure and effective, in accordance with the references listed in item "Internal Control reference texts" below.

This system and the internal Control procedures are, however, inherently limited by technical or human failures.

The system is, therefore, characterised by its assigned objectives:

- compliance with written policies approved by the Board of Directors and the governance bodies of Crédit Agricole Assurances Group and its subsidiaries;
- application of instructions and guidelines determined by the Executive Management;
- financial performance through the effective and adequate use of Crédit Agricole Assurances Group's assets and resources, and protection against the risk of loss;
- comprehensive, accurate and ongoing knowledge of the data required to make decisions and manage risks;
- compliance with laws and regulations, professional and ethical Codes of Conduct and internal standards;
- prevention and detection of fraud and error;
- accuracy and completeness of accounting records and timely production of reliable accounting and financial information.

The measures that have been implemented in this prescriptive environment already provide the Board, the Executive Management and management, in particular, with a number of resources, tools and reports, allowing for the quality of the internal control systems and their adequacy (permanent and periodic controls, reports on risk monitoring and measurements, corrective plans of action, etc.) to be assessed.

The internal Control system is chiefly based on three control functions under banking regulations, namely Permanent Control and Risk Management, Compliance Control and Periodic Control (Internal Audit). At the end of 2019, the staff assigned to these functions for the Crédit Agricole Assurances Group totalled 133 FTE *versus* 126 FTE at the end of 2018 (+5.5%), or 56 in the Permanent Control and Risk Management functions, 48 for Compliance Control and 29 in Periodic Control functions. Furthermore, in accordance with the Solvency II Directive applicable since 1 January 2016, the Crédit Agricole Assurances Group set up the Actuarial function at the level of the Group and its insurance subsidiaries; it totals 19 FTE at the end of 2019. Each of these four key functions (Risk Management, Compliance, Actuarial function, Internal Audit) is headed by a manager appointed by the Executive Management, approved by the Board of Directors and notified to the competent national supervisory authority.

It should be noted that the system implemented by Crédit Agricole Assurances is part of the framework of standards and principles set forth below and adapted and appropriately deployed across the various business lines and risks in order to best observe insurance-related and, as the subsidiary of a credit institution, banking-related regulatory requirements.

In addition, Crédit Agricole Assurances satisfies the new regulatory requirements of the Solvency II Directive (effective since 1 January 2016) with its three pillars, thanks to its adaptation over several years of its organisation and procedures, as necessary. Further information on Solvency II is given in the "Solvency" section of the "Presentation of Crédit Agricole Assurances", at the beginning of the Universal registration document.

INTERNAL CONTROL REFERENCE TEXTS

Internal control standards are derived from the regulations applicable to insurance companies (Insurance Code in France and its equivalent in other countries where Crédit Agricole Assurances subsidiaries are based).

In addition, as a subsidiary of a banking group, Crédit Agricole Assurances is subject:

- to the provisions of the French Monetary and Financial Code (Article L. 511-41);
- to the Decree of 3 November 2014 on the internal control of banking, payment services and investment services firms subject to supervision by the French Regulatory and Resolution Supervisory Authority (ACPR);
- to the AMF general regulations and Basel Committee recommendations on internal control, risk management and solvency.

These national and international external standards are supplemented by internal standards specific to Crédit Agricole, as well as by procedures and standards specific to Crédit Agricole Assurances and its subsidiaries.

Within this context, Crédit Agricole S.A. issued procedural notes regarding the organisation of internal control and a body of rules and procedures relating, in particular, to accounting (Crédit Agricole chart of accounts), financial management, risk management and permanent controls. It also adopted, in 2004, a set of procedural notes to control its compliance with laws and regulations (in particular, in relation to financial security), which have been rolled out by Crédit Agricole Assurances Group entities. This procedural system is regularly updated to take into account regulatory developments and changes in the internal control scope.

An Operating Charter was signed by the main French subsidiaries and by the Crédit Agricole Assurances S.A. holding company with the Risk Management and Permanent Controls function to be applied to international subsidiaries.

This Charter sets out:

- the scope covered by the Risk Management and Permanent Control function;
- the organisation of the Risk Management and Permanent Control function; how responsibilities are divided between the Group's Risks department (DRG) and operating entities' Risk Management and Permanent Control Officers (RCPRs);
- information held by the Risk Management and Permanent Control function exchanged between the central DRG and the entities' RCPRs;
- the role of the Risk Management and Permanent Control function (aims, general organisation, risk management).

The operational framework of the Compliance and Periodic Control functions is similarly organised.

Finally, in December 2015, the Crédit Agricole Assurances Group adopted written policies as required under Solvency II. These were approved by the Board of Directors of Crédit Agricole Assurances and its subsidiaries in their respective areas. Among these policies, it should be noted that a Crédit Agricole Assurances Group risk management policy exists at the Crédit Agricole Assurances Group level. This serves as a frame of reference for the organisation of the internal control system.

ORGANISATIONAL PRINCIPLES OF THE INTERNAL CONTROL SYSTEM

Fundamental principles

The organisational principles and components of Crédit Agricole Assurance's internal control system, which are common to all Crédit Agricole Group entities, cover obligations with regard to:

- reporting to the decision-making body (risk strategies, risk limits and use of such limits, internal control activity and results);
- the direct involvement of the executive body in the organisation and operation of the internal control system;
- the comprehensive coverage of all business operations and risks, and accountability of all persons involved;
- the clear definition of tasks, effective segregation of the commitment and control functions, formal and up-to-date delegations of authority;
- formal, up-to-date standards and procedures, especially in the area of accounting.

These principles are supplemented by:

- risk measurement, monitoring and management systems: financial risks (assets/liabilities, counterparty risk, liquidity risk, etc.), insurance business-related techniques, operational risks (transaction processing, IT processing), accounting risks (including the quality of financial and accounting information), non-compliance and legal risks;
- a control system, forming part of a dynamic and corrective process, encompassing permanent controls, which are carried out by the operating units themselves or by specific staff, and periodic controls (carried out by the Crédit Agricole Assurances Internal Audit department and the Crédit Agricole S.A. Group Control function).

Furthermore, across the various business lines, Crédit Agricole Assurances' objectives and strategy are taken into consideration when changes are made to Internal Control systems, particularly *via* the Risks and Internal Control Committees and NAP (new business and new products) Committees.

Oversight

Respective responsibilities of the business lines with control functions

In terms of banking regulation, three separate control functions ensure the consistency and effectiveness of the internal control system and compliance with the principles listed above over the entire scope of Crédit Agricole Assurances internal control. Their organisation is as follows on 31 December 2019:

- the Risk Management and Permanent Controls Officer (RCPR) of Crédit Agricole Assurances Group has a hierarchical reporting line to the Crédit Agricole S.A. Group Risk department, and a functional reporting line to the Crédit Agricole Assurances Group Executive Management. The RCPRs in the French and foreign subsidiaries have a hierarchical reporting line to Crédit Agricole Assurances' Risk Management and Permanent Control department, and a functional reporting line to their Executive Management;
- compliance Control falls within the scope of the enhanced compliance program of the Crédit Agricole Group. The holding company Crédit Agricole Assurances' Compliance Officer has a hierarchical reporting line to Crédit Agricole S.A. Group's Compliance department and a functional reporting line to the Crédit Agricole Assurances Group Executive Management. The compliance head in the subsidiaries have a hierarchical reporting line to Crédit Agricole Assurances' Compliance department and a functional reporting line to their Executive Management.

  The Permanent Control system ensures the integration of the control system in general, including non-compliance risks (mapping, local and consolidated control plan, action plans);
- Internal Audit operates as a third level of control throughout the entire Crédit Agricole Assurances Group. Its operation is governed by the internal audit policy of Crédit Agricole Assurances Group, as approved by the Board of Directors, which establishes its independence from operational functions. The Crédit Agricole Assurances Audit director has a hierarchical reporting line to the Crédit Agricole S.A. Group Control and Audit function, and an functional reporting line to the Crédit Agricole Assurances Executive Management.

Finally, Crédit Agricole Assurances Group set up the Actuarial function, required under the Solvency II, at the level of Crédit Agricole Assurances Group and its insurance subsidiaries. On 31 December 2019, the heads of the Actuarial function for Crédit Agricole Assurances and its subsidiaries, have a hierarchical and a functional reporting lines to their Executive Management.

Consolidated and internal Control

In accordance with the current Crédit Agricole Group principles, the Crédit Agricole Assurances internal control system has a broad scope of application for the supervision and control of activities and to measure and monitor risks on a consolidated basis.

Each Crédit Agricole Group entity applies this principle to its own subsidiaries such that the internal control system is rolled out according to a pyramid structure, thereby ensuring a consistent internal control system throughout the various Crédit Agricole Group entities.

In this way, Crédit Agricole Assurances ensures that there is a satisfactory system operating within each subsidiary carrying risk, as well as the identification and consolidated monitoring of activities, risks and the quality of controls, particularly with regard to accounting and financial information.

Group Risk Management and Internal Control Committee

The Risk Management and Internal Control Committee of the Crédit Agricole Assurances Group brings together the four key functions of the Crédit Agricole Assurances Group within the meaning of the Solvency II Directive. The tasks of these key functions are specified in the "Solvency" section of Part "Presentation of Crédit Agricole Assurances" of the Universal registration document.

This Committee meets 10 times a year under the chairmanship of the Chief Executive Officer of Crédit Agricole Assurances. It is composed of the members of Crédit Agricole Assurances' Executive Committee (in particular the 3 executive directors and the heads of key functions), and representatives of Crédit Agricole S.A.'s control business lines.

The purpose of this Committee is to reinforce cross-functional actions to be implemented within the Crédit Agricole Assurances Group. Its role is to review common internal control issues and to ensure the consistency and effectiveness of internal Control and, in particular:

- to carry out progress reports on the work of the 4 key functions;
- to validate the internal control system;
- to validate the draft Solvency II policies to be submitted to the Board of Directors for validation;
- to draw up an assessment of the control of financial, technical, operational and non-compliance risks;
- to validate and ensure the follow-up of the main associated action plans;
- to validate the Group's risk management strategy;
- to make decisions on remedial measures.

It incorporates the prerogatives of the Compliance Management Committee within the scope of the Crédit Agricole Assurances Group. Crédit Agricole Assurances' Data Protection Officer also reports on his activity and submits, if necessary, opinions for decision to the Committee.

The Crédit Agricole Assurances' Compliance Director acts as the secretary of the Risk Management and Internal Control Committee and prepares the agenda in consultation with the other participants, supervises the drafting of the minutes and monitors the implementation of the decisions taken by the Committee.

Role of the Board of Directors

The Board of Directors is informed of the organisation, operation and results of the internal control system. It is involved in understanding the main risks to which the company is exposed.

On this basis, it is regularly informed of the overall limits set as acceptable levels of such risks. It is also notified of levels of use of such limits.

Reports on the effectiveness of the internal control and risk management systems are submitted on a regular basis to the Crédit Agricole Assurances governance bodies which are also informed of the main incidents identified.

In addition to the information that it receives on a regular basis, the Audit and Accounts Committee informs the Board of the main risks incurred by the company and of significant incidents picked up by internal control and risk management systems.

The Board of Directors approves the holding company's overall organisational structure and its internal control systems. It also approves the organisational structure of Crédit Agricole Assurances Group as well as that of its internal control system.

In addition, it is informed, at least twice a year, by the executive body and the heads of the three control functions, of internal control activities and results, either directly or *via* feedback given to the Audit and Accounts Committee. In accordance with the Solvency II Directive, the heads of the four key functions have direct access to the Board of Directors, to which they present the results of their work at least once a year.

The Chairman of the Audit and Accounts Committee reports to the Board on the Committee's work.

Role of the Audit and Accounts Committee

This Committee is responsible for verifying the clarity of the information provided and of assessing the appropriateness of accounting methods used to prepare the consolidated and parent company financial statements as well as the effectiveness of the risk management and internal control system.

As such, it has broad communications powers in respect of all information relating to periodic control, permanent control, including accounting and financial control, and compliance control. Since the beginning of 2016, these communication powers were extended to the Actuarial function.

Accordingly, it receives periodic reports on activity management systems and risk measurement.

Committee meetings also include an update on internal audit activities, thereby enabling audits to be monitored as well as the implementation of the recommendations made by national supervisory authorities, by the Crédit Agricole S.A. Group Control and Audit function and by the Crédit Agricole Assurances Internal Audit function.

Role of the executive body: Executive Management

The Chief Executive Officer and the two others executive directors appointed under the Solvency II Directive are directly involved in the organisation and operation of the internal control system. They ensure that risk strategies and limits are compatible with the financial position (capital base, earnings) and strategic guidelines set by the decision-making body.

The Executive Management defines the general organisation of the Crédit Agricole Assurances Group and oversees its implementation by the relevant staff. In particular, it defines roles and responsibilities and allocates adequate resources to the Internal Control function.

It ensures that the risk identification and measurement systems appropriate for Crédit Agricole Assurances activities and organisation are implemented. It also ensures that all essential information produced by these systems is reported to it on a regular basis.

It ensures that the internal control system's adequacy and effectiveness are permanently monitored. It receives information on any failures identified by the internal control system and on proposed corrective measures, particularly within the context of the Risks and Internal Control Committee.

SUMMARY DESCRIPTION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Risk measurement and supervision

The Insurance business Risk Management and Permanent Control system is overseen by the director in charge of the risk management function of the Crédit Agricole Assurances Group, reporting hierarchically to the central body of the Crédit Agricole S.A. Group Risk Management department and functionally to the Chief Executive Officer of Crédit Agricole Assurances. Head of a key function within the meaning of Solvency II, the director in charge of the risk management function is responsible for the overall supervision of the risks of the Crédit Agricole Assurances Group and, among other things, ensuring consistency and standardisation within Crédit Agricole Assurances Group. He/she is assisted by the Risk Management Officers at the different entities, who report to him/her on a hierarchical basis and have a fully operational role within the respective entities. In accordance with the principle of subsidiarity, both French and international subsidiaries are provided with the necessary means of managing the risks inherent in their specific business activities. Each subsidiary uses risk measurement, monitoring and control systems for all risks (market risks, including liquidity, counterparty, insurance and reinsurance technical risks, operational risks, compliance and legal risks) depending on its business activities and its organisation, and incorporates them into its internal control system.

A description of Crédit Agricole Assurances Group's risk exposure is presented in the "Risk factors and risk management procedures – Risk factors" section. Due to their savings and retirement activities, life insurance entities are, more specifically, exposed to market risks and risks associated with assets/liabilities management. Non-life insurance entities are mainly exposed to insurance and reinsurance technical risks.

The organisation and operation of the Insurance Risk business line is based on a matrix approach which takes into account, on the one hand, the supervision of all the Risks of each entity by its Head of Risk Management and, on the other hand, the management of major risks centrally at the holding company level. Financial risks are monitored by a Crédit Agricole Assurances Group Financial Risks advisor, who operates across all entities to analyse financial risks (in an advisory capacity) and define a risk framework (proposal of a Financial Risk Strategy and associated risk policies). Other major risks are also managed according to a Crédit Agricole Assurances Group approach, with co-ordination and consolidation given direct impetus by the holding company (technical risks), or by sharing best practices for harmonisation purposes (operational risks). Monitoring and management of IT security and business continuity risks across Crédit Agricole Assurances Group are also centralised in the holding company, under the aegis of the information systems Risk and business continuity plan Manager, and are separated from operational monitoring of those risks, which is under the aegis of the CISO (Chief Information Security Officer), also centralised at the holding company level.

To carry out its strategic orientations, by containing and regulating its risks in a proper manner, Crédit Agricole Assurances Group has implemented a risk appetite framework which has to be observed. This risk appetite framework, which forms the basis of the Risk Management Strategy, is declined in key indicators by nature of the risks.

The Risk management strategy implemented by Crédit Agricole Assurances Group is based on the overall risk-management framework and the limits and alert thresholds for the range of different risks it is exposed to through the implementation of its business strategy.

It is reviewed and validated, as well as the risk appetite, at least annually, by the Board of Directors of Crédit Agricole Assurances, after review by the Credit Agricole S.A. Group Risk Management Committee (a sub-Committee of Crédit Agricole S.A.'s Executive Committee, chaired by its CEO) of the main indicators and limits. With regard to limits of their responsibilities, the Crédit Agricole Assurances Executive Management or even the Group's Risk Management of Credit Agricole S.A is notified of any breaches of alert thresholds or limits and resulting corrective measures.

The limits system includes, particularly for market risks, Crédit Agricole Assurances Group consolidated limits, set in reference to assets under management (Crédit Agricole Assurances Group total portfolio), on allocations in terms of assets classes and risk spreading (by class of rating, by counterparty, by sector, etc.). It is supplemented by alert limits and thresholds to manage Predica (the main life insurance company) assets/liabilities risks. In addition, the technical risks to which the main life insurance (Predica) and non-life insurance entities (Pacifica, Caci) are exposed, are monitored by means of indicators measuring the ratio between claims and premiums, compared against an alert threshold defined by each of the companies. To control counterparty risk in reinsurance programs, the quality of the reinsurer is subject to a minimum rating criterion.

Each entity adopts the limits and risk appetite framework of the Crédit Agricole Assurances Group through a process co-ordinated by Crédit Agricole Assurances, taking into account the specificities of life insurance and non-life insurance companies. Furthermore, they have formal risk policies and procedures providing a strict framework for risk management: rules for accepting risk when insurance policies are taken out, hedging of technical risks by reinsurance (action thresholds), claims management, decisions based on formal analyses, authorisations, "four-eyes" principle (second reading, two signatures) where justified by amounts or risk levels, rules governing management mandates granted to asset managers, etc.

Each entity's risk measurement system is comprehensive. It covers all categories of commitments (on- and off-balance sheet) and positions, and consolidates commitments to companies belonging to the same group, by aggregating all portfolios and identifying risk levels.

These measurements are supplemented by regular assessments based on stress scenarios. In this regard, each year, Crédit Agricole Assurances and its subsidiaries conduct the ORSA exercice, a multi annual forward-looking assessment to analyse changes in their risk profile and solvency, including in negative cases. Prospective assessment can be carried out more often if necessary. The measurement methodologies on which these assessments are based are documented and explained. They are subject to periodic review in order to check their relevance and adaptation to the risks incurred. The Crédit Agricole Assurances Group Insurance Models Committee, under the responsibility of the Group Risk function, validates the methodologies underpinning the models and indicators used to address major risks for the Crédit Agricole Assurances Group or presenting cross-sector challenges for the Crédit Agricole Assurances Group.

Each entity controls the risks involved. This oversight takes the form of permanent monitoring of limits exceeded and corresponding adjustments to return risk to normal levels and technical and price monitoring in relation to insurance policies, particularly for new or specialised business. In property and casualty insurance, matching the level of provisioning (corresponding to the commitment to pay out for claims made by policyholders) to the real cost of claims, is measured at regular intervals.

On its part, the Crédit Agricole Assurances holding company provides to the governance a comprehensive and consolidated view of the Insurance business risk by producing a Flash-risks dashboard including quarterly review of Crédit Agricole Assurances Group risks, supplemented by monthly risk updates. More specifically, for financial risks, a monthly report makes it possible to ensure compliance with the Crédit Agricole Assurances Group consolidated aggregate limits and to monitor consumption in relation to such limits. Bodies have also been set up to manage risks consistently at Crédit Agricole Assurances Group level: a bi-monthly meeting of the Risk Management Committee, a monthly meeting of the Financial Risks Committee, specialist portfolio reviews (equities, real estate, etc.), quarterly fixed-income portfolio reviews with both the Crédit Agricole S.A. Group Risk Management department and with the Amundi Credit Risk teams, within the context of asset management services outsourced to Amundi.

The entities also have their own Risk scorecard. Any anomalies identified, any non-compliant accounting classifications as well as any instances where limits fail to be met, are reported to the entity's appropriate management levels, to Crédit Agricole Assurances and to the Crédit Agricole S.A. Risk Management and Permanent Control department, depending on the procedures laid down.

In this context, significant incidents are reported in accordance with the alert procedure, whose trigger thresholds for each type of risk identified are calibrated by the entities according to their size.

Have been validated by the Board of Directors of Crédit Agricole Assurances:

- thresholds in terms of financial impact; and
- the tolerance, in terms of amount, of the cost of operational risk over one year under the risk appetite scheme,

whose exceeding, at the level of the Group as well as of one of its subsidiaries, leads to the information of Crédit Agricole Assurances' Board of Directors.

Lastly, the internal operations and procedures control system aims at ensuring that the corrective measures decided upon are implemented within reasonable time limits. It also ensures that the Crédit Agricole S.A. Group's compensation policy and the associated internal controls have been implemented, in accordance with the measures relating to the compensation of executive managers and risk-takers within the Crédit Agricole S.A. Group, as defined by the regulation.

With regard to liquidity risk, and in accordance with regulations, the entities have developed specially adapted approaches, with the aim of measuring their capacity to handle shock situations likely to affect their cash position both in relation to their liabilities (increase in non-life insurance benefits, large-scale redemptions of life insurance policies, etc.) and to their assets (occurrence of adverse market conditions).

Risks related to the effects of climate change

Crédit Agricole Assurances Group exposure to risks related to climate change consequences can be classified, according to the industry's drive, in physical risks and transition risks, knowing that induced liability risks (legal and reputation risks) are also likely to affect the Group.

In line with Crédit Agricole Group's "Corporate Social Responsibility" (CSR) approach and in accordance with a strategy presented to the Board of Directors, the CSR system is managed by the CSR manager within the Corporate Communication and CSR department, who reports directly to the Executive Committee of Crédit Agricole Assurances.

Direct physical risks are, for instance, the destruction of goods caused by adverse climatic events such as hurricanes, floods or drought, the excess frequency of which can affect the technical results of Crédit Agricole Assurances property and casualty business and, besides, cause a decrease in the value of the investments affected by these risks. In its property and casualty insurance business, Crédit Agricole Assurances is exposed, among other things, to catastrophe risk, particularly climate risk. The monitoring of this risk is integrated into the monitoring of technical insurance risks. Pacifica, Crédit Agricole Assurances' property and casualty insurance subsidiary, has set up a system to monitor and follow-up these risks in order to contain exposure (quantification based on general scenarios simulations and monitoring of the climate burden compared to an annually revised budget, risk control by limiting the impact of extreme weather events through reinsurance, adjustment of pricing and modelling).

In addition, Crédit Agricole Assurances Group's offer seeks to promote the responsible behaviour of its customers, with rate reductions for drivers of hybrid or electric vehicles or coverage for renewable energy installations in the event of claims under multi-risk home insurance policies.

Moreover, these physical risks can be source of interruptions of the cycle of production of Crédit Agricole Assurances. In front of such a risk, Crédit Agricole Assurances has set in place a business continuity plan as described in the section "Internal control system for the security of information systems and business continuity plans".

The transition to a green economy could, for instance, impact the business model of some investments and decrease their value. These new risks are taken into account by the Investments Division of Crédit Agricole Assurances which integrates extra-financial criteria into the choice of issuers. Bond investments are subject to Amundi's "Socially Responsible Investment" (SRI) filter. The issuers with the lowest ratings on these criteria are either excluded from investments or limited. Thus, the Crédit Agricole Assurances Group is continuing to strengthen its coal policy by excluding issuers deriving more than 25% of their turnover from coal mining. In addition, a policy to improve the energy performance of the real estate assets in the portfolio (materialized by obtaining a label) has been implemented. The Crédit Agricole Assurances Group also participates in discussions within the Crédit Agricole Group and with other insurers on the contribution of financial investments to achieving the objectives of limiting global warming.

The impacts in terms of image and reputation could result from investments in activities in contradiction with environmental protection policies. The compliance function watches to protect the reputation of Crédit Agricole Assurances Group including in its investments.

The measures taken by Crédit Agricole Assurances to reduce the climatic risks by implementing a low-carbon strategy are developed in the section "Economic, social and environmental Information". The low-carbon strategy includes in particular the reduction of the direct carbon footprint linked to the operation of the Crédit Agricole Assurances Group (energy consumption, transport, etc.).

Finally, Crédit Agricole Assurances adopted a Code of Conduct that includes a section on social, environmental and societal issues.

Permanent control system

The Crédit Agricole Assurances permanent control system complies with the principle of subsidiarity defined by the Crédit Agricole S.A. Risk Management department. Each subsidiary has its own permanent control system which is based on a set of core operational and specialised controls carried out by dedicated agents exclusive to the subsidiary.

Within the entity's departments and services, procedures describe the processes to be implemented as well as related permanent operational controls. These particularly concern compliance with limits, risk strategy and authorisation regulations, the approval of operations and their correct outcome, etc.

The system has now been put into use worldwide, although organisational changes or new activities still require periodic adjustments or additions to be made to the system.

Within the context of the implementation of the decree of 3 November 2014 on the internal control of companies in the banking sector, resources dedicated to last-line permanent control, independent of the operating units, working on the main categories of risk to which the entity is exposed, are grouped together under the authority of the Risk Management and Permanent Control Officer.

Where control points have not been incorporated into automatic processing systems (blocks on data entries, checks for consistency, etc.), these are defined with the aid of a risk map, which is updated on a yearly basis.

The results of the controls are made into formal check-lists and are the subject of summary reports for the attention of the Executive Management within the context, particularly, of the Risk Management and Internal Control Committees. The heads of the control functions also receive the main reports issued by the operating departments. Corrective plans of action are set up for any anomalies that these different methods detect.

Non-compliance risk control system

The aim of this system is to protect against risks of non-compliance with laws, regulations and internal standards and, in particular, to prevent money laundering and to combat the financing of terrorism, to prevent and combat fraud and corruption, and to protect customers and personal data. Specific means of managing and monitoring operations were implemented: staff training, adoption of written internal rules, permanent compliance control, fulfilment of reporting obligations to supervisory authorities, etc.

The Crédit Agricole Assurances Group's Compliance department is also in charge of regulatory projects. For example, the Compliance department supervised the deployment of GDPR (personal data protection), the corruption prevention part of the Sapin 2 law, and the OFAC remediation plan.

Internal control system for the security of information systems and business continuity plans

This system covers information systems and business continuity plans, for which procedures and controls aim at ensuring a satisfactory level of security with regard to major risk scenarios (internal/external fraud, wide-scale virus attack, physical destruction of a production site, inaccessibility of a vital piece of software and its backup, etc.) approved by the Crédit Agricole S.A security Committee.

Security levels are measured every six months and tests are carried out on a regular basis. Plans are drawn up to improve any weaknesses.

Actions have been taken to secure protection against cyber-attacks.

The national crisis management system (in which the entities participate *via* their designated crisis officers) is tested every three months.

An Insurance Group function continuity plan initiative, aiming at preventing "compartmentalising" should one of its entities suffer damage, was introduced with cross-business line tests involving both French insurance subsidiaries, IT entities and the distribution network (Regional Banks and LCL). Emergency tests were conducted by simulating alternatively a complete loss of each computer centers owned by Crédit Agricole in the Centre region.

In addition, Crédit Agricole Assurances Group uses the Saint-Denis site as a user fall-back site, which is part of the Crédit Agricole Group Eversafe pool of user fall-back sites, and tests it periodically.

Internal control system for accounting and financial information

Roles and responsibilities in the preparation and processing of financial information

Within Crédit Agricole Assurances Group, three functions are the main contributors in terms of preparing accounting and financial information for publication: Accounting, Management Control and Financial Communication, this information being mainly based on accounting data and management data.

Managers of these functions, who are members of the Finance department of the holding company and its subsidiaries, report to their line manager, the Chief Financial Officer, within their respective entities.

The Crédit Agricole Assurances Group holding company's role is to lead and co-ordinate the Finance Group function within insurance companies, its subsidiaries. It bases its IT standards and organisation on Crédit Agricole S.A. Group principles, which it adapts and supplements to meet the specific requirements of the insurance sector.

Each subsidiary has the means to ensure the quality of the accounting and management data forwarded to the holding company for consolidation purposes. Subsidiaries must comply with the following principles: compliance with current standards applicable in the Crédit Agricole S.A. Group, consistency of the consolidated financial statements with parent company financial statements approved by its decision-making body, reconciliation of accounting and management reporting figures.

Accounting Data

Each Crédit Agricole Assurances Group entity has responsibility, towards the supervisory authorities to which it reports, for its own financial statements, which are approved by its decision-making body. Crédit Agricole Assurances prepares its consolidated financial statements in accordance with current accounting standards applicable in the Crédit Agricole Group, distributed by Crédit Agricole S.A. and Credit Agricole Assurances' Accounting and Consolidation department.

Crédit Agricole Assurances uses accounting and financial information systems which allow it to process data under satisfactory security conditions.

Management Data

When published data is not extracted directly from accounting information, the sources and definition of the calculation methods used are generally referred to so as to make the data easier to understand.

Management data mainly comes from the Management Control function. It may also come from external sources of information (Fédération Française de l'Assurance, L'Argus de l'assurance), particularly for the information relative to market shares. The management data used by Crédit Agricole Assurances is subject to accounting controls (particularly for data covered by the application of IFRS 7) to ensure that this information is accurately reconciled with accounting data, as well as compliance with management standards set by the executive body and the reliability of management data calculations.

Management data is prepared using calculation methods and methodologies that ensure the comparability of figures over time.

Description of the permanent accounting, financial and prudential Information control system

An Accounting Control Charter has been formalised within Crédit Agricole Assurances Solutions (Predica, CACI, Crédit Agricole Assurances Holding). It describes the general organisation of the control system, the roles and responsibilities of those conducting the controls and the way in which results are fed back.

The permanent control of accounting and financial information (second-scale control, second level), carried out by the Risk Management Function, aims to provide an independent view of the accounting and financial information production system on the basis of a risk-based approach by:

- exploiting recurring reports on the results of business controls following the closing of the accounts;
- carrying out thematic missions on subjects presenting risks.

The checks focus in particular on:

- compliance of data with legal and regulatory requirements and with Crédit Agricole Group standards;
- reliability and fair representation of data, in order to give a true and fair view of the financial position of Crédit Agricole Assurances and its consolidation scope;
- security of data preparation and processing procedures, to limit operational risks and respect publication deadlines;
- prevention of the risk of fraud and accounting irregularities;

A risk mapping of accounting processes has been set up using a harmonised methodology thanks to joint development work between the business lines, the shared permanent control teams and the accounting audit. Accounting risks are integrated into the Group's alert procedure.

Permanent accounting and financial information control is based on risk assessment and accounting process controls realised by the operational services, namely:

- first-degree controls conducted by Operating departments, Back Offices (or, in some cases, by Key Outsourced Accounting Service Providers);
- second-degree controls, conducted by the accounting audit unit.

On this basis, the Permanent Controller defines a control plan and implements the necessary corrective actions, in order to strengthen, if necessary, the system for the preparation and processing of accounting and financial information.

Following the entry into force of Solvency II since the 1st January 2016, the permanent accounting and financial information control system was extended to the prudential information.

5

Relations with the Statuory Auditors

In accordance with current professional standards, the statutory auditors perform those procedures they deem appropriate on published financial and accounting information:

- audit of the parent company and consolidated annual financial statements;
- partial audit of interim consolidated financial statements;
- overall review of financial information and materials published.

As part of their statutory duties, the statutory auditors submit the findings of their work to the Crédit Agricole Assurances Board of Directors and the Audit Committee.

Periodic control (Control and Audit/Audit)

The Periodic Control function or Internal Audit function, within the meaning of the Solvency II Directive, is responsible for third-degree controls throughout the consolidated scope of surveillance of Crédit Agricole Assurances, including Key Outsourced Service Providers, in accordance with the Decree of 3 November 2014.

Periodic controls are carried out by a central team in France, the Insurance Audit department, which, on 17 September 2015, was awarded Professional Certification for Internal Audit activities (No. IFACI/2015/0075r) by the French Institute of Audit and Internal Control. It is supported by three dedicated teams in subsidiaries in Italy, Poland (property and casualty insurance) and Japan. These controls are independent of the operating units. So as to guarantee its independence, the Crédit Agricole Assurances Internal Audit director reports hierarchically to Crédit Agricole S.A. Control and Audit and functionally to the Chief Executive Officer of Crédit Agricole Assurances. This dual reporting line falls within the operating logic of the Audit-Inspection function of Crédit Agricole S.A. and its subsidiaries.

In accordance with Solvency II requirements, the Board of Directors of Crédit Agricole Assurances Group and the Boards of Directors of its insurance subsidiaries approved the appointment of a person responsible for the Internal Audit key function at the Group level and its subsidiaries. Then this appointment was approved by the competent national supervisory authority.

The annual audit plan was prepared using a risk-based approach. It is part of a five-year plan. It is based on a risk map updated on an annual basis. It was prepared by the Crédit Agricole Assurances Audit department in agreement with the Chief Executive Officer of Crédit Agricole Assurances Group and with the Crédit Agricole S.A. Head of Control and Audit. It is presented to the Risk Management and Internal Control Committee and approved by the Audit Committee.

The Crédit Agricole S.A. Control and Audit function provides a second-level audit of the Crédit Agricole Assurances Group, within the context of the Crédit Agricole Group risk map (critical issues, parent company's systematic audit coverage over the main Crédit Agricole S.A. Group subsidiaries).

Controls are in proportion to the nature and intensity of the risks to which all the activities and entities within the consolidated scope of surveillance are exposed, both in terms of their frequency and the resources allocated.

They are conducted using formal methodologies, in line with the annual plan. They aim at ensuring compliance with external and internal rules, risk management, reliability and completeness of the information and risk measurement systems. They focus, in particular, on permanent control and compliance control systems, as well as the activities of the Actuarial function.

The smooth running of the audit plan is monitored by the Crédit Agricole Assurances Group Control and Audit function and by the Chief Executive Officer of Crédit Agricole Assurances. The Internal Audit director also systematically presents a summary of the findings of the published audits to the Risk Management and Internal Control Committee of the Group and its subsidiaries, as well as to the Audit Committees and, at least once a year, to the Boards of Directors.

The audits carried out by the Audit department, the Crédit Agricole Group Control and Audit function or any external audits (conducted by supervisory authorities) are monitored through a formal system. For every recommendation formulated as a result of these audits, this process ensures the effective implementation of corrective measures, by deadlines agreed with the entity's management at the end of the audit. If necessary, the head of the Audit department will submit a statutory disclosure to the decision-making body as a result of this process.

In accordance with the organisational procedures common to Crédit Agricole Group entities and described above, and with existing systems and procedures at Crédit Agricole Assurances, the Board of Directors, the Executive Management and the relevant parts of the company are provided with detailed information on internal control and exposure to risks, areas of improvement achieved in this area and the status of any corrective measures adopted, as part of a continuous improvement approach. All this information is provided particularly by means of the Annual Report on internal control and risk measurement and monitoring and regular reporting on operations, risks and control.

QUANTITATIVE AND QUALITATIVE INFORMATION

The information in this section complements note 4 to the consolidated financial statements and is covered in the statutory auditors' report on the consolidated financial statements.

Given the predominance of its savings and retirement activities, the Crédit Agricole Assurances Group is mainly exposed to risks of an active/passive nature (interest rate and liquidity risk) and to market risks (equity risk, spread risk). The Crédit Agricole Assurances Group is also subject to insurance risks. Finally, it may be impacted by operational risks, in particular in the execution of its processes, non-compliance risks and legal risks.

GOVERNANCE AND ORGANIZATION OF RISK MANAGEMENT WITHIN CRÉDIT AGRICOLE ASSURANCES

The risk governance system in Crédit Agricole Assurances Group is based on the following principles:

- it is part of the control system, which includes the "Risks and Permanent Control" business line, in charge of steering (supervision, prevention) and second-level control, the "Internal Audit" business line, in charge of periodic control, and the "Compliance" business line at Crédit Agricole S.A. level. In addition to these functions, the actuarial function at Crédit Agricole Assurances level completes this system, in accordance with insurance company regulations;
- it is headed up by the Risk Management Function of the Crédit Agricole Assurances Group, which manages the "Risks" business line, supervises the frameworks, and ensures, through Group standards and principles, the consistency of subsidiaries' risk management systems, supported by experts for each major risk category;
- it is based on the principle of subsidiarity. Each Crédit Agricole Assurances Group entity is responsible for defining and implementing its solo risk management policy, in accordance with Crédit Agricole S.A. principles and rules, the principles and rules for the management of Crédit Agricole Assurances Group, and local regulations for international subsidiaries.

Risk governance is based on:

- the executive management, composed of the Chief Executive Officer and the second executive directors within the meaning of Solvency II, and the Board of Directors, ultimately responsible for Crédit Agricole Assurances Group's compliance with legal and regulatory provisions of all kinds;
- the Executive Committee of Crédit Agricole Assurances, strategic body of the Executive Board, which relies on group-level Committees (in particular the Risk and Internal Control Committee, the plan, budget, results, Strategic Financial Committee, the Strategic ALM and Investments Committee, the Strategic Reinsurance Committee);
- the four key functions (Risk, Compliance, the Actuarial function and Internal audit). Each of them is embodied by a representative who has been appointed by the CEO, approved by the Board of Directors and notified to the competent national supervisory authority. The coordination of the four key functions is ensured by Crédit Agricole Assurances Group Risks and Internal Control Committee. The heads of the key functions have a direct access to the Board of Directors to whom they introduce the results of their activity at least once a year;
- an internal control system, defined as the framework designed to manage and control all types of operations and risks and to ensure that all transactions are carried out in a manner that is proper (in compliance with regulations), secure and effective. Crédit Agricole Assurances risks policies are validated by the Board of Directors;
- the internal process for evaluating Crédit Agricole Assurances Group's solvency and risks (ORSA), synchronised with other strategic processes MTP/Budget, Capital planning and the updating of risk strategy and business policies. The forward-looking assessments, carried out within this framework, allow to analyse the consequences of adverse situations on the control indicators of the Group and take the necessary measures in case of need.

Organisation of risk management

The risks management framework of Crédit Agricole Assurances Group is monitored by the Manager in charge of the risk management function, who reports functionally to Crédit Agricole Assurances' CEO and hierarchically to the Group Chief Risk Officer (CRO) of Crédit Agricole S.A. He relies on the Risks Manager of each local entity who report directly to him. Insurance risk is organised along the lines of a matrix structure integrating entity level organisation with group approaches by type of risks.

The hierarchical reporting line guarantees independence, with a "second glance" role (to issue an opinion) to back the operating functions, which manage risks on a daily basis, make decisions and exercise first-level controls to ensure their processes are performed properly.

Risk management procedures

At Crédit Agricole Assurances Group level

To carry out its strategic orientations, by containing and regulating its risks in a proper manner, Crédit Agricole Assurances Group has implemented a risk appetite which has to be observed. This risk appetite, which forms the basis of the Risk Management Strategy, consists of key indicators by nature of risks.

The Crédit Agricole Assurances Group's Risk strategy formalizes the risk management framework, including limits and alert thresholds, for the various risks to which it is exposed in implementing its strategy

It is reviewed at least once a year and validated, as well as the risk appetite declaration, by the Board of Directors of Crédit Agricole Assurances, after review by the Credit Agricole S.A. Group Risk Management Committee (a sub-Committee of Crédit Agricole S.A.'s Executive Committee, chaired by its CEO) of the main indicators and limits. With regard to limits of their responsibilities, the Crédit Agricole Assurances Executive Management or even the Risks Committee of Credit Agricole S.A Group is notified of any breaches of alert thresholds or limits and resulting corrective measures.

The Crédit Agricole Assurances Group's quarterly risk dashboard, supplemented by monthly financial risk reporting, monitors changes in the Group's risk profile and identifies any deviations.

Any crossing of the tolerance threshold of one of the indicators of the appetite matrix is reported to the Board of Directors which is also regularly informed about the respect of the appetite framework.

Dedicated bodies allow to manage risks consistently at Group level: a bi-monthly Risk Monitoring Committee, a monthly Financial Risk Committee, and portfolio reviews by asset type, with news items being presented to the Executive Committee on a monthly basis.

Moreover, Crédit Agricole Assurances has set up a group-wide Insurance Models Committee, steered by the Group Risk function. The role of the Insurance Models Committee is to approve the methodologies underpinning the models and indicators used to address major risks for Crédit Agricole Assurances Group or presenting cross-sector challenges for Crédit Agricole Assurances Group.

At the entity level

In accordance with the Group framework, companies define their own risk monitoring and control systems: risk and process mapping, adaptation of the risk appetite matrix and, the Crédit Agricole Assurances Group limits in accordance with a process coordinated by the holding, taking into account, if necessary, the life and non-life companies' features.

The entities also draw up formal policies and procedures providing a strict framework for risk management (including the rules for accepting risk when insurance policies are taken out, provisioning and hedging of technical risks by reinsurance, claims management, etc.).

For its international subsidiaries, Crédit Agricole Assurances has drawn up a set of standards to be transposed by each entity, which set out the scope and rules for decentralised decision-making.

Operational risk management is supervised in each entity by Committees that meet periodically (investment, ALM, technical, reinsurance, etc.) to monitor developments in the risk position, based on reporting by business lines, to present analyses to support the risk management process, and, if necessary, to draw up proposals for action. Alerts are triggered if main incidents (and breaches of limits) occurred and notified either to the Crédit Agricole S.A. Group Risk Management department (for Crédit Agricole Assurances Group limits), or to Crédit Agricole Assurances Executive Management/the entity's management. Corrective measures are implemented in response.

The risk management system is reviewed during the Risk and Internal Control Committees of each subsidiary, in the light of the results of ongoing controls, the analysis of their risk management dashboards and the conclusions of periodic control missions.

MARKET RISKS

In view of the predominance of savings activities in the French and international (Italy mainly) life insurance subsidiaries and, as a consequence, the very large volume of financial assets held to cover policyholder liabilities, Crédit Agricole Assurances Group is particularly affected by market risks.

The market risk is the risk of loss, arising from fluctuations relative to the prices of financial instruments, which compose a portfolio.

Crédit Agricole Assurances Group is exposed to several types of market risk:

- interest rate risk;
- equity risk;
- foreign exchange risk;
- risk of spread which is detailed in a specific section.

In particular, these risks have an impact on the valuation of portfolio assets and their long term yield, and must be managed closely with matching of liabilities and, particularly in life Insurance, guarantees granted to policyholders (minimum guaranteed rate, floor guarantee, etc.).

Liquidity risk is monitored specifically.

Hence, the financial policy of Crédit Agricole Assurances Group includes an ALM supervision aimed at reconciling the objectives of conserving ALM balances, delivering shareholder value, and seeking yield for policyholders. This supervision is based on "risk/yield" analyses and "stress scenarios", to identify the characteristics of the amounts to invest, the requirements and objectives over short/medium and long term horizons, and a market analysis, supported by economic scenarios, to identify opportunities and limitations in terms of the environment and the markets.

Crédit Agricole Assurances' Investments department contributes to monitoring the investment policies of Crédit Agricole Assurances Group and of the subsidiaries (taking into account individual ALM requirements and financial objectives), which are submitted to their respective Boards for approval. As such, it is responsible for oversight of the investment management services provided by Amundi (management mandates granted by the companies). Moreover, it makes investments directly (without a mandate) on behalf of Crédit Agricole Assurances Group companies (in real estate in particular), as part of the policy of diversification.

INTEREST RATE RISK

Type of exposure and risk management

Interest rate risk is the risk of a change in the value of the bond portfolio due to upward or downward movements in interest rates.

Crédit Agricole Assurances Group's bond portfolio, excluding unit-linked policies and UCITS, amounted to €242 billion at 31 December 2019, compared with €227 billion at the end of 2018.

Interest rate risk for life insurance companies is linked to interactions between assets (financial management) and liabilities (policyholder behaviour). Management of this risk requires an overarching approach combining financial strategy, constitution of reserves, sales and income policies. Crédit Agricole Assurances' framework for managing interest rate risk sets out the limits on risks and the related governance (ALM Committee, presentation of stress scenarios to the Board of Directors, etc.).

A context of low interest rates weighs on the profitability of the life-insurance activity of Crédit Agricole Assurances: it leads to a situation where the yield on the securities entering the portfolio is lower than the rates served on life insurance policies. Risks related to the minimum guaranteed returns in France are handled at regulatory level by means of prudential provisions.

Crédit Agricole Assurances has a range of levers to tackle the risk of falling rates:

- no issue of policies that feature a minimum guaranteed rate greater than zero (since 2000 for the main French life insurance company), so that the average minimum guaranteed rate has consistently reduced;
- moderation of profit sharing distributed;
- hedges using bond assets and swaps/swaptions to manage reinvestment risk;
- adaptation to the very low rates environment of the assets/liabilities management and of the investments policies;
- prudent diversification of investment assets;
- adaptation of the sales policy, favoring inflows towards unit-linked policies.

A risk arising from an increase in interest rates may materialise if a mismatch arises between the return rate delivered by the insurer (related to bond yields) and the rate expected by policyholders in a high-rate environment, or the rate achieved by other savings vehicles. It can lead to a wave of early redemptions by policyholders, forcing the insurer to sell assets, notably bonds, with unrealized losses (which would generate losses) and reducing the portfolio's rate of return, with the risk of triggering new waves of policy redemptions.

Thus, Crédit Agricole Assurances implements measures to manage the risk of a rate rise:

- adjustment of duration according to projected outflows of liabilities;
- retention of liquidities or liquid investments with a low risk of loss;
- dynamic management of the investment portfolio and setting aside reserves to provide the capacity to increase the return (capitalisation reserve, and profit-sharing provision);
- derivative products against a rise in rates;
- building customer loyalty to limit early redemptions.

Crédit Agricole Assurances Group's dashboard, submitted to the Executive Committee, includes indications in order to monitor the nature of this risk: average minimum guaranteed rate, coverage rate of bond portfolio, allocation to reserve funds...

Analysis of sensitivity to rate risk

Technical liabilities

Crédit Agricole Assurances Group's technical liabilities are largely insensitive to rate risks for the following reasons:

- savings provisions (over 90% of technical provisions, excluding unit-linked policies): these technical provisions are based on the pricing rate, which is unchanging over time for any particular policy. As a result, a change in interest rates will have no impact on the value of these commitments;
- property & casualty provisions: these technical provisions are not discounted to present value, changes in interest rate therefore have no impact on the value of these commitments;
- mathematical provisions for benefits (personal injury, disability): the discount rate used in calculating these reserves is based on the interest rate in force at the calculation date. Therefore, the size of these commitments varies with interest rates. However, given the small amount of these technical commitments, they represent no significant risk for Crédit Agricole Assurances Group.

Financial investments

The sensitivity to rate risk of Crédit Agricole Assurances Group's fixed income portfolio provides an assessment of a rates change's impact. It assumes a 100 basis points rise or fall in interest rates, as follows (net of the impact on deferred policyholder surplus and tax):

(in € millions)	31/12/2019 Impact on net income	31/12/2019 Impact on equity	31/12/2018 Impact on net income	31/12/2018 Impact on equity
100 bp rise in risk-free rates	(62)	(2,064)	(204)	(2,114)
100 bp decline in risk-free rates	87	2,067	204	2,116

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

The impacts resulting from investments recognized as assets at fair value through equity are presented in the "Impact on equity" column. The impacts resulting from investments accounted for at fair value through profit or loss are presented in the "Impact on net income" column.

As a reminder, Crédit Agricole Assurances uses the overlay approach for financial assets held for the purposes of an activity related to insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 accounting standard (this approach is presented in the note 1 to the consolidated financial statements). The impact resulting from sensitivities on designated assets is presented in the "Impact on equity" column.

Financing debts

Borrowings arranged by Crédit Agricole Assurances mainly pay fixed rates. Interest is therefore largely insensitive to rate changes.

EQUITY RISK AND RISKS KNOWN AS DIVERSIFICATION ASSET RISK

Type of exposure and risk management

Exposure to the equity markets and other so-called diversification assets (private equity and listed or unlisted infrastructures, real estate and alternative management) is intended to capture yield in these markets (notably with a low correlation between real estate and other asset classes). The market risk relative to shares and other diversification assets is defined as a risk of volatility in terms of valuation and, therefore, of accounting provisioning that may have an impact on the return provided to policyholders (provision for lasting impairment, provision for liquidity risk). To limit this effect, particularly for the life insurance portfolios, allocations are analysed to determine a ceiling for the share of these diversification assets and a maximum volatility level.

Equities and other diversification assets are held directly or *via* dedicated Crédit Agricole Assurances Group UCITS to provide regional diversification, in accordance with the relevant risk policies. Exposure to these assets is managed by a series of limits (by asset class and overall for the diversification) and concentration rules.

Compliance with these limits is monitored on a monthly basis.

The main asset classes comprising the overall portfolio are presented in the consolidated financial statements of the Crédit Agricole Assurances Group: in note 6.4 to the financial statements, the fair value amounts of assets recognised at fair value through profit or loss and equity are specified. The fair value of assets carried at amortised cost is detailed in note 6.5.1.

Analysis of sensitivity to equity risk

A quantified assessment of equity risk can be expressed by the sensitivity achieved assuming a 10% rise or decline in equity markets (impacts are shown net of deferred policyholder surplus and tax):

(in € millions)	31/12/2019 Impact on net income	31/12/2019 Impact on equity	31/12/2018 Impact on net income	31/12/2018 Impact on equity
10% rise in equity markets	115	174	74	148
10% decline in equity markets	(118)	(174)	(74)	(147)

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

These sensitivity measurements include the impact of changes in the benchmark equity index on assets measured at fair value, provisions for guaranteed minimum return and provisions for the right to withdraw from unit-linked policies as well as any additional impairment provisions required by a decline in equity markets.

Changes to the fair values of financial assets recognised at fair value through other comprehensive income are recognised in reserves for unrealised gains or losses (in equity); all other items are recognised in profit or loss.

In addition, Crédit Agricole Assurances uses the overlay approach for financial assets held for the purposes of an activity related to insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 accounting standard (this approach is presented in the note 1 to the consolidated financial statements). The impact resulting from sensitivities on designated assets is presented in the "Impact on equity" column.

FOREIGN EXCHANGE RISK

The foreign exchange risk may be defined as a risk of loss in relation with the fluctuations of the exchange rate of each currency compared to Euro. Regarding Crédit Agricole Assurances, this risk is very marginal as shown by the sensitivity to foreign exchange risks, assuming a 10% rise of decline in each currency against Euro, is as follows (impacts are presented net of deferred policyholder surplus and tax):

	31/12/2019		31/12/2018	
(in € millions)	**Impact on net income**	**Impact on equity**	**Impact on net income**	**Impact on equity**
100 bp rise in risk-free rates	0.1	0.2	(0.1)	0.1
100 bp decline in risk-free rates	(0.1)	(0.2)	0.1	(0.1)

Crédit Agricole Assurances' exposure to foreign exchange risk falls into two categories:

- a limited structural exposure: in yen for the CA Life Japan subsidiary, with a coverage ratio of 91% (limited net exposure at JPY 954 million at the end of 2019, the equivalent of €8 million) and in PLN for the CA Insurance Poland subsidiary with a coverage ratio of 94% (net exposure of PLN 2.7 million, equivalent to €0.6 million);
- operational foreign exchange exposure arises from a mismatch between the asset's currency and that of its liabilities: Crédit Agricole Assurances Group's global portfolio, representing commitments in euros, is primarily invested in Euro-denominated financial instruments. However, to achieve the aim of optimising risk/return, the Group seeks to profit from projected gaps in growth between major regions, using dedicated funds. The general strategy is not to hedge exposure to the currencies of emerging economies, regardless of the asset class, and, in contrast, to hedge exposure to the currencies of mature countries through forward sales, with the option of limited tactical exposure to a currency. Crédit Agricole Assurances Group's overall foreign exchange exposure is bound by a maximum market value limit relative to the total portfolio, and a sub-limit for emerging currencies.

The effective exposure, measured monthly, is compared to the limits. At the end of 2019, it was not material (0.2% of the total portfolio), and was mainly on emerging currencies.

LIQUIDITY RISK

Type of exposure and risk management

Regarding Crédit Agricole Assurances, the liquidity risk corresponds mainly to its ability to meet its current liabilities.

With this purpose, the companies use a combination of approaches.

On the one hand, liquidity is an investment selection criterion (majority of securities listed on regulated markets, limits on assets in markets that lack depth, such as private equity, unrated bonds, and alternative management, etc.).

On the other hand, systems for managing liquidity are consistent across Crédit Agricole Assurances Group, and are defined by the companies as part of their ALM policy:

- for life insurance companies, these systems are intended to ensure a match between the maturities of assets and those of liabilities under normal and stressed conditions (wave of redemptions/deaths, see below the liquidity monitoring indicator). They aim to ensure liquidity in the long term (monitoring and limiting of annual cash run-off gaps), medium term (so-called "reactivity" ratio detailed below), and, in case of uncertainty regarding net inflows, short term (one-week and one-month liquidity, with daily monitoring of redemptions). In exceptional circumstances where markets are unavailable, temporary liquidity management approaches also exist (repos with collateral in cash or European Central Bank eligible assets);
- for non-life insurance companies, liquidities or assets that have low reactivity are retained, and the share is calculated to respond to a shock to liabilities.

The “reactivity” ratio measures the ability to mobilise current assets of less than two years or variable-rate assets by limiting the impacts in terms of capital loss; it is measured and compared against a threshold set by each life insurance company.

The liquidity monitoring indicator, introduced in 2018, measures over a one-year period the ratio between stressed liquid assets (appreciation of a discount) and a liquidity requirement generated by a 40% buyback rate.

Maturity profile of the financial investment portfolio

Note 6.6 to Crédit Agricole Assurances’ consolidated financial statements presents the maturity schedule for the bond portfolio (excluding unit-linked contracts).

Breakdown in financial liabilities by contractual maturity

Note 6.23 to Crédit Agricole Assurances’ consolidated financial statements provides information on the estimated timing of Crédit Agricole Assurances’ insurance liabilities (excluding unit-linked contracts where the risk is borne by the insured).

Financing

As a holding company, Crédit Agricole Assurances is responsible for subsidiary refinancing enabling them to meet their solvency requirements and operational cash needs. It is refinanced through its shareholder Crédit Agricole S.A., and, since 2014, through issuing subordinated debt directly in the market.

The structure of its borrowings and their breakdown by maturity is set out in note 6.21 to Crédit Agricole Assurances’ consolidated financial statements.

COUNTERPARTY RISK

The counterparty risk is the loss risk linked to the default of an issuer. This risk is reflected for debt securities by the decrease of their value.

This section only deals with counterparty risk on financial instruments. Exposure to counterparty risk on reinsurers’ receivables is covered in the section on insurance risk.

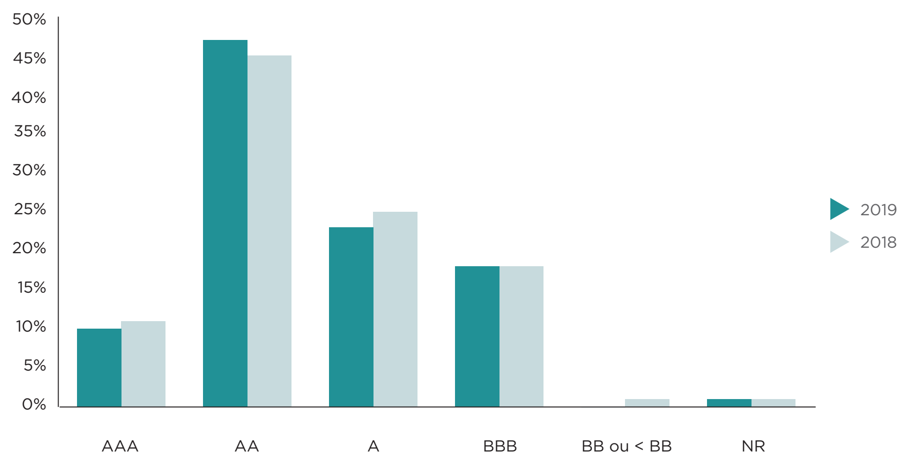
Amundi’s risk management teams perform the analysis of counterparty risk for issuers and for OTC market transactions (derivatives) under the mandates granted to them by the insurance companies.

Counterparty risk is controlled, both at the global level of the Crédit Agricole Assurances Group and at the level of each entity’s portfolios, through limits on ratings, issuer and sector concentrations.

Hence, aggregate limits are placed to manage the breakdown of issues between rating classes. The rating used is the so-called “Solvency II” rating corresponding to the second best of the three ratings Standard & Poor’s, Moody’s and Fitch. The proportion of “high yield” issues held directly or through funds is strictly limited and only minimum BB issues are authorised for purchase in mandates. Issuers not rated by an external agency but with an internal rating from Crédit Agricole S.A. are selected according to a rigorous process and represent a limited proportion (approximately 2.9% of the portfolio at the end of December 2019).

The breakdown of the bond portfolio by credit rating is a good indication of its creditworthiness.

The bond portfolio (excluding unit-linked policies and UCITS) by credit rating breaks down as follows:



Concentration in a single issuer (equities and interest rate instruments) may not exceed a given percentage of the total portfolio, which is determined according to issuer type and quality. Furthermore, limiting the relative weighting of the top 10 issuers ensures diversification within rating levels A and BBB. Exposure is reviewed quarterly with the Amundi Risk teams and the Risk Management department of Crédit Agricole S.A. Group.

Concentrations on sovereign and assimilated debt are subject to individual limits according to debt-to-GDP ratio and the country’s credit rating.

The debt exposure on the peripheral Euro area countries (Greece, Italy, Portugal, Spain) is reduced. For the sovereigns, it is concentrated on the Italian sovereign held by Crédit Agricole Assurances' Italian subsidiary.

Cash collateral contracts are used to manage counterparty risk for over-the-counter derivatives used by companies to hedge exposure to rate risk and presented on their balance sheets.

INSURANCE RISKS

Crédit Agricole Assurances Group is exposed to insurance risk through the insurance business. Such risk primarily relates to the underwriting, valuation of provisions and reinsurance processes.

Each entity implements an approach in collaboration with all the operating departments concerned, as well as Risks, Compliance, the Actuarial function and Legal Affairs, to manage risks when new insurance products are created or substantial changes are made to the features or an existing product. Products are approved by an *ad hoc* Committee (New Business and New Product Committee).

Underwriting risk

Underwriting risk takes different forms depending on the nature of the insurance, life or non-life:

Life insurance underwriting risk

Crédit Agricole Assurances is exposed, through its savings, retirement and provident insurance activities and the life guarantees associated with its borrowers' insurance policies, to biometric risks (longevity, mortality, incapacity to work, dependency and disability), loading risk (insufficient loading to cover operating expenses and commissions paid to distributors) but above all the behavioural risk of repurchases (for example, following an increase in rates that reduces the competitiveness of certain investments or a movement of mistrust against the Crédit Agricole Group or a legal change such as the Bourquin amendment to the Sapin 2 law).

Life insurance technical reserves, recognised in the main by French companies, are chiefly constituted from savings denominated in Euro or unit-linked contracts. For the majority of unit-linked contracts, the risk of fluctuation in the value of the underlying is borne directly by the policyholder. Some contracts may include a floor guarantee in the event of the death of the insured. The insurer is thus exposed to a financial risk determined by the value of the unit-linked account and the probability of death of the insured. A technical provision is recognised for this floor guarantee.

In savings, redemption rates are monitored for each life insurance company and compared with the structural redemption rates established on the basis of historic and market data.

For the death and disability activity, the creditor insurance and yields, the underwriting policy, which specifies the risks covered and the underwriting conditions (target customers, exclusions), and pricing standards (notably the statistical tables established either from national or international statistics or from experience tables) help to control risk in this area.

"Disaster" risk, related to a mortality shock (*e.g.* a pandemic) is liable to have an impact on the results for individual or group death and disability insurance. The French life insurance subsidiary receives BCAC coverage (*Bureau Commun des Assurances Collectives*), both on group death benefits and individual death and disability benefits, as well as, in part, supplementary coverage of disability risk.

Non-life insurance underwriting risk

For property & casualty insurance and non-life guarantees included in creditor insurance policies, the underwriting risk can be defined as the risk that the earned premiums are not sufficient compared to the claims outstanding. Credit Agricole Assurances is mainly exposed to frequency and exceptional risk arising either from disaster risk, mainly climate risk, or the occurrence of expensive individual claims.

For distribution partners, underwriting policy defines the framework for accepting risk (to ensure appropriate selection of risks and the spread within the policy portfolio to optimize technical margins). Formal rules and procedures for pricing are also drawn up.

The ratio of claims paid to premiums earned is compared against targets reviewed annually. This claims ratio is the key indicator for monitoring risk and is used to identify priorities for improving the technical result, where necessary.

Concentration risk in non-life insurance relates to an aggregation of liabilities in respect of a single claim, arising from:

- underwriting concentration, in which policies are written by one or more Group entities on the same risk;
- claim concentration, where policies are written by one or more Crédit Agricole Assurances Group entities on risks that are different, but liable to be triggered by a single covered event or the same primary cause.

This type of risk is hedged, first, by a policy of diversifying the risks written in a single region and, second, by reinsurance to limit the financial impact of major events (storms, natural disasters, etc.), under a reinsurance policy (see reinsurance risk below) that incorporates this dimension.

Provisioning risk

Provisioning risk is the risk of a gap between the provisions set aside and those required to meet liabilities. It may be related to risk valuation (volatility introduced by discount rates, regulatory developments, or new risks for which statistical depth is inadequate, etc.) or to a change in risk factors (population ageing, for example, leading to increased long-term care risks or health issues, stricter laws governing professional civil liability, personal injury compensation, etc.).

The objective of the provisioning policy established in each of the companies is to guarantee a prudent assessment of loadings for past and projected claims to ensure a high probability that the accounting provisions set aside will be sufficient to cover the ultimate load.

The methods used to constitute provisions for property and casualty claims, on a case-by-case basis according to the products and guarantees affected, are documented and the management rules applied by claims managers are set out in the manuals.

The choice of statistical methodology to calculate accounting provisions (including provisions for late payment) is justified at each reporting date.

The local permanent control plan encompasses control of provisioning policy.

The statutory auditors perform an actuarial review of provisions as part of the annual audit.

The breakdown in technical provisions pertaining to life and non-life insurance contracts is presented in note 6.23 to the consolidated financial statements.

Reinsurance risks

Reinsurance risks are of three types:

- inappropriate reinsurance (insufficient cover or, on the other hand, payment of too high a premium, which erodes technical margins and competitiveness);
- risk of a reinsurer defaulting and not being able to pay their full share of the claims;
- no or virtually no reinsurance on a given activity or guarantee given (reinsurance offer, amounts that can be covered and the cost of cover, depending on market conditions that are liable to vary significantly).

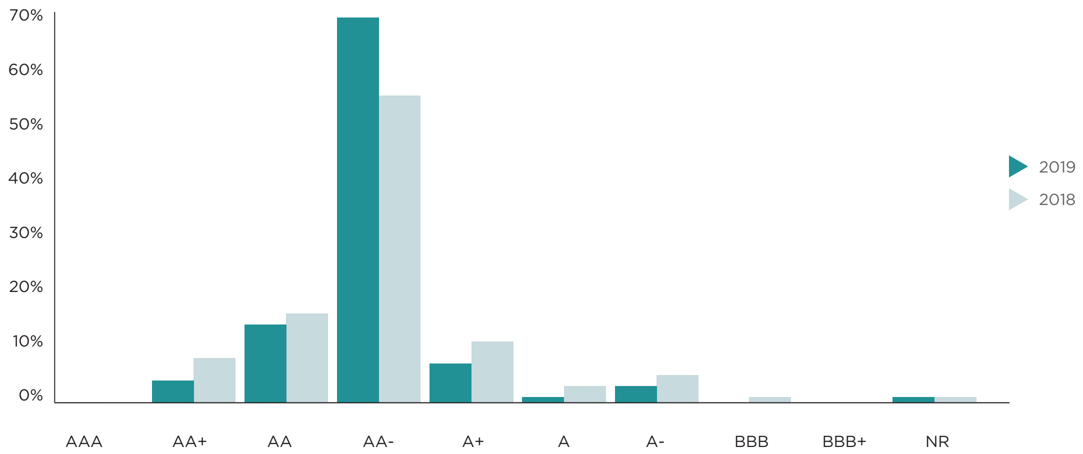
Each company draws up its own reinsurance plan aimed at protecting equity in case of systemic or exceptional events and at limiting volatility in the company's results, based on the principles of Crédit Agricole Assurances Group's strategy for common and uniform risks limitation, namely:

- contract with reinsurers that meet minimum financial soundness criteria, with reinsurers' ratings monitored at Crédit Agricole Assurances Group level;
- ensure adequate dispersion of premiums across reinsurers;
- monitor the adequacy of reinsurance cover relative to the commitments to policyholders and of results on each reinsurance agreement.

The reinsurance plans are reviewed annually by the Board of Directors in each subsidiary.

Net outstandings ceded to reinsurers (ceded reserves and current accounts with reinsurers net of cash deposits received) totalled €1.3 billion at 31 December 2019.

Their breakdown by reinsurer rating is as follows:



Emerging risks

The Risk Management department is responsible for ongoing monitoring of insurance risk, in cooperation with other business line departments and the Legal department.

The Risk Monitoring Committee, which meets twice monthly and is attended by all Risk Management and Permanent Control Officers, is also tasked with anticipating developments in the regulatory and legal environment and identifying emerging risks.

Intelligence data is input from many sources (economic research, internal and external analysis, in particular by consulting firms and research published by the French Regulatory and Resolution Supervisory Authority (ACPR) and the European regulator, EIOPA, etc.).

OPERATIONAL RISKS

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, human error, information systems or external events. It includes non-compliance risk, legal risk and the risks generated by key outsourced services.

Crédit Agricole Assurances entities apply Crédit Agricole S.A. Group directives on operational and compliance risk management.

The operational risk management system in each entity, including the holding, is thus comprised of the following components:

- mapping of risk events, periodically updated to include organisational changes, new business and changes in the cost of risk. Mapping is constructed by breaking down activities by process, together with the seven risk categories according to Basel 2 nomenclature. Financial and non-financial impacts (regulatory and image) of actual and potential risk events identified are assessed together with the probability of occurrence, drawing on specific expertise. Internal control is assessed on the basis of the results of controls at the different levels defined in the local control plans and standardised controls defined by the Crédit Agricole S.A. Group Risk Management department and the findings of periodic controls to highlight the most critical net risks and prioritise action plans to reduce them;
- a process of collecting data on risk-related incidents and operating losses, backed by an early-warning system, is used to monitor identified risks and exploit them to introduce remediation measures and ensure consistency with mapping. The amount of collected losses is compared every quarter to a yearly defined alert threshold.

Crédit Agricole Assurances and its subsidiaries have prepared a business continuity plan (BCP) focusing on essential activities in order to cover a failure of information systems, operational sites and personnel. The business continuity plans meet Crédit Agricole S.A. Group standards, with the adoption of the Group's solution for the user fallback site, the IT back-up plan based on the Crédit Agricole S.A. shared IT operating and production site. It is tested on a regular basis. IT system security is an inherent component of the Group's security policies. A threeyear programme of security projects (including accreditation, intrusion tests, and IT system failure scenarios) is underway.

A Crédit Agricole Assurances Group-wide general outsourcing and subcontracting policy, describing amongst others the monitoring and control system associated with outsourcing, is being rolled out by group entities.

NON-COMPLIANCE RISK

The risks of non-compliance concern non-compliance with rules relating to financial activities, whether legislative or regulatory in nature (Solvency II regulation, securities regulations, protection of personal data, customer protection rules, anti-money laundering and terrorist financing obligations, international sanctions, corruption prevention, etc.), professional and ethical standards and practices, and instructions issued by the executive body. These risks are identified in the operational risk mapping of each Crédit Agricole Assurances Group entity.

In each entity, the Head of Compliance is responsible for the Group procedures issued by Crédit Agricole S.A.'s Compliance department (Corpus Fides) and for drawing up procedures specific to their business. It also deploys dedicated training and control systems aimed at controlling these risks and preventing fraud, with the constant aim of limiting potential impacts (financial losses, legal, administrative or disciplinary sanctions) while preserving the reputation of Crédit Agricole Assurances Group. In this regard, the launch of new activities and the creation of new products are secured by the new activities and products Committees set up in each entity to examine, among other things, contractual and commercial documents, training baggage and sales support tools for distributors.

The monitoring and supervision of their compliance system is carried out by the Compliance Manager of the Crédit Agricole Assurances Group. Coordination for the Insurance business line is carried out through exchanges with subsidiaries.

In all areas of compliance, from the prevention of money laundering and financing of terrorism to protecting customers, the Group has strengthened coordination with distributors (Regional Banks, LCL, other international networks) to ensure implementation of the controls to guarantee correct application of procedures by all parties.

Crédit Agricole Assurances Group has enhanced its organization and its risk management system to be Solvency II compliant, after modalities précised in the section "Corporate governance".

LEGAL RISK

Responsibility for legal management, regulatory intelligence and consulting with Business Line departments lies with the companies' Legal Affairs departments.

To date, there is no governmental, judiciary or arbitration proceeding (or any proceeding known by the company, in abeyance or that threatens it) that could have or has had, in the previous 12 months, any substantial effect on the financial situation or the profitability of the company and/or Crédit Agricole Assurances Group.

As far as Crédit Agricole Assurances is aware, there are no significant disputes to disclose.

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CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2019

GENERAL INFORMATION

PRESENTATION OF CRÉDIT AGRICOLE ASSURANCES GROUP

Crédit Agricole Assurances, a Public Limited Company with a Board of Directors, is the Crédit Agricole Group's holding company owning, under the control of Crédit Agricole S.A., the Group's participations in various insurance and reinsurance companies in France and internationally.

The purpose of Crédit Agricole Assurances is to acquire and manage participations in insurance and reinsurance companies without directly acting to provide insurance policies or enter into reinsurance contracts.

Crédit Agricole Assurances Group is regulated by the Autorité de contrôle prudentiel et de résolution.

Legal information

- Company name: **Credit Agricole Assurances**
- Company form: French limited liability company (Public limited company) with a Board of Directors
- Registered offices: 50/56, rue de la Procession –75015 PARIS
- Share capital: €1,490,403,670 (last modified 27 July 2016)
- Place of registration: Tribunal de commerce de Paris
- Company Number: 2004 B 01471

INSEE data

- N° Siren: 451 746 077
- Siret: 451 746 077 00036
- Code NAF: 6420Z (Holding company activities)
- Legal Category: 5599 (Public limited company with a Board of Directors)

Tax information

- VAT registration number: FR 27 451 746 077 (EU intra-community number)
- VAT regime: Real normal

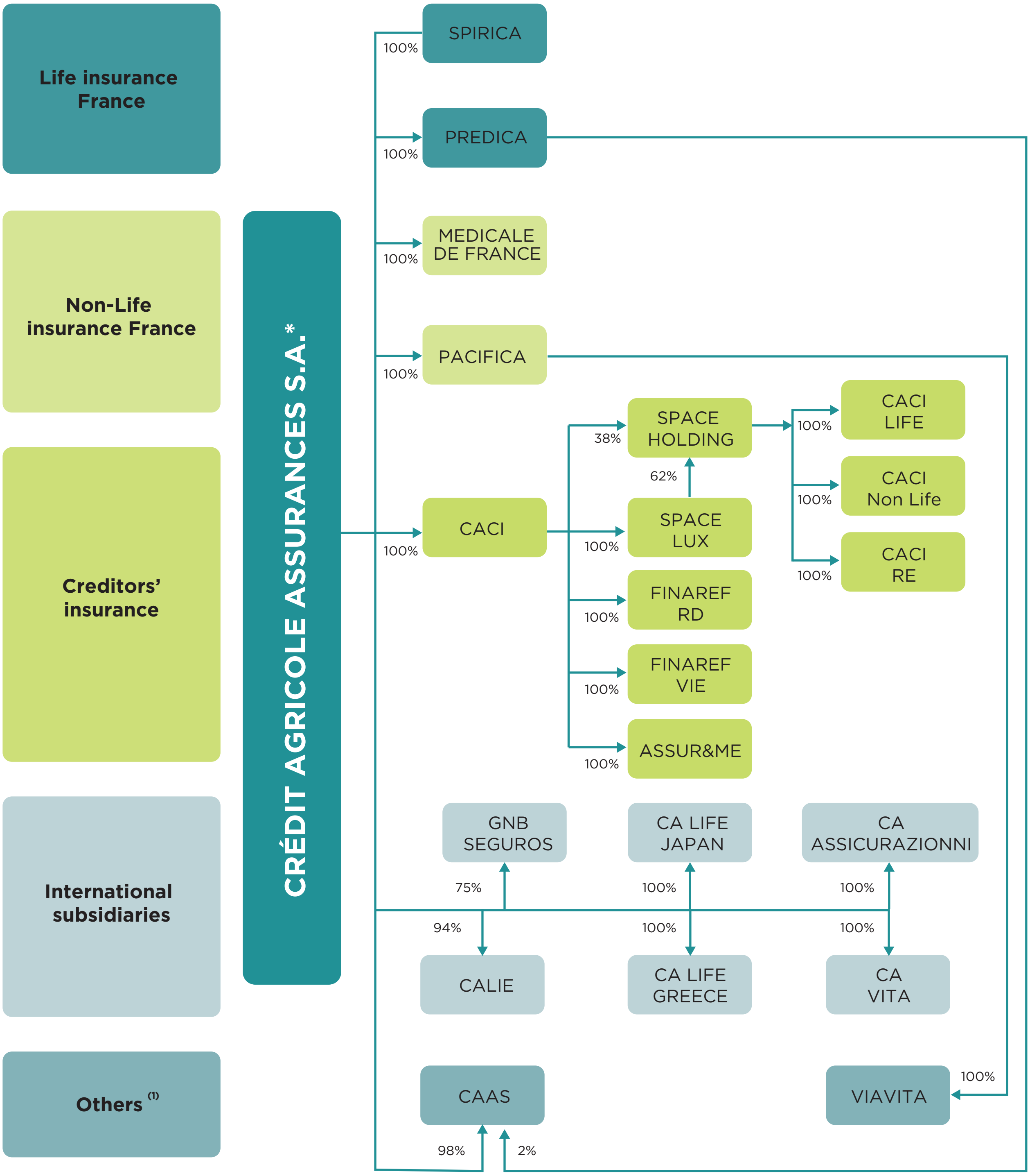
Shareholders

Share capital in Crédit Agricole Assurances consists of 149,040,367 shares of €10 each, held by:

- Crédit Agricole S.A: 99.99%
- Other directors: 0.01%

SIMPLIFIED ORGANISATIONAL STRUCTURE OF CRÉDIT AGRICOLE ASSURANCES GROUP

The diagram below represents the scope of consolidation of the Crédit Agricole Assurances Group, with the exception of consolidated structured entities, associates, joint ventures and property investment companies. The whole consolidation scope is presented in note 11.



* The Crédit Agricole Assurances S.A. holding company is presented in « other » under segment information

(1) Excluding the following non-insurance fully consolidated entities: Predica Infra, Vaugirard Infra, Alta Vai Holdco

RELATED PARTIES INFORMATION

Parties related to the Crédit Agricole Assurances Group are companies within the Crédit Agricole Group and the main directors of the Crédit Agricole Assurances Group.

Relations with the Crédit Agricole Group

The majority of the financing of Crédit Agricole Assurances is provided by the Crédit Agricole Group.

As at 31 December 2019, €0.8 billion of perpetual subordinated loan notes and €2.7 billion redeemable subordinated loan notes were held by Crédit Agricole Group.

Within its investment portfolio, the Crédit Agricole Assurances Group holds a total of €16.6 billion of securities issued by the Crédit Agricole Group, including €10.6 billion in assets representing unit-linked contracts.

As part of its bancassurance activities, Crédit Agricole Assurances delegates certain functions to other entities within the Crédit Agricole Group:

- the sale of insurance contracts is carried out through the banking networks of the Regional Banks and LCL in France and abroad and through the networks of international partners (including Cariparma in Italy, Novo Banco in Portugal and CABP in Poland, etc.);
- administrative management of life insurance contracts sold by banking networks is delegated to the distributors (with Regional Banks in turn delegating some elements of this management to CAAS);
- asset management is delegated to specialist entities in various markets (Amundi, CA Immobilier, Caceis, etc.);
- claims handling in France is managed by SIRCA (a company created by Pacifica and the Regional Banks).

Similarly, retirement benefit obligations of the Crédit Agricole Group are, in part, covered by collective insurance agreements with Predica. These agreements include the creation of collective investment funds for the purpose of covering retirement bonuses and certain pension schemes, to which contributions are paid by the employer, the management of these funds by the insurance companies and the payment to beneficiaries of bonuses and retirement benefits as set out in the various schemes.

Relationship between companies consolidated by the Crédit Agricole Assurances Group

The list of companies consolidated by the Crédit Agricole Assurances Group is set out in Note 11 – Consolidation scope.

Transactions between two fully consolidated companies are completely eliminated.

Intragroup transactions that have been subject to eliminations having an effect on the income statement for the year are presented in Note 5 - Segment information.

Relations with main directors

There are no significant transactions between Crédit Agricole Assurances and its main directors, their families or companies under their control which are not included in the Group's scope of consolidation.

CONSOLIDATED FINANCIAL STATEMENT

BALANCE SHEET ASSETS

(in € millions)	Notes	31/12/2019	31/12/2018
Goodwill		872	872
Value of business in-force		-	-
Other intangible assets		337	294
Intangible assets		**1,209**	**1,165**
Investment property	Note 6.3	6,410	6,280
Unit-linked investment property		-	-
Financial investments(2)	Note 6.6	332,480	297,987
Unit-linked financial investments	Note 6.6	69,135	59,643
Derivative instruments and separated embedded derivatives	Note 6.6	1,932	1,705
Investments in associates and joint ventures	Note 6.10	4,002	3,785
Investments from insurance activities	**Note 6.4**	**413,959**	**369,400**
Reinsurers' share in liabilities arising from insurance and financial contracts		**2,099**	**1,822**
Operating property and other property, plant and equipment(3)	Note 6.12	235	211
Deferred acquisition costs		1,075	1,025
Deferred participation assets		-	52
Deferred tax assets(3)		36	59
Receivables resulting from insurance and inward reinsurance operations		2,589	2,703
Receivables resulting from ceded reinsurance operations		204	139
Current income tax assets		29	72
Other receivables		3,024	4,254
Other assets		**7,192**	**8,513**
Assets held for sale including discontinued operations(1)		**-**	**257**
Cash and cash equivalents		**976**	**1,365**
TOTAL ASSETS		**425,435**	**382,523**

(1) The amount of 31 December 2018 corresponds to the assets of CA life Greece.

(2) 341 funds are consolidated including 77 entries, representing €9,121 million of non-controlling interests recognized in the item line "Liabilities towards holders of units in consolidated mutual funds" in the balance sheet liabilities. These new entries are broken down as follows:

- *21 funds which should have been consolidated as of 31 December 2018 (including 2 funds sold during the second half of 2019). The impact on "financial investments" is € 1,166 million as of 31 December 2019 and would have been € 1,272 million as of 31 December 2018. The impact on "liabilities towards holders of consolidated mutual funds" is €1,166 million as of 31 December 2019 and would have been €1,272 million as of 31 December 2018;*
- *following additional works regarding the consolidation scope, 58 funds were included in the scope through global integration method in 2019, representing €1,241 million of non-controlling interests as of 31 December 2019.*

(3) In the framework of IFRS 16 first application, the impacts regarding the booking of the right of use and the deferred tax asset are €34 million and €3 million respectively.

BALANCE SHEET LIABILITIES

(in € millions)	Notes	31/12/2019	31/12/2018
Share capital and equivalent		1,490	1,490
Issue, merger and transfer premium		7,374	7,374
Gains and losses recognised directly in equity		3,300	2,178
Retained earnings and other reserves		2,556	2,522
Consolidated net income		1,518	1,331
Group shareholders' equity	**Note 6.19**	**16,238**	**14,896**
Non-controlling interests		95	103
Total shareholders' equity		**16,333**	**14,999**
Provisions	**Note 6.20**	**165**	**143**
Subordinated debts	Note 6.21	5,518	4,512
Debt to credit institutions		2,079	1,979
Financing debt		**7,597**	**6,491**
Technical liabilities on insurance contracts		176,795	162,566
Technical liabilities on unit-linked insurance contracts		63,650	54,758
Technical liabilities on insurance contracts	**Note 6.23**	**240,445**	**217,324**
Technical liabilities on financial contracts with discretionary participation features		83,846	85,793
Technical liabilities on financial contracts without discretionary participation features		22	29
Technical liabilities on unit-linked financial contracts		5,690	5,163
Technical liabilities on financial contracts	**Note 6.23**	**89,558**	**90,985**
Deferred participation reserve	**Note 6.24**	**26,587**	**16,243**
Technical liabilities		**356,590**	**324,553**
Deferred tax liabilities(3)		425	154
Liabilities towards holders of units in consolidated mutual funds(2)		9,121	6,558
Operating debt represented by securities		-	-
Operating debt to banking establishments		244	852
Debts arising from insurance or inward reinsurance operations		2,266	2,515
Debts arising from ceded reinsurance operations		1,627	1,389
Current income tax liabilities		116	54
Derivative instrument liabilities		32	18
Other debts(3)		30,919	24,568
Other liabilities		**44,750**	**36,109**
Liabilities held for sale including discontinued operations(1)		**-**	**229**
TOTAL LIABILITIES		**425,435**	**382,523**

(1) The amount of 31 December 2018 corresponds to the liabilities of CA life Greece.

(2) 341 funds are consolidated including 77 entries, representing €9,121 million of non-controlling interests recognized in the item line "Liabilities towards holders of units in consolidated mutual funds" in the balance sheet liabilities. These new entries are broken down as follows:

- *21 funds which should have been consolidated as of 31 December 2018 (including 2 funds sold during the second half of 2019). The impact on "financial investments" is € 1,166 million as of 31 December 2019 and would have been € 1,272 million as of 31 December 2018. The impact on "liabilities towards holders of consolidated mutual funds" is €1,166 million as of 31 December 2019 and would have been €1,272 million as of 31 December 2018;*
- *following additional works regarding the consolidation scope, 58 funds were included in the scope through global integration method in 2019, representing €1,241 million of non-controlling interests as of 31 December 2019.*

(3) In the framework of IFRS 16 first application, the impacts regarding the booking of the rental debt and the deferred tax liability are €34 million and €3 million euros respectively.

CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	31/12/2019	31/12/2018
Written premiums	Note 7.1	36,968	33,534
Change in unearned premiums		(225)	(210)
Earned premiums		**36,743**	**33,324**
Revenue or income from other activities		**(124)**	**252**
Investment income		7,726	7,335
Investment expense		(450)	(370)
Gains/(losses) on investment net of reversals of impairment and depreciation		72	41
Change in fair value of investments recognised at fair value through profit or loss		12,405	(6,702)
Change in investments impairment		(39)	(8)
Amount reclassified as gains and losses recognized directly in equity under the overlay approach	Note 7.3	(4,052)	2,157
Investment income net of expenses	**Note 7.3**	**15,662**	**2,453**
Claims expenses	**Note 7.4**	**(45,546)**	**(29,551)**
Revenue from reinsurance operations		693	573
Expenses from reinsurance operations		(736)	(662)
Result from reinsurance		**(43)**	**(90)**
Contracts acquisition costs		(2,021)	(2,053)
Amortization of value of business in-force and similar		-	-
Administrative expenses		(1,856)	(1,663)
Other current operating income and expenses		(415)	(353)
Other operating income and expenses		-	(22)
Operating income		**2,400**	**2,296**
Financing expenses	Note 6.21	(239)	(429)
Income tax	Note 7.8	(647)	(523)
Profit/loss after-tax on discontinued operations[1]		8	(1)
Consolidated net income		**1,522**	**1,341**
Non-controlling interests		(4)	(11)
Net income (Group share)		**1,518**	**1,331**

(1) This amount corresponds to the net income of CA life Greece.

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in € millions)	31/12/2019	31/12/2018
Consolidated net income	**1,522**	**1,342**
Foreign exchange differences	1	1
Gains and losses on debt instruments recognized in recyclable equity	6,455	(4,257)
Gains and losses on hedging derivatives	(144)	54
Reclassification of gains and losses on financial assets related to the overlay approach	4,042	(2,219)
Shadow accounting gross of deferred tax	(8,872)	5,335
Pre-tax other comprehensive income on items that may be reclassified to profit and loss excluding associates and joint ventures	**1,482**	**(1,086)**
Pre-tax other comprehensive income on items that may be reclassified to profit and loss on associates and joint ventures, Group Share	**-**	**-**
Income tax related to items that may be reclassified to profit and loss excluding associates and joint ventures	**(328)**	**365**
Income tax related to items that may be reclassified to profit and loss on associates and joint ventures	**-**	**-**
Other comprehensive income on items that may be reclassified to profit and loss from discontinued operations	**(11)**	**(3)**
Other comprehensive income on items that may be reclassified subsequently to profit and loss net of income tax	**1,144**	**(724)**
Actuarial gains and losses on post-employment benefits	(5)	-
Gains and losses on equity instruments recognized in non-recyclable equity	(5)	(11)
Accounting reflects gross deferred tax	-	-
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss excluding associates and joint ventures	**(10)**	**(11)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on associates and joint ventures	**(20)**	**-**
Income tax related to items that will not be reclassified to profit and loss excluding associates and joint ventures	**2**	**3**
Income tax related to items that will not be reclassified to profit and loss on associates and joint ventures	**5**	**(2)**
Other comprehensive income on items that will not be reclassified to profit and loss from discontinued operations	**2**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit and loss net of income tax	**(21)**	**(11)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**1,123**	**(735)**
NET INCOME AND OTHER COMPREHENSIVE INCOME	**2,645**	**608**
Net income and other comprehensive income - Group share	2,641	598
Net income and other comprehensive income – Non-controlling interests	4	10

STATEMENT OF CHANGES IN EQUITY

(in € millions)	Issued capital and equivalent	Issue, merger and transfer premium	Gains and losses recognized directly in recyclable equity	Gains and losses recognized directly in non-recyclable equity	Total gains and losses recognized directly in equity	Retained earnings and other reserves	Total Group share	Non-controlling interests	Total consolidated shareholders' equity
CLOSING AT 31 DECEMBER 2017	**1,490**	**7,374**	**2,623**	**(19)**	**2,604**	**4,366**	**15,835**	**98**	**15,933**
Impacts of new IFRS 9 accounting standard			340	(32)	308	2.8	311		311
OPENING AT 1 JANUARY 2018	**1,490**	**7,374**	**2,963**	**(51)**	**2,912**	**4368.8**	**16,146**	**98**	**16,244**
Other comprehensive income	-	-	(725)	(10)	(735)	-	(735)	(1)	(735)
Consolidated net income	-	-	-	-	-	1,331	1,331	11	1,341
Net income and other comprehensive income	**-**	**-**	**(725)**	**(11)**	**(736)**	**1,331**	**595**	**10**	**605**
Dividend payout	-	-	-	-	-	(1,781)	(1,781)	(3)	(1,785)
Capital operations	-	-	-	-	-	-	-	-	-
Change in scope	-	-	1	-	1	(8)	(7)	(3)	(11)
Perpetual sub Debt	-	-	-	-	-	-	-	-	-
Interest expenses on perpetual sub debt	-	-	-	-	-	(76)	(76)	-	(76)
Other changes	-	1	-	-	1	18	20	2	22
CLOSING AT 31 DECEMBER 2018	**1,490**	**7,375**	**2,239**	**(60)**	**2,178**	**3,853**	**14,896**	**103**	**14,999**

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(in € millions)	Issued capital and equivalent	Issue, merger and transfer premium	Gains and losses recognized directly in recyclable equity	Gains and losses recognized directly in non-recyclable equity	Total gains and losses recognized directly in equity	Retained earnings and other reserves	Total Group share	Non-controlling interests	Total consolidated shareholders' equity
CLOSING AT 31 DECEMBER 2018	**1,490**	**7,375**	**2,239**	**(60)**	**2,178**	**3,853**	**14,896**	**103**	**14,999**
OPENING AT 1 JANUARY 2019	**1,490**	**7,375**	**2,239**	**(60)**	**2,178**	**3,853**	**14,896**	**103**	**14,999**
Gains and losses recognized directly in equity	-	-	1,143	(21)	1,122	-	1,122	-	1,122
Consolidated net income	-	-	-	-	-	1,518	1,518	4	1,523
Net income and Gains and losses recognized directly in equity	**-**	**-**	**1,143**	**(21)**	**1,122**	**1,518**	**2,640**	**4**	**2,645**
Dividend payout	-	-	-	-	-	(1,246)	(1,246)	(3)	(1,249)
Capital operations	-	-	-	-	-	(52)	(52)	(3)	(55)
Change in scope	-	-	-	-	-	76	76	-	76
Perpetual sub Debt	-	-	-	-	-	-	-	-	-
Interest expenses on perpetual sub debt	-	-	-	-	-	(76)	(76)	-	(76)
Other changes	-	-	-	-	-	-	-	(6)	(6)
CLOSING AT 31 DECEMBER 2019	**1,490**	**7,374**	**3,382**	**(81)**	**3,300**	**4,074**	**16,238**	**95**	**16,333**

CASH FLOW STATEMENT

The cash flow statement is presented according to the model of the indirect method.

Operating activities represent those activities generating income for Crédit Agricole Assurances.

Tax payments are presented in their entirety under operating activities.

Investment activities represent cash flows for the acquisition and sale of consolidated and non-consolidated participations, and tangible and intangible assets. The strategic participations entered in the category "fair value per result" or "fair value by non-recyclable equity" are included in this topic.

Investment activities represent transactions relating to investments and linked to property, plant and equipment and intangible assets.

Financing activities result from changes relating to structural financial transactions affecting shareholders' equity and long-term debt.

Net cash includes cash at hand, credit and debit balances with banks and accounts (assets and liabilities) and call loans with lending establishments.

(in € millions)	31/12/2019	31/12/2018
Operating income before tax	**2,399**	**2,296**
Gains and losses on investments	(64)	(30)
Net depreciation and amortisation	104	94
Change in deferred acquisition fees	(51)	(54)
Change in impairment	35	(4)
Net allocations to technical liabilities on insurance contracts and financial contracts	21,157	8,336
Net other provisions	27	(27)
Change in fair value of investments and other financial instruments recognised at fair value through profit or loss (excluding cash and cash equivalent)	(6,772)	3,583
Other non-cash items included in operating income	(1,545)	161
Correction of items included in operating income that do not correspond to cash flows and reclassification of financing and investment flows	**12,891**	**12,059**
Change in operating receivables and debts	2,334	514
Change in securities given or received under repurchase agreements	6,423	1,402
Net tax payments	(567)	(306)
Dividends received from companies at equity method	198	197
Cash flows from discontinued activities	-	-
Net cash from operating activities	**23,677**	**16,161**

(in € millions)	**31/12/2019**	**31/12/2018**
Acquisitions of subsidiaries and joint ventures net of cash acquired	6	(132)
Disposals of subsidiaries and joint ventures net of cash transferred	-	-
Equity investments in companies accounted for by the equity method	(402)	(64)
Disposals of investments in companies accounted for by the equity method	275	4
Cash flow related to changes in scope	**(120)**	**(192)**
Sale of financial investments (including Unit-linked) and derivative instruments	107,023	113,264
Dispositions of real estate investment	381	517
Sale of investments and derivative instruments of activities other than insurance	-	-
Cash flow from dispositions and repayments of investments	**107,404**	**113,781**
Acquisitions of financial assets (including Unit-linked) and derivative instruments	(129,629)	(127,132)
Acquisitions of investment property	(551)	(499)
Acquisitions and/or issuances of investments and derivatives from other activities	-	-
Cash Flow from Acquisitions and Investment Removals	**(130,180)**	**(127,631)**
Disposals of intangible assets and property plant and equipment	39	4
Acquisitions of intangible assets and property plant and equipment	(151)	(122)
Cash flows relating to acquisitions and disposals of intangible assets and property plant and equipment	**(112)**	**(118)**
Cash flows from discontinued activities	-	-
Net cash flow from investment activities	**(23,008)**	**(14,160)**
Issues of capital instruments	-	-
Dividend payments	(1,325)	(1,861)
Cash flows relating to transactions with shareholders and members	**(1,325)**	**(1,861)**
Cash generated by issuance of financial debts	1,312	1,120
Cash allocated to repayment of financial debts	(212)	(1,481)
Expenses relating to financial debts	(235)	(408)
Cash flow from financing activities	**866**	**(769)**
Cash flows from discontinued activities	-	-
Net cash flow from financing activities	**(459)**	**(2,630)**
Flow of accounting method change	1	(474)
Other flows with cash effect	**1**	**(474)**
Opening cash and cash equivalents	515	1,613
Net cash flow from operating activities	**23,677**	**16,161**
Net cash flow from investment activities	**(23,007)**	**(14,160)**
Net cash flow from financing activities	**(459)**	**(2,630)**
Other non-cash changes	**1**	**(474)**
Impact of foreign exchange differences on cash and cash equivalents	6	4
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER 2019	**733**	**514**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Detailed contents

NOTE 1 Group accounting policies and principles, assessments and estimates applied

Applicable standards and comparability

Pursuant to EC Regulation no. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable at 31 December 2019 and as adopted by the European Union (carve-out version), thus using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards and interpretations are available on the European Commission website at:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

These cover the following:

The standards and interpretations are the same as those applied and described in the Group's financial statements for the financial year ended 31 December 2017.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2019 and that must be applied for the first time in 2019.

Standards, amendments or interpretations	Date of the European Union regulation	Date of mandatory initial application: accounting periods beginning on
IFRS 16 "Leases" Supersedes IAS 17 on the recognition of leases and related interpretations (IFRIC 4 "Determining whether an arrangement contains a lease", SIC 15 "Operating Leases – Incentives" and SIC 27 "Evaluating the substance of transactions in the legal form of a lease")	31 October 2017 (EU 2017/1986)	1 January 2019
Amendment to IFRS 9 "Financial instruments" Options for early redemption with negative penalty	22 March 2018 (EU 2018/498)	1 January 2019 (1)
Interpretation of IFRIC 23 "Uncertainty over income tax treatments" Clarifications to IAS 12 "Income taxes"	24 October 2018 (EU 2018/1595)	1 January 2019 (2)
Improvements to IFRS cycle 2015-2017: ▶ IAS 12 "Income taxes" ▶ IAS 23 "Borrowing costs" ▶ IFRS 3/IFRS 11 "Business combinations"/"Joint arrangements"	15 March 2019 (EU 2019/412)	1 January 2019
Amendment to IAS 28 "Investments in associates and joint ventures" Clarification for the investor on the recognition of long-term interests in associates and joint ventures	11 February 2019 (EU 2019/237)	1 January 2019
Amendment to IAS 19 "Employee benefits" Clarification of the consequences of a change, withdrawal or settlement on determining the cost of services rendered and the net interest	14 March 2019 (EU 2019/402)	1 January 2019

(1) The Group decided to apply the amendment to IFRS 9 early from 1 January 2018.

(2) The application of the IFRIC 23 interpretation did not have a significant impact on the Group's equity as at 1 January 2019. On that same date, Crédit Agricole Assurances reclassified the provisions for tax risks relating to income tax from the "Provisions" heading to the "Current tax liabilities" heading in the balance sheet.

Accordingly, the Crédit Agricole Assurances publishes, for the first time from 1 January 2019, its IFRS financial statements under IFRS 16 "Leases" (cf. chapter "Accounting policies and principles" hereafter).

IFRS 16 "Leases" supersede IAS 17 and all related interpretations (IFRIC 4 "Determining whether an arrangement Contains a Lease", SIC 15 "Operating Leases - Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease").

The main change made by IFRS 16 relates to accounting for lessees. IFRS 16 impose for a model in respect of lessees that recognises all leases on the balance sheet, with a lease liability on the liability side representing commitments over the life of the lease and on the asset side, an amortisable right-to-use.

When first applying IFRS 16, the Group chose to apply the modified retrospective method without restatement of the 2019 comparative information in accordance with paragraph C5(b) of IFRS 16 for contracts previously classified under operating leases pursuant to IAS 17. In accordance with this approach, the Group recognised for 1 January 2019 a rental obligation valued at the present value of the remaining rental payments and a right-of-use asset valued at the amount of the lease liability adjusted, where applicable, for the amount of rents paid in advance and payable that were recognised in the statement of financial position immediately before the date of first application.

For the leases previously classified as finance lease, the entity reclassified the book value of the asset rental and liability rental booked accordingly to IAS 17 as right-of-use and lease liability at the date of first application.

The application of IFRS 16 did not have any impact on equity.

At the transition date, the Group chose to apply the following simplifying measures proposed by the standard:

- no adjustment for contracts that come to an end within twelve months of the date of first application. This concerns, in particular, the 3/6/9 leases that are subject to tacit renewal on the date of first application;
- in line with the update of IFRIC as of March 2019, and with the AMF 2019-13 recommendation, the Group did not consider the IFRS IC decision as at 26 November 2019 related to the definition of IFRS 16 lease maturity in financial statements as of 31 December 2019, in order to have enough time to analyse the accounting impacts of this decision in 2020. Thus, accounting policies and procedures of the financial statements of 31 December 2019 have not been affected;
- no adjustment for leases whose underlying assets are of low value;
- adjustment of the right-of-use asset for the amount recognised at 31 December 2019 in the statement of financial position for the provision for onerous contracts;
- exclusion of the initial direct costs of valuing the right-of-use asset.

The Group also chose not to reassess whether a contract is or contains a lease on the transition date. For contracts concluded prior to the transition date, the Group applied IFRS 16 to contracts identified as leases pursuant to IAS 17 and IFRIC 4.

The discount rate applicable to the calculation of the right-of-use asset and the lease liability is the marginal rate of indebtedness on the date of initial application of IFRS 16, based on the residual maturity of the contract on 1 January 2019.

The right-of-use assets recorded on the date of first application primarily relate to estate leases.

STANDARDS PUBLISHED BY IASB AND ADOPTED BY EUROPEAN UNION AS OF 31 DECEMBER 2019

In addition, it is reminded that when the early application of the European Union accounting policies and principles is optional over a period, the Group does not take the option unless it is specifically mentioned.

This is the case in particular for:

Standards, amendments or interpretations	Date of the European Union regulation	Date of mandatory initial application: accounting periods beginning on
Amendment to the references to the conceptual frame of IFRS	6 December 2019 (EU 2019/2075)	1 January 2020
IAS 1/IAS 8 Presentation of Financial statements Definition of Material	10 December 2019 (EU 2019/2104)	1 January 2020
Amendment to IFRS 9, IAS 39 and IFRS 7 Financial Instruments Interest rate benchmark reform	15 January 2020 (EU 2020/34)	1 January 2020 (1)

(1) *The Group decided to early apply the amendment to IFRS 9, IAS 39 and IFRS 7 Financial instruments on the Interest rate benchmark reform from 1 January 2019.*

STANDARDS PUBLISHED BY IASB BUT NOT ADOPTED BY EUROPEAN UNION AS OF 31 DECEMBER 2019

The standards and interpretations published by the IASB at 31 December 2019 but not yet adopted by the European Union are not applied by the Group. They will become mandatory only as from the date planned by the European Union and have not been applied by the Group at 31 December 2019.

This concerns IFRS 17 in particular:

IFRS 17 "Insurance contracts" issued in May 2017 will replace IFRS 4. Published in June 2019, the IASB's exposure Draft amending IFRS 17 proposed extending its effective date by one year to 1 January 2022.

IFRS 17 establishes recognition, measurement and presentation principles for insurance contracts that fall within its scope (*i.e.* insurance contracts issued, reinsurance treaties issued and held, and investment contracts with a discretionary participation feature issued, if the entity also issues insurance contracts).

In order to apply the provisions of IFRS 17 in terms of the recognition and measurement of insurance contract liabilities, the entity must aggregate its insurance contracts based on their characteristics and estimated profitability at inception. It must also, on initial recognition, identify insurance contract portfolios (contracts that are subject to similar risks and managed together) then disaggregate each of these portfolios into three groups (onerous contracts, contracts with no significant risk of becoming onerous, and other contracts). The entity shall not include contracts issued more than one year apart in the same group.

IFRS 17 introduces a general prospective model for the measurement of insurance liabilities, whereby groups of contracts are measured, on initial recognition, as the sum of fulfilment cash flows (*i.e.* estimates of future cash flows, an adjustment to reflect the time value of money and the financial risks associated with those future cash flows and a risk adjustment for non-financial risk) and the contractual service margin (CSM). The latter represents unearned profit that the entity will recognise in profit or loss as it provides services to insured parties in the future. It cannot be negative: if a contract is onerous at initial recognition, the loss must be immediately recognised in profit or loss.

At the end of each subsequent reporting period, the carrying amount of a group of insurance contracts must be reassessed as the sum of the liability for remaining coverage (comprising the fulfilment cash flows related to future services and the contractual service margin at that date) and the liability for incurred claims (comprising the fulfilment cash flows related to past services). The contractual service margin is adjusted to account for cash flow changes related to future services arising from non-financial assumptions. As CSM cannot be negative, any change in fulfilment cash flows that is not offset by changes in CSM must be recognised in profit or loss.

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This general model is subject to modifications for certain insurance contracts with specific features. Hence, for insurance contracts with direct participation features, the standard stipulates that a measurement model called "Variable Fee Approach" (VFA) must be applied, allowing all changes in cash flows related to future services, including those linked to financial assumptions and options and guarantees, to be reflected in the adjustment of the contractual service margin.

Lastly, the standard allows for the application of a simplified measurement model known as "Premium Allocation Approach" (PAA), which relies on the premium allocation method for the measurement of the liability for remaining coverage of the Group, provided that this measurement would not differ materially from the one that would be produced applying the general model, and that the coverage period of each contract in the Group is one year or less.

The Crédit Agricole Assurances Group is organised to implement the IFRS 17 standard in the required delays by integrating all the impacted functions (accounting, actuarial, controlling, IT, procurement, etc…). In 2017, a framing phase helped in identifying and measuring all the stakes linked to the implementation of the IFRS 17 standard and perform a first impact study for the Group. In 2018 the implementation phase of IFRS 17 has started and the works are structured around projects allowing to fulfill the identified stakes (actuarial and accounting methodologies, accounting, consolidation, processes, actuarial models, data management, IT, etc.). These works continued to be handled in 2019 and will continue until the standard enters into force

The Crédit Agricole Assurances Group follows carefully the process initiated by the IASB on October 2018, and currently in a finalization phase of amendments to the IFRS 17 standard, as well as its adoption by the European Union. The Group will be careful in particular further the new IASB deliberations regarding the amendments proposed within the exposure-draft of 26 June 2019, as well as to the eventual amendments to IFRS 17 standard that would result from this process.

In addition, one amendment to existing standards, published by the IASB, also pending adoption by European Union. This cible amendment to IFRS 3 "Business Combination" (with potential for early application).

IBOR Reform

As a user of critical benchmarks, the Crédit Agricole Assurances Group is acutely aware of their importance and of the issues relating to their changes in the context of ongoing reforms.

Within the Crédit Agricole Assurances Group, the Benchmarks project is the guiding force for the benchmark transition and looks to ensure that all entities comply with the Benchmark Regulation (BMR). It was launched in the Group entities to prepare all business lines and support customers in transitions to new benchmark rates.

It is organised with a view to identifying and analysing the impacts of the reform. In particular, all exposures and contracts are mapped to estimate the consolidated exposure of the Crédit Agricole Assurance Group to the reform.

The main benchmarks to which the Group's hedging relationships are exposed are:

- EONIA;
- critical benchmarks defined in the BMR: Euribor, USD Libor, GBP Libor, JPY Libor, CHF Libor, EUR Libor, Wibor, Stibor and Hibor.

Given the items available to date, the period of uncertainly as regards to the future of this index is expected to end on 3 January 2022 for Eonia contracts. For the other benchmarks, various ongoing work does not, at this stage, allow an end date to be established.

As at 31 December 2019, this assessment shows the nominal amount of the hedging instruments affected by the reform to be 48,5 billions of euros.

The Group will apply the amendments to IFRS 9 published by the IASB on 26 September 2019 where uncertainties about the benchmarks will concern the timings and amounts of nterest rate benchmark-based cash flows.

Presentation format of financial statements

In the absence of a model decreed by IFRS standards, Crédit Agricole Assurances uses the format of financial statements (balance sheet, income statement, statement of net income and gains and losses recognised directly in other comprehensive income, statement of changes in equity, cash flow statement) recommended by the ANC recommendation n°2013-05 of 7 November 2013.

This presentation, adopted in 2013, has the following features:

- revenue on investment contracts without discretionary participation features is classified under the heading "Revenue or income from other activities";
- assets and liabilities are classified on the balance sheet in increasing order of liquidity, as this presentation is more relevant for insurance companies than the classification into current and non-current items, as also allowed under IAS 1;
- expenses in the income statement are classified by function rather than by nature. This presentation, allowed under IAS 1, is the one used by a large majority of insurance companies. Information on expenses by nature is also provided in the notes.

Accounting policies and principles

USE OF ASSESSMENTS AND ESTIMATES TO PREPARE THE FINANCIAL STATEMENTS

Estimates made to draw up the financial statements are by nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

Future results may be influenced by many factors, including:

- activity in domestic and international financial markets;
- fluctuations in interest and foreign exchange rates;
- the economic and political climate in certain industries or countries;
- changes in regulations or legislation;
- the behavior of the policyholders;
- demographic changes.

This list is not exhaustive.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value;
- investments in non-consolidated companies;
- liabilities on insurance contracts and investment contracts;
- pension schemes and other post-employment benefits;
- stock option plans;
- impairment on debt instruments measured at amortised cost or at fair value through other comprehensive income (items that can be reclassified);
- provisions;
- impairment of goodwill;
- deferred tax assets;
- valuation of equity accounted entities;
- policyholders' deferred profit sharing.

The procedures for the use of assessments or estimates are described in the relevant sections below.

Annual accounts for Crédit Agricole Assurances are closed on 31 December. They include estimates where information is not available at the closing date. Financial investments are valued at closing prices and transactions carried out in the final month of the period having an impact on profit or loss are taken into account.

As an exception, a single entity within Crédit Agricole Assurances is closing its individual accounts on a date other than 31 December:

- CA life Japan, whose closing date is 31 March;
- for this entity, 12 month-accounts are closed at 30 September to be consolidated in the Group accounts at 31 December;
- the impact from the difference in closing dates is not material.

SEGMENT REPORTING

The segmental information presented in the financial statements and notes of Crédit Agricole Assurances reflects the operational business segments. It is based on five business lines: France life, France Non-Life, Credit Insurance, International and Other, which mainly covers holding and reinsurance activities

INTANGIBLE ASSETS AND DEFERRED EXPENSES

The main intangible assets are goodwill and the value of portfolios of contracts acquired, recognised as part of a business combination or separately through the transfer of a portfolio, together with software acquired or developed in-house.

Goodwill

Goodwill (see section "Consolidation principles and policies" below) is assumed to have a perpetual value and is therefore not amortised; however, in accordance with IAS 36 it is subject to impairment testing as soon as there are objective indicators of a loss of value and at least once per year

For the purposes of these impairment tests, each item of goodwill is allocated to the various cash generating units (CGUs) of the Group that will benefit from the advantages expected to accrue from the business combination. CGUs were defined, within the Group's main business segments, as the smallest identifiable grouping of assets and liabilities operating according to its own business model. In practice, Crédit Agricole Assurances uses an entity-based approach

Under the impairment tests, the carrying amount of each CGU, including that of the goodwill allocated to it, is compared to its recoverable amount

The recoverable amount of the CGU is defined as the higher of its fair value less costs of disposal and its value in use. The value in use is calculated as the current value of estimated future cash flows from the CGU, as based on the medium-term plans drawn up for steering purposes of the Group.

Where the recoverable amount is lower than the carrying amount, the goodwill allocated to the CGU is impaired proportionately. This impairment is irreversible

Value of portfolios of contracts acquired

The fair value of a portfolio of insurance contracts acquired separately or as part of a business combination is recognised as an asset on the balance sheet. This corresponds to the present value of estimated future profits generated by the existing contracts at the time of acquisition.

These portfolio values are amortised over the life of contracts acquired as profits materialise. This amortisation is complemented by an annual recoverability test which takes account of experience and changes in valuation hypotheses.

Softwares

Software acquired is recognised at its acquisition cost, less amortisation and depreciation accumulated since the acquisition date.

Software created internally is recognised at its production cost, less amortisation and depreciation accumulated since the date of completion, where it meets the criteria of IAS 38 and in particular where it will generate future economic benefits for the company and where its cost can be assessed in a reliable manner. Only those expenses incurred during the development phase are capitalised; expenses incurred during the research phase are recognised directly in profit or loss for the year.

Software is amortised based on its estimated useful life.

Start-up costs are not capitalised and are recognised directly in expenses for the year in which they arise

Deferred acquisition costs for insurance contracts and investment contracts with discretionary participation features and costs incurred at the inception of investment contracts without discretionary participation features

Variable costs incurred at the inception of life insurance contracts and investment contracts with discretionary participation features as part of the underwriting of new business are recognised as assets on the balance sheet. The acquisition costs thus recognised are amortised over the life of the contracts in proportion to expected future profits arising

The recoverability of such assets is tested together with the liability adequacy test (see section "Insurance contracts" below): the share of acquisition costs which, at the closing date, proves not to be covered by estimated future gross profits is not considered as recoverable and is therefore recognised as an expense, in accordance with the requirements of CRC regulation 2000-05 which apply to contracts within the scope of IFRS 4.

Acquisition costs of non-life insurance contracts are deferred in proportion to corresponding unearned premiums for the financial year

As regards investment contracts without discretionary participation features, which are governed by IFRS 9, marginal acquisition costs recoverable are posted on balance sheet assets and amortised in accordance with IFRS 15

Symmetrically with the deferral of expenses incurred on the subscription of contracts, unearned loadings and commissions are deferred *via* the posting of a provision in liabilities.

The deferral patterns are identical to those of deferred acquisition costs of insurance contracts.

For Predica, in the savings business segment, the Group does not recognise deferred acquisition costs, as commissions paid are offset by loadings for acquisition costs.

PROPERTY, PLANT AND EQUIPMENT

Operating and investment property

Operating property covers the buildings housing the company's services. Investment property covers rental property and shares in unlisted real estate companies.

Crédit Agricole Assurances recognises operating and investment property at cost, applying the component method of accounting in accordance with the provisions of IAS 16 and the option set out in IAS 40.

As an exception, as allowed under IAS 40, real estate assets backing contracts where the financial risk is borne by the policyholder are valued and recognised at fair value, with changes in fair value being recognised in profit or loss.

Properties recognised at cost are analysed into four components, each with its own useful life and renewal schedule:

- major works (superstructure and infrastructure);
- secondary works (roofing, coverings, frames, facades, external joinery);
- technical installations (heating, ventilation, air conditioning, lifts, electrical systems);
- fixtures and fittings (surfacing, wall and floor finishing stages, etc.).

Technical studies carried out by Crédit Agricole Assurances lead it to use a residual value corresponding to approximately 90% of the major works component. By definition, this residual value is not depreciated; however, if an item of major works were to suffer a significant and lasting loss of value (technological change, change of use, fall in price), an impairment would be recognised.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated based on their estimated useful life. The depreciation periods used by Crédit Agricole Assurances are specific to each component and are adapted to its nature and, for property, its location:

Component	Depreciation period
Land	Non depreciable
Primary structure	30 to 80 years
Secondary structure	8 to 40 years
Technical installations	5 to 25 years
Fixtures and fittings	5 to 15 years
IT equipment	4 to 7 years
Specialist equipment	4 to 5 years

If the net carrying amount of the asset is greater than the recoverable amount, an additional impairment is recognised further to its depreciation. The recoverable value, calculated where the property presents indicators of a loss of value, is the lower of fair value and value in use.

For buildings, fair value corresponds to an expert valuation, established at least every five years and updated annually by a suitably qualified independent valuer. This value is disclosed in the notes to the financial statements (see note 6.3).

Crédit Agricole Assurances analyses at each closing all indicators of a loss of value for investment property. This multicriteria analysis is based both on the long-term character of the loss of value and the exercise of judgment. One of the criteria taken into account is a net carrying amount more than 20% higher than the expert valuation, however, if Crédit Agricole Assurances considers selling the investment in the short term or does not have the ability to hold it in the long term, any impairment, even less than 20%, is recognised.

FINANCIAL INSTRUMENTS (IFRS 9, IAS 39 AND IAS 32)

Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, meaning any contract representing contractual rights or obligations to receive or pay cash or other financial assets.

Derivative instruments are financial assets or liabilities whose value changes according to that of an underlying asset, which requires a low or nil initial investment, and for which settlement occurs at a future date.

Financial assets and liabilities are treated in the financial statements in accordance with IFRS 9 as adopted by the European Union, including for financial assets held by the Group's insurance entities.

IFRS 9 sets the principles governing the classification and measurement of financial instruments, impairment of credit risk and hedging accounting, excluding macro-hedging transactions.

It should nevertheless be noted that Crédit Agricole Assurances has opted not to apply the IFRS 9 general hedging model. All hedging relationships consequently remain within the scope of IAS 39 pending future provisions relating to macro-hedging.

Conventions for measuring financial assets and liabilities

Initial measurement

At initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 corresponds to the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the most advantageous market, at the measurement date.

Subsequent measurement

After initial recognition, financial assets and liabilities are measured according to their classification either at amortised cost using the effective interest rate method (EIR) or at fair value as defined by IFRS 13. For derivative instruments, they are always measured at their fair value.

Amortised cost corresponds to the amount at which the financial asset or liability is measured at initial recognition, including transaction costs directly attributable to its acquisition or issue, reduced by repayments of principal, increased or reduced by the cumulative amortisation calculated by the effective interest rate method (EIR) on any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset, the amount is adjusted if necessary in order to correct for the loss allowance (see section "Impairment for credit risk" below).

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to obtain the net carrying amount of the financial asset or financial liability.

Financial assets

Classification and measurement of financial assets

Non-derivative financial assets (debt or equity instruments) are classified on the balance sheet in accounting categories that determine their accounting treatment and their subsequent valuation mode. These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income.

The criteria for the classification and measurement of financial assets depend on the nature of the financial assets, according to whether they are qualified as:

- debt instruments (*i.e.* loans and fixed or determinable income securities); or
- equity instruments (*i.e.* shares).

Debt instruments

The classification and measurement of a debt instrument depend on the combination of two criteria: the business model and the analysis of the contractual terms, unless the fair value option is used.

The three business models:

The business model represents the strategy followed by the management of Crédit Agricole Assurances for managing its financial assets in order to achieve its objectives. The business model is specified for a portfolio of assets and does not constitute a case-by-case intention for an isolated financial asset.

The three business models are as follows:

- the collection only model for which the aim is to collect contractual cash flows over the lifetime of the assets; this model does not always imply holding all of the assets until their contractual maturity; however, sales of assets are strictly governed;
- the mixed model where the aim is to collect the contractual cash flows over the lifetime of the assets and to sell the assets; under this model, both the sale of the financial assets and the receipt of cash flows are essential; and
- the selling only model, where the main aim is to sell the assets; it concerns portfolios where the aim is to collect cash flows *via* sales, portfolios whose performance is assessed based on fair value, and portfolios of financial assets held for trading.

The test of the contractual terms ("Solely Payments of Principal & Interest" or "SPPI" test)

The "SPPI" test combines a set of criteria, examined cumulatively, to establish whether contractual cash flows meet the characteristics of a simple financing (principal repayments and interest payments on the remaining amount of principal due).

The test is satisfied when the financing gives entitlement only to the repayment of the principal and when the payment of interests received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a conventional loan contract and a reasonable margin, whether the interest rate is fixed or variable.

In a simple financing, interest represents the cost of the passage of time, the price of credit and liquidity risk over the period, and other components related to the cost of carrying the asset (e.g. administrative costs).

In some cases, when a qualitative analysis of this nature does not allow a conclusion to be made, a quantitative analysis (or benchmark testing) is carried out. This additional analysis consists of comparing the contractual cash flows of the asset under review with the cash flows of a benchmark asset.

If the difference between the cash flows of the financial asset and the benchmark asset is considered immaterial, the asset is deemed to be a simple financing.

Moreover, a specific analysis is carried out when the financial asset is issued by special purpose entities establishing a differentiated order of payment among the holders of the financial assets by contractually linking multiple instruments and creating concentrations of credit risk ("tranches").

Each tranche is assigned a rank of subordination that specifies the order of distribution of cash flows generated by the structured entity.

In this case, the "SPPI" test requires an analysis of the characteristics of the contractual cash flows of the asset concerned and underlying assets according to the "look-through" approach and the credit risk borne by the tranches subscribed compared to the credit risk of the underlying assets.

The mode of recognition of debt instruments resulting from the qualification of the business model combined with the "SPPI" test may be presented in the following diagram:

DEBT INSTRUMENTS		BUSINESS MODEL		
		COLLECTION ONLY	MIXED	SELLING ONLY
TEST SPPI	SATISFIED	Amortised cost	Fair value cost other comprehensive income (items that can be reclassified)	Fair value through profit or loss
	NOT SATISFIED	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss

Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the pure collection model and if they pass the "SPPI" test.

They are recorded at the settlement date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

This category of financial assets is impaired under the conditions described in the specific section "Impairment for credit risk".

Debt instruments at fair value through other comprehensive income (items that can be reclassified)

Debt instruments are measured at fair value through other comprehensive income on items that can be reclassified if they are eligible for the mixed model and if they pass the "SPPI" test.

They are recorded at the trade date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premium or discount and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

These financial assets are subsequently measured at fair value, with changes in fair value recorded in other comprehensive income on items that can be reclassified and offset against the outstanding accounts (excluding accrued interest recognised in profit or loss according to the effective interest rate method).

If the securities are sold, these changes are transferred to profit or loss.

This category of financial instruments is impaired under the conditions described in the specific paragraph "Impairment for credit risk" (without this affecting the fair value on the balance sheet).

Debt instruments at fair value through profit or loss

Debt instruments are measured at fair value through profit or loss in the following cases:

- the instruments are classified in portfolios composed of financial assets held for trading or for which the main objective is disposal. Financial assets held for trading are assets acquired or generated by the entity primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the period that Crédit Agricole Assurances holds the assets, the collection of these contractual cash flows is not essential but ancillary;
- debt instruments that do not fulfil the criteria of the "SPPI" test. This is notably the case of UCITS;
- financial instruments classified in portfolios which the entity designates at fair value in order to reduce an accounting treatment difference in profit or loss. In this case, the instrument is classified as designated at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded to profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss, offset against the outstanding accounts.

This category of financial assets is not subject to impairment

Debt instruments measured by definition at fair value through profit or loss are recorded on the settlement date.

Debt instruments designated at fair value through profit or loss are recorded on the trade date.

Equity instruments

Equity instruments are by default recognised at fair value through profit or loss, except in the case of the irrevocable option for classification at fair value through other comprehensive income on items that cannot be reclassified, providing that these instruments are not held for trading purposes.

Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded in profit or loss). They are recorded at the settlement date.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss, offset against the outstanding accounts.

This category of financial assets is not subject to impairment.

Equity instruments at fair value through other comprehensive income on items that cannot be reclassified (irrevocable option)

The irrevocable option to recognise equity instruments at fair value through other comprehensive income on items that cannot be reclassified is adopted at the transactional level (line by line) and applies from the date of initial recognition. These securities are recorded at the trade date.

The initial fair value includes transaction costs.

At subsequent measurement, changes in fair value are recognised in other comprehensive income on items that cannot be reclassified. In case of disposal, these changes are not reclassified to profit or loss.

The gain or loss on disposal is recognised in other comprehensive income.

Only dividends are recognised in profit or loss.

Reclassification of financial assets

In the case of a significant change in the business model used for managing financial assets (new activity, acquisition of entities, disposal or discontinuation of a significant activity), a reclassification of these financial assets is necessary. The reclassification applies to all financial assets in the portfolio from the date of reclassification.

In other cases, the business model remains unchanged for existing financial assets. If a new business model is identified, it applies prospectively to new financial assets grouped in a new management portfolio.

Temporary acquisition and disposal of securities

Temporary disposals of securities (loans of securities, securities delivered under repurchase agreements) do not generally fulfil the conditions for derecognition.

Securities lent or sold under repurchase agreements remain on the balance sheet. In the case of securities sold under repurchase agreements, the amount received, representing the liability to the transferee, is recognised on the liabilities side of the balance sheet by the transferor.

Securities borrowed or received under repurchase agreements are not recognised on the balance sheet of the transferee.

In the case of securities purchased under resale agreements, a debt to the transferor is recorded on the balance sheet of the transferee and offset against the amount paid. If the security is subsequently resold, the transferee records a liability equivalent to the fair value of fulfilling its obligation to return the security received under the agreement.

Revenue and expenses relating to such transactions are posted to profit and loss on a prorata temporis basis, except in the case of a classification of assets and liabilities at fair value through profit or loss.

Derecognition of financial assets

A financial asset (or Group of financial assets) is fully or partially derecognised if:

- the contractual rights to the cash flows from the financial asset expire;
- or are transferred or deemed as such because they belong de facto to one or more beneficiaries, and when substantially all the risks and rewards related to the financial asset are transferred.

In this case, all the rights or obligations created or retained at the time of transfer are recognised separately as assets and liabilities.

When the contractual rights to the cash flows are transferred but only some of the risks and rewards, as well as control, are retained, the financial assets continue to be recognised to the extent of the Group's continuing involvement in this asset.

Overlay approach applicable to insurance activities

Crédit Agricole Assurances uses the overlay approach for financial assets held in respect of an activity connected with insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 (Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts'), published by the IASB in September 2016.

This approach aims at remedying the temporary accounting consequences of the discrepancy between the date of entry into force of IFRS 9 and that of the new standard on insurance contracts replacing IFRS 4 (IFRS 17). Indeed it allows for an elimination from the net income of part of the additional accounting mismatches and the temporary volatility which could be caused by an application of IFRS 9 before the entry into force of IFRS 17.

The designation of eligible financial assets is performed on an instrument by instrument basis, and this may be done:

- at 1 January 2018, at the initial application of IFRS 9; or
- subsequently, but only at the initial recognition of the assets in question.

This designation applies until derecognition of the financial assets concerned.

Pursuant to the overlay approach, Crédit Agricole Assurances reclassifies, for designated financial assets, their impacts in profit or loss to other comprehensive income, such that the amount reported in profit or loss for these assets corresponds to that which would have been reported in profit or loss if IAS 39 had been applied.

Consequently, the amount reclassified is equal to the difference, for the designated financial assets, between:

- the amount reported in profit or loss applying IFRS 9; and
- the amount that would have been reported in profit or loss if IAS 39 had been applied.

In the income statement, the effects of this reclassification are recognised in the item "Investment income net of investment expenses", before tax effects, on the line "Amount reclassified as gains and losses recognised directly in equity under the overlay approach". The tax effects related to this reclassification are presented on the line "Income tax".

In the statement of other comprehensive income, the effects of this reclassification are recognised in other comprehensive income (items that can be reclassified) on the line "Reclassification of gains and losses on financial assets related to the overlay approach".

The financial assets that may be designated to the overlay approach must fulfil the following two criteria:

- they are held by insurers within the Group in respect of an activity connected to insurance contracts; and
- they are measured at fair value through profit or loss under IFRS 9 but would not have been measured this way under IAS 39; thus these are financial assets which, under IAS 39 would have been recognised at amortised cost (assets held to maturity, loans and receivables) or at fair value through other comprehensive income (available-for-sale financial assets).

Evaluation of the impacts in profit or loss of the designated financial assets

Pursuant to the overlay approach, Crédit Agricole Assurances applies, for the final recognition of the net impacts in profit or loss of the designated financial assets, the accounting principles and policies that Crédit Agricole Assurances would have applied under IAS 39.

Financial assets at amortised cost under IAS 39

Financial assets at amortised cost are initially recognised at their initial fair value, including directly-attributable transaction costs and accrued interest.

They are subsequently measured at amortised cost with amortisation of any premium or discount and transaction costs using the effective interest rate method.

Available-for-sale financial assets under IAS 39

Available-for-sale financial assets are initially recognised at their initial fair value, including transaction costs that are directly attributable to the acquisition, and accrued interest.

They are subsequently measured at fair value and changes in fair value are recorded in other comprehensive income.

If the securities are sold, these changes are transferred (recycled) to profit or loss.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

Impairment of designated financial assets under IAS 39

An impairment must be recognised when there is an objective evidence of impairment resulting from one or more events occurring after the initial recognition of the financial asset.

An objective evidence of impairment corresponds to a prolonged or significant decline in the value of the security for equity securities or the appearance of a significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Crédit Agricole Assurances uses quantitative criteria as indicators of potential impairment. These quantitative criteria are notably based on a loss of 30% or more of the value of the equity instrument over a period of six consecutive months. Crédit Agricole Assurances also considers qualitative criteria (financial difficulties of the issuer, short term prospects, etc...).

Notwithstanding the above-mentioned criteria, Crédit Agricole Assurances recognises an impairment when there is a decline in the value of the equity instrument higher than 50% at the reporting date or durably observed for more than three years.

Financial liabilities

Financial liabilities relating to financial contracts without discretionary participation features are described in the section on insurance contracts.

The other financial liabilities of Crédit Agricole Assurances are described below.

Distinction between debt instruments and equity instruments

The distinction between debt instruments and equity instruments is based on an analysis of the economic substance of the contractual terms.

A financial liability is a debt instrument if it includes a contractual obligation:

- to provide another entity with cash, another financial asset or a variable number of equity instruments; or
- to exchange financial assets and liabilities with another entity at potentially unfavourable conditions.

An equity instrument is a non-redeemable financial instrument which offers a discretionary return evidencing a residual interest in a company after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

Securities for which there is no contractual obligation to repay the nominal or to provide cash are therefore classified as equity instruments.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses conclude it has been substantially modified following restructuring.

A substantial modification of an existing financial liability must be recorded as an extinction of an initial financial liability and the recognition of a new financial liability (novation). Any differential between the carrying amount of the extinct liability and the new liability will be recognised immediately in profit or loss.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in profit or loss at the date of modification and is then spread, using the original effective interest rate, over the residual lifetime of the instrument.

Impairment for credit risk

Scope of application

In accordance with IFRS 9, Crédit Agricole Assurances recognises a loss allowance for expected credit losses (ECLs) on the following outstanding:

- financial assets of debt instruments recognised at amortised cost or fair value through other comprehensive income (items that can be reclassified) (loans and receivables, debt securities);
- financing commitments which are not measured at fair value through profit or loss;
- guarantee commitments coming under IFRS 9 and which are not measured at fair value through profit or loss;
- lease receivables coming under IAS 17; and
- trade receivables generated by transactions coming under IFRS 15.

Equity instruments (at fair value through profit or loss or through other comprehensive income on items that cannot be reclassified) are not concerned by impairment provisions.

Derivative instruments and other instruments at fair value through profit or loss are subject to a calculation of counterparty risk which is not covered by the ECL model. This calculation is described in chapter 5 "Risk factors and risk management" of the Crédit Agricole Assurances registration document.

Credit risk and impairment stages

Credit risk is defined as the risk of losses related to the default of a counterparty leading to its inability to meet its commitments to the Group.

The process of impairing for credit risk has three stages (Buckets):

- 1^{st} stage (bucket 1): upon initial recognition of the financial instrument (credit, debt security, guarantee, etc.), the entity recognises 12-month expected credit losses;
- 2^{nd} stage (bucket 2): if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises lifetime expected credit losses;
- 3^{rd} stage (bucket 3): when one or more default events have occurred on the transaction or on a counterparty with an adverse effect on the estimated future cash flows, the entity recognises incurred credit losses to maturity. Subsequently, if the conditions for classifying financial instruments in bucket 3 are no longer met, the financial instruments are reclassified in bucket 2, then in bucket 1 according to the subsequent improvement in the quality of credit risk.

A loan in default (Bucket 3) is said to be impaired when one or more events that have a detrimental effect on the estimated future cash flows of that financial asset. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Definition of expected credit losses ("ECLs")

ECL is defined as the weighted expected probable value of the discounted credit loss (principal and interest). It represents the present value of the difference between the contractual cash flows and the expected cash flows (including principal and interest).

The ECL approach is designed to anticipate as early as possible the recognition of expected credit losses.

ECL governance and measurement

The governance of the system for measuring IFRS 9 parameters is based on the structure implemented as part of the Basel framework. The Group's Risk Management department is responsible for defining the methodological framework and supervising the impairment system.

The Group primarily relies on the internal rating system and the current Basel processes to generate the IFRS 9 parameters required to calculate ECLs. The assessment of the change in credit risk is based on an expected loss model and extrapolation based on reasonable scenarios. All information that is available, relevant, reasonable and justifiable, including of a forward-looking nature, must be retained.

The calculation formula includes the probability of default, loss given default and exposure at default parameters.

ECLs are calculated according to the type of product concerned, *i.e.* financial instruments and off-balance sheet instruments.

The 12-month expected credit losses make up a percentage of the lifetime expected credit losses, and represent the lifetime cash flow shortfalls in the event of a default during the 12 months following the end of the reporting period (or a shorter period if the expected lifetime of the financial instrument is less than 12 months), weighted by the probability of default.

Expected credit losses are discounted at the effective interest rate used for the initial recognition of the financial instrument.

The IFRS 9 parameters are measured and updated in accordance with the methodologies defined by the Group and thus enable the establishment of a first benchmark level, or shared base of impairment.

The terms of measurement of ECLs include collateral and other credit enhancements that are part of the contractual terms and which the entity does not account for separately. The estimate of the expected cash flow shortfalls from a guaranteed financial instrument reflects the amount and timing of the recovery of the guarantees. In accordance with IFRS 9, the inclusion of guarantees and sureties does not affect the assessment of the significant deterioration in credit risk: this is based on the evolution of the debtor's credit risk without taking into account guarantees.

Forward-looking macroeconomic data are taken into account in accordance with a methodological framework applicable at two levels:

- at Group level for the determination of a shared framework for the consideration of forward-looking data in the estimation of probability of default and loss given default parameters over the transaction amortisation period;
- at the level of each entity in respect of its own portfolios.

Significant deterioration of credit risk

All Group entities must assess, for each financial instrument, the increase in credit risk from initial recognition at each reporting date. This assessment of the change in credit risk leads the entities to classify their exposures into different risk categories (Buckets).

To assess significant increase, the Group uses a process based on two levels of analysis:

- the first level is based on relative and absolute Group criteria and rules that apply to all Group entities;
- the second level is linked to the expert assessment, based on local forward-looking information, of the risk held by each entity in its portfolios that may lead to an adjustment in the Group Bucket 2 reclassification criteria (switching a portfolio or sub-portfolio to lifetime ECLs).

Each financial instrument is, without exception, assessed for significant increase. Contagion is not required for the downgrading of financial instruments of the same counterparty from Bucket 1 to Bucket 2. The significant increase assessment must consider the change in credit risk of the principal debtor without taking account of any guarantee, including for transactions with a shareholder guarantee.

To measure the significant increase in credit risk since initial recognition, it is necessary to look back at the internal rating and probability of default at origination.

Origination means the trading date, on which the entity became bound by the contractual terms of the financial instrument. For financing and guarantee commitments, origination means the date on which the irrevocable commitment was made.

If the increase since origination is no longer observed, impairment may be reduced to 12-month expected credit losses (Bucket 1).

For securities, Crédit Agricole Assurances uses an approach that consists in applying an absolute level of credit risk, in accordance with IFRS 9, below which exposures are classified in Bucket 1 and impaired based on 12-month ECLs.

As such, the following rules shall apply for monitoring the significant increase of securities:

- "Investment Grade" rated securities, at the reporting date, are classified in Bucket 1 and provisions are made based on 12-month ECL;
- "Non-Investment Grade" rated securities, at the reporting date, must be subject to monitoring for significant increase, since origination, and be classified in Bucket 2 (lifetime ECLs) in the event of significant increase in credit risk.

Relative increase must be assessed prior to the occurrence of an actual default (Bucket 3).

Derivative financial instruments

Classification and measurement

Derivative instruments are financial assets or liabilities classified by default as derivative instruments held-for-trading unless they qualify for being hedging derivatives.

They are recorded on the balance sheet at their initial fair value on the trading date.

They are subsequently recognised at their fair value.

At the end of each reporting period, the counterparty of the change in fair value of derivatives on the balance sheet is recorded:

- through profit or loss for derivative instruments held-for-trading and for fair value hedges;
- through other comprehensive income for cash flow hedging derivatives and net investments in foreign operations for the effective portion of the hedge.

Hedge accounting

General framework

In accordance with a decision made by the Group, Crédit Agricole Assurances does not apply the "hedge accounting" provisions of IFRS 9, as permitted by the standard. All hedging relationships will continue to be documented in accordance with the rules of IAS 39 until, at the latest, the date on which the text on fair value macro-hedging is adopted by the European Union. However, the eligibility of financial instruments to hedge accounting under IAS 39 takes into account the IFRS 9 principles for the classification and measurement of financial instruments.

Under IFRS 9, and given the IAS 39 hedging principles, debt instruments at amortised cost or at fair value through other comprehensive income (items that may be reclassified) are eligible to fair value hedging and cash flow hedging.

Documentation

Hedging relationships must comply with the following principles:

- fair value hedges are intended to provide protection from exposure to changes in the fair value of an asset or a liability that has been recognised, or of a firm commitment that has not been recognised, attributable to the risk(s) hedged and that may have an impact in profit or loss (for instance, the hedging of all or some changes in fair value caused by the interest rate risk of a fixed-rate debt);
- cash flow hedges are intended to provide protection from exposure to changes in the future cash flows of an asset or liability that has been recognised, or of a transaction considered to be highly probable, attributable to the risk(s) hedged and that could (in the event of a planned transaction not carried out) have an impact in profit or loss (for instance, the hedging of changes in all or some of the future interest payments on a floating-rate debt);
- net investment hedges in foreign operations are intended to provide protection against the risk of unfavourable changes in fair value associated with the foreign exchange risk of an investment carried out abroad in a currency other than the euro, Crédit Agricole Assurances' presentation currency.

Hedges must also meet the following criteria in order to be eligible for hedge accounting:

- the hedging instrument and the hedged item must be eligible;
- there must be formal documentation from inception, primarily including the individual designation and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;
- the effectiveness of the hedge must be demonstrated, at inception and retrospectively, by testing performed at each reporting date.

Further details on the Group's risk management strategy and its application are presented in Chapter 5 "Risk factors and risk management" of the Crédit Agricole Assurances registration document.

Measurement

The re measurement of the derivative at fair value is recorded in the financial statements as follows:

- fair value hedge: the change in value of the derivative is recognised in profit or loss symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge appears in profit or loss;
- cash flow hedge: the change in value of the derivative is recognised in the balance sheet against a specific account in other comprehensive income (items that may be reclassified) for the effective portion, and any eventual ineffective portion of the hedge is recognised in profit or loss. Profits or losses on the derivative accumulated in other comprehensive income are then reclassified to profit or loss when the hedged cash flows occur;
- hedge of a net investment in a foreign operation: the change in value of the derivative is recognised in the balance sheet against a translation adjustment account in other comprehensive income (items that may be reclassified) and the ineffective portion of the hedge is recognised in profit or loss.

Where the conditions for benefiting from hedge accounting are no longer met, the following accounting treatment must be applied prospectively:

- fair value hedge: only the hedging instrument continues to be revalued through profit or loss. The hedged item is wholly accounted for according to its classification. For debt instruments at fair value through other comprehensive income (items that may be reclassified), changes in fair value subsequent to the ending of the hedging relationship are recorded in other comprehensive income in their entirety. For hedged items valued at amortised cost, which were interest rate hedged, the revaluation adjustment is amortised over the remaining life of those hedged items;

- cash flow hedge: the hedging instrument is measured at fair value through profit or loss. The amounts accumulated in other comprehensive income for the effective portion of the hedge remain in other comprehensive income until the hedged item affects profit or loss. For interest rate hedged instruments, profit or loss is affected as interests are paid. The revaluation adjustment is therefore amortised over the remaining life of those hedged items;
- hedge of a net investment in a foreign operation: the amounts accumulated in other comprehensive income for the effective portion of the hedge remain in other comprehensive income as long as the net investment is held. Profit or loss is affected when the net investment in a foreign operation exits the scope of consolidation.

Embedded derivatives

An embedded derivative is the component of a hybrid contract that meets the definition of a derivative product. This definition applies only to financial liabilities and non-financial contracts. The embedded derivative must be accounted for separately from the host contract if the following three conditions are met:

- the hybrid contract is not measured at fair value through profit or loss;
- the embedded component taken separately from the host contract has the characteristics of a derivative;
- the characteristics of the derivative are not closely related to those of the host contract.

The main hybrid financial investments held by Crédit Agricole Assurances at 31 December 2018 are some EMTN and convertible bonds. If the characteristics of the derivative are not closely linked to those of the host contract, Crédit Agricole Assurances has elected to recognise these instruments at fair value through profit or loss, their embedded derivatives are thus not accounted for separately.

Determination of the fair value of financial instruments

When determining the fair value of financial instruments observable inputs must be prioritised. It is presented using the hierarchy defined in IFRS 13.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the most advantageous market, at the measurement date.

Crédit Agricole Assurances considers that the best evidence of fair value is reference to quoted prices published in an active market.

When such quoted prices are not available, fair value is determined using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable data.

Counterparty risk on derivative instruments

Crédit Agricole Assurances incorporates into fair value the assessment of counterparty risk for derivative assets (credit valuation adjustment or CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk).

The CVA makes it possible to determine the expected losses due to the counterparty from the perspective of Crédit Agricole Group, and DVA, the expected losses due to Crédit Agricole Group from the perspective of the counterparty.

The CVA/DVA calculation relies on an estimate of expected losses from the probability of default and the loss given default. The methodology used maximizes the use of observable market inputs. It is primarily based on market data such as registered and listed Credit Default Swaps (or Single Name CDS) or index CDS in the absence of registered CDS on the counterparty. In certain circumstances, historical default data may also be used.

Fair value hierarchy

The standard classifies fair value into three levels based on the observability of inputs used in the evaluation.

Level 1: fair value corresponding to quoted prices (unadjusted) in active markets

Level 1 is composed of financial instruments that are directly quoted in active markets for identical assets and liabilities that the entity can access at the measurement date. These are, notably, stocks and bonds quoted in active markets (such as the Paris Stock Exchange, the London Stock Exchange or the New York Stock Exchange, etc.), fund securities quoted in an active market and derivatives traded on an organised market, in particular futures.

A market is regarded as being active if quoted prices are readily and regularly available from a stock exchange, broker, dealer, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

The inputs used are observable either directly (*i.e.* prices) or indirectly (derived from prices) and generally consist of data from outside the company, which are publicly available or accessible and based on a market consensus.

Level 2 is composed of:

- stocks and bonds quoted in an inactive market or not quoted in an active market but for which the fair value is established using a valuation methodology usually used by market participants (such as discounted cash flow techniques or the Black & Scholes model) and based on observable market data;
- instruments that are traded over the counter, the fair value of which is measured with models using observable market data, *i.e.* derived from various independently available external sources which can be obtained on a regular basis. For example, the fair value of interest rate swaps is generally derived from the yield curves of market interest rates as observed at the reporting date.

When the models used are based notably on standard models and observable market data (such as interest rate yield curves or implied volatility surfaces), the day one gain or loss resulting from the initial fair value measurement of the related instruments is recognised in profit or loss at inception.

Level 3: fair value that is measured using significant unobservable inputs

For some complex market instruments that are not traded in an active market, fair value measurement is based on valuation techniques using assumptions that cannot be observed on the market for an identical instrument. These instruments are disclosed within Level 3.

Crédit Agricole Assurances mainly classifies within Level 3 units in venture capital funds and unlisted equity securities.

Valuation methodologies and models used for financial instruments that are disclosed within Levels 2 and 3 incorporate all factors that market participants would consider in setting a price. They shall be beforehand validated by an independent control. The fair value measurement of these instruments notably includes liquidity risk and counterparty risk.

Offsetting of financial assets and financial liabilities

In accordance with IAS 32, Crédit Agricole Assurance offsets a financial asset and a financial liability and reports the net amount when, and only when, it has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The derivative instruments and the repurchase agreements handled with clearing houses that meet the two criteria required by IAS 32 are subject to offseting on the balance sheet.

Investment income net of investment expenses

This heading of the income statement includes all the income and expenses linked to the investments of insurance companies. It is detailed as follows.

Investment income

This heading includes:

- dividends received on equity instruments classified in the categories of financial assets at fair value through profit or loss and at fair value through other comprehensive income (items that cannot be reclassified);
- interests received and accrued on fixed-income securities and loans and receivables;
- amortisation of premiums and discounts on amortisable securities;
- other investment income, notably corresponding to commissions on financial services, rental income from investment properties and foreign exchange gains;
- the share in the net income of entities accounted for under the equity method.

Investment expenses

This heading includes:

- interest expenses on securities loaned under a repurchase arrangement;
- investment management expenses, including directly incurred expenses (commissions on financial services) or expense by function;
- other investment expenses (foreign exchange losses);
- charges and interests relating to the issuance of debt instruments.

Gains and losses on investments net of reversals of impairment and depreciation

This heading records net gains on the disposal of securities measured at amortised cost and fair value through other comprehensive income (items that can be reclassified), and real estate assets.

Change in fair value of investments recognised at fair value through profit or loss

This heading particularly includes the following profit or loss items:

- positive and negative value adjustments (unrealised gains and losses) of assets backing unit-linked contracts;
- other changes in the fair value of assets and liabilities recognised at fair value through profit or loss;
- realised gains and losses on financial assets at fair value through profit or loss;
- changes in fair value and income on disposal or termination of derivative instruments not forming part of a fair value or cash flow hedge.

This heading also includes the ineffective portion resulting from hedging relationships.

Change in investments impairment

This heading includes impairment variations of debt instruments recognised at fair value through other comprehensive income (items that can be reclassified) and at amortised cost, and real estate assets.

Financing commitments and guarantees given

Financing commitments that are not designated as assets at fair value through profit or loss or not considered as derivative instruments within the meaning of IFRS 9 are not recognised on the balance sheet. They are, however, subject to impairment in accordance with the provisions of IFRS 9.

A financial guarantee contract is a contract under which the issuer must make specific payments to reimburse the holder for a loss incurred due to a specific debtor's failure to make a payment when due under the initial or amended terms of a debt instrument.

Financial guarantee contracts are initially recognised at fair value then subsequently at the higher of:

- the amount of the loss allowance for expected credit losses determined in accordance with the provisions of the "Impairment" section of IFRS 9; or
- the amount originally recognised less, where applicable, the sum of income recognised in accordance with the principles of IFRS 15 "Revenue from Contracts with Customers".

INSURANCE CONTRACTS (IFRS 4)

Contract categories

Contracts issued by the Group's insurance companies can be divided into two main categories:

- insurance contracts and investment contracts with discretionary participation features, which fall under IFRS 4;
- investment contracts without discretionary participation features, which fall under IFRS 9.

Insurance contracts

These are contracts under which the insurer accepts significant insurance risk from another party, the policyholder, by agreeing to compensate the policyholder or another beneficiary if a specified uncertain future event, the insured event, adversely affects the policyholder or another beneficiary.

An insurance risk is defined as a risk other than financial risk, while financial risk is the risk of a potential future change in an interest rate, financial instrument price, commodity price, foreign exchange rate or another non-financial variable provided that it is not specific to one of the parties to the contract (otherwise it would qualify as an insurance risk).

For Crédit Agricole Assurances, for each portfolio of contracts grouped according to uniform characteristics, the significant nature of an insurance risk is analysed on the basis of a representative individual contract. The existence of a scenario (having commercial substance) under which the insurer would be required to pay to the policyholder significant benefits, that is to say amounts that significantly exceed those that would be paid if no insured event occurred, constitutes a significant insurance risk for all contracts of a uniform portfolio, regardless the likelihood of the scenario arising. Insurance risk may therefore be significant whereas the pooling of risks within a portfolio minimises the probability of a significant loss compared to the portfolio as a whole.

The main insurance risks are mortality (death benefits), longevity (life benefits, for example life-contingent annuities), morbidity (disability benefits), incapacity, illness (medical benefits) or unemployment for individuals, or third-party liability and damages to property.

Investment contracts with discretionary participation features

Contracts which do not expose the insurer to a significant insurance risk are classified as investment contracts.

They are considered investment contracts with discretionary participation features if they grant the policyholder the right to receive, in addition to guaranteed benefits, additional benefits:

- that are likely to represent a significant portion of total contractual benefits;
- whose amount or timing is contractually at the discretion of the insurer;
- and that are contractually based on the performance of a specified pool of contracts or type of contract, the realised and/or unrealised investment returns on a specified pool of assets held by the issuer or the net income of the company, fund or an entity other than that issuing the contract.

Investment contracts with discretionary participation features, are primarily euro-denominated savings contracts. In the event of a multi-fund contract, where the policyholder has the option of transferring at any time all or some of his savings into a euro-denominated fund with discretionary participation features (under conditions that are not likely to impede such arbitrations), the Crédit Agricole Assurances Group considers that the contract as a whole is a contract with discretionary participation features, whether or not this option has been exercised by the policyholder.

Investment contracts without discretionary participation features

Contracts sold by insurance companies which do not fit into either of the above categories are financial contracts without discretionary participation features.

Accounting for insurance contracts and investment contracts with discretionary participation features

As authorised under IFRS 4, insurance contracts and investment contracts with discretionary participation features are accounted for using principles adopted by Crédit Agricole Assurances in accordance with French consolidation standards (CRC 2000-05), with the exception of specific provisions introduced by the standard for equalisation reserves, shadow accounting and the liability adequacy test.

Technical liabilities on insurance contracts and investment contracts with discretionary participation features

Non-life insurance

The technical reserves of non-life insurance contracts include:

- reserves for claims, to cover the total cost of claims incurred but not yet paid; and,
- reserves relating to the acquisition of premiums (mainly provisions for unearned premiums), allowing for the recognition of premiums relating to risks hedged over the course of a financial year as earnings for said year, and therefore to carry forward the portion of premiums written over the course of the year for a risk hedging period subsequent to the current financial year.

Claims reserves result on the one hand from a case-by-case analysis of reported claims which have not been settled, and on the other hand from an estimate of late claims, that have occurred but have not yet been reported or that have been reported but whose valuation may be subject to a subsequent change. These reserves are reduced by projected recoveries to be collected, which are estimated from the collection pace of previous years, and increased by a reserve for claims management costs, aimed at covering future management costs of claims reported but not closed at the closing date. Claims reserves are not discounted, with the exception of reserves for incapacity and disability annuities.

Provisions for Incurred But Not Reported ("IBNR") claims correspond to an estimation of expenditure on claims that arose during the financial year but have yet to be declared and, where applicable, to an additional assessment of the provision determined on a case-by-case basis. They are determined through, on the one hand, the application of deterministic statistical methods based on historical data and, on the other hand, the use of actuarial assumptions drawing upon expert opinion to estimate total expenditure. Changes to the chosen parameters are likely to significantly affect the value of these provisions at the closing date; this is particularly relevant for long-term insurance categories for which the uncertainty inherent in forecasting is generally greater. These parameters are linked, inter alia, to the uncertainty surrounding the qualification and quantification of losses, the scales (tables and rates) that will be applied to determine compensation and the probability of withdrawal in favour of an annuity in cases involving physical injury. For the Crédit Agricole Assurances Group, this affects insurance categories covering automotive civil liability, general civil liability, personal accident guarantees and medical professional liability.

Premium and claims reserves may be complemented, where appropriate, by an unexpired risks reserve when unearned premiums do not cover the cost of the claims covered and associated costs for the period covered by such premiums, or by a reserve for increasing risks where, for long-term contracts relating to closed groups, the cost of future risk exceeds the amount of future premiums.

A provision for increased risks may be required with respect to insurance against illness and disability risks when premiums are constant. It is equal to the difference in the present value of commitments entered into by the insurer and policyholders (article R. 343-7 5 of the Code des assurances (French Insurance Code). Its calculation relies on a continuous update of biometric databases (probability of becoming dependent, duration of care, etc.). From 2017, a supplement to the provision for increased risks has been recognised for the long-term care insurance product. This takes the form of a global provision, separate from the regulatory provision for increased risks, ensuring that the company will henceforth be in a position to withstand any future revenue shortfalls that cannot be quickly mitigated through tariff increases, contractually capped at 5% investment.

Financial contracts with discretionary participation features

Technical reserves on life insurance contracts and investment contracts with discretionary participation features correspond to the difference in the present value of the commitments of the insurer and those of the policyholder. Reserves are calculated using actuarial methods including assumptions on premiums, performance of financial assets, redemption rate and changes in general expenses. In the particular case of unit-linked contracts, the value of savings recognised as liabilities is based on the value of the financial assets (the investment units) held under the contracts. Revaluations of assets and liabilities on unit-linked contracts are recognised in profit or loss, where they cancel each other out.

Where contracts carry a significant risk of mortality (or longevity) they are also calculated with reference to regulatory mortality tables or experience tables, where these are considered more prudent. More particularly, where a minimum guaranteed death benefit is included in a unit-linked contract, guaranteeing the beneficiary at least the initial capital investment irrespective of changes in the value of units held, this is subject to a reserve determined from an economic method (stochastic scenarios). Life insurance reserves are discounted using the technical interest rate (guaranteed minimum interest rate, regulatory capped).

Where fees on premiums, assets managed or financial products prove to be insufficient to cover future management costs, Crédit Agricole Assurances records a reserve for management costs. This is determined by dividing the portfolio into homogenous categories of contract, in accordance with the provisions of article 142-6 of ANC regulation 2015-11. Projected accounts for each category are based on prudent assumptions as stated in the regulatory texts (surrender rate, rate of financial return, unitary management cost) and there is no offsetting between onerous and profitable categories. In 2017, in a context of persistently low interest rates, it was decided to reassess the measurement model and assumptions, which led to the recognition of a reserve.

Lastly, a participation reserve is recorded where returns exceeding the guaranteed minimum are allocated, by contract or regulation, to policyholders or other subscribers to individual or collective contracts but have not been paid to them during the accounting period. Where required, this reserve is completed by the deferred participation resulting from the application of the shadow accounting principle.

Application of shadow accounting and deferred participation

Insurance contracts and investment contracts with discretionary participation features are subject to “shadow accounting” in accordance with the option available under IFRS 4. Shadow accounting consists in recognising in a deferred participation account the share of positive or negative revaluations of financial assets backing these contracts, together with certain consolidation entries (e.g. elimination of liquidity risk reserve) that, potentially, go to policyholders.

In addition, CRC n°2000-05 regulation includes provisions for the recognition of deferred participations, mandatorily for deferred participation liabilities and within the limits of the recoverable amount for deferred participation assets.

This deferred participation is recorded as a liability (technical liabilities on contracts) or an asset, with a balancing entry in profit or loss or in other comprehensive income similarly to the unrealised gains or losses on the assets to which it relates.

For Predica savings contracts, the deferred participation rate is measured prospectively on the basis of studied scenarios, consistent with the management directions of the company; it is updated only when significantly varying

In the case of net unrealised losses, a deferred participation asset is only recognised if its imputation, by entity, against future participations is highly probable. This is most notably the case if the deferred participation asset can be deducted from future participations, either directly by deducting it from deferred participation liabilities recognised as a result of gains on future disposals, or indirectly by being recovered on the future sums paid to policyholders.

In case of recognition of a deferred participation asset, recoverability tests are carried out in accordance with the CNC recommendation of 19 December 2008. They are based:

- firstly, on analyses of the liquidity of the company; these demonstrate the company’s ability to mobilise resources to meet its obligations and its ability to hold assets with unrealised losses even in the event of a decline in new premium production. The tests are carried out with and without new production;
- secondly, on a comparison between the average value of future benefits valued using an internal model that replicates the management decisions of the company and the value of the asset supporting the market value of its obligations; this illustrates the ability of the company to honour its obligations.

Lastly, sensitivity tests on the ability to capitalise the deferred participation asset are also carried out, notably n the event of a uniform increase in policy redemptions applied to the redemption rates resulting from scenarios similar to those drawn up by the Autorité de contrôle prudentiel et de résolution; or a fall in equity and real estate markets.

Liability adequacy test

In accordance with IFRS 4, Crédit Agricole Assurances ensures at the end of each reporting period that the liabilities of insurance contracts and investment contracts with discretionary participation features (net of related deferred acquisition costs and related intangible assets) are adequate in the light of future estimated cash flows.

The liability adequacy test to be applied for this assessment must meet the following minimum requirements set out in the standard:

- consideration of all contractual cash flows, and of related cash flows such as claims handling costs, commissions as well as cash flows resulting from embedded options and guarantees;
- if the test shows that liabilities are inadequate, the entire deficiency is recognised in profit or loss.

The Group's life insurance companies test the adequacy of their liabilities using a stochastic method. The test considers mathematical reserves on life insurance contracts (excluding unit-linked contracts) grouped into product families with uniform characteristics. The resulting estimates of future cash flows are compared, aggregating all product families, with the sum of the following items: mathematical reserves + participation reserve + share of unrealised gains and losses attributed to the product families concerned. In the event that the result of the estimates is higher than this sum, an additional reserve is recognised through profit or loss.

The Group's non-life insurance companies perform an annual test based on "best estimate" claims reserves. This test covers all claims reserves, including incurred but not reported claims reserves, additional reserves for commutation to annuities and reserves for claims management costs. The analysis is carried out on the basis of data gross of reinsurance, by risk segment and financial year of occurrence.

The "best estimate" claims reserves are calculated without discounting and prudential margin and correspond to the probable value of expenditure necessary to settle all outstanding claims. They are compared to accounting claims reserves, gross of reinsurance. Should the estimates exceed the recognised amounts, an additional reserve would be recognised through profit or loss.

In addition, where a reserve for insufficiency of premiums is recognised in local accounts (in France an unexpired risks reserve), this is maintained in the consolidated accounts.

Recognition of revenue on insurance contracts and investment contracts with discretionary participation features

Premiums

Revenue on life insurance contracts and investment contracts with discretionary participation features corresponds to premiums on contracts in force during the accounting period, net of cancellations and corrected for premiums to be written for the share to be earned in subsequent periods.

Revenue on non-life insurance contracts corresponds to written premiums excluding taxes, gross of reinsurance, net of cancellations, reductions and rebates, changes in premiums not yet written and changes in premiums to be cancelled. Written premiums adjusted for changes in unearned premiums reserves constitute earned premiums.

Claims expenses

Claims expenses relating to insurance contracts and investment contracts with discretionary participation features include:

- all benefits as soon as they are settled to the beneficiary;
- technical interests and profit participation that can be included in these benefits;
- changes in technical reserves;
- all costs incurred as part of the management and settlement of these benefits.

Claims expenses relating to non-life insurance contracts primarily include benefits and costs paid, together with changes in claims reserves. Claims correspond to claims net of recoveries for the period, and to annuity payments. They also include costs and commissions relating to claims handling and settlement.

Accounting for investment contracts without discretionary participation features

This class of investment contracts corresponds to financial liabilities and is covered by IFRS 9. They concern primarily unit-linked contracts without minimum guarantee and without the option of transfer to an investment contract with discretionary participation features.

In accordance with IFRS 9, liabilities relating to these contracts are recognised as deposits. Thus premiums received and benefits paid, net of fees deducted by the insurer, are recognised directly on the balance sheet. The only items recognised in profit or loss are revenues and expenses relating to the acquisition and management of contracts.

Liabilities relating to unit-linked contracts are valued and recognised with reference to the value of financial assets (investment units) backing these contracts at the end of the reporting period. Revaluations of assets and liabilities on unit-linked contracts have no effect in profit or loss. This rule applies to all unit-linked contracts, whether they qualify as insurance contracts under IFRS 4 (for example if they include a guaranteed death benefit), investment contracts with discretionary participation features (for example, in a multi-funds investment contract, where they include a clause allowing an arbitration to an investment contract with discretionary participation features), or investment contracts without discretionary participation features.

Deferred origination costs, unearned charges and deductions

Origination costs for investment contracts without discretionary participation features are subject to a similar treatment as deferred acquisition costs for life insurance contracts covered by IFRS 4.

Symmetrically with the deferral of costs incurred on origination of contracts, unearned charges and deductions are spread over time *via* the booking of a reserve in liabilities. These are recognised in profit or loss at the same pattern as that of deferred costs.

Reinsurance operations

Presentation of direct business and ceded reinsurance

Premiums, claims and reserves are recognised gross of ceded reinsurance. The share of ceded reinsurance, determined based on reinsurance treaties, is identified in the income statement under separate items for ceded reinsurance income and expense.

The share of reinsurers in reserves is recognised as an asset.

No reinsurance contract falls under the scope of IFRS 9.

Accepted reinsurance

Accepted reinsurance is recognised treaty by treaty, on the basis of information provided by the cedants, or estimated in the event of receipt of incomplete information. Accepted reinsurance contracts are recognised as direct insurance contracts.

No reinsurance contract incorporates characteristics (such as the absence of risk transfer) that would result in its qualification as an investment contract covered by IFRS 9.

Securities given or received as collateral for reinsurance operations are recorded in the table of commitments given and received.

PROVISIONS (OTHER THAN INSURANCE ACTIVITIES)

In accordance with IAS 37, Crédit Agricole Assurances identifies obligations (legal or constructive) resulting from a past event, where it is probable (probability higher than 50%) that an outflow of resources will be required to settle the obligation, whose timing and amount are uncertain but can be reliably estimated. Such estimates are discounted where the effect of doing so is material.

Therefore, Crédit Agricole Assurances recognises provisions which cover, in particular:

- operating risks;
- employee benefits (see paragraph below);
- legal claims and risks;
- tax risks.

The valuation of these provisions relies on judgment and corresponds to the management's best estimate, given information available at the end of the reporting period.

EMPLOYEE BENEFITS (IAS 19)

In accordance with IAS 19, employee benefits are divided into four categories:

- short-term employee benefits such as salaries, social security contributions, paid annual leave, profit sharing and bonuses, if payable within twelve months after the end of the reporting period in which the related services were rendered;
- post-employment benefits, which are themselves classified into the two categories described thereafter: defined benefit plans and defined contribution plans;
- long-term employee benefits (long-service awards, bonuses and compensation payable more than twelve months after the end of the reporting period);
- termination benefits.

Post-employment benefits

Defined benefit plans

At the end of each reporting period, Crédit Agricole Assurances determines its retirement benefits and similar benefits together with all other post-employment benefits granted to employees that fall into the defined benefit plans category.

In accordance with IAS 19, these obligations are measured using the Projected Unit Credit Method on the basis of a set of actuarial, financial and demographic assumptions. This method consists in attributing a unit of benefit entitlement to each period of service of the employee. This unit is calculated on the basis of the discounted present value of the future benefit.

Calculations of retirement benefits and future employee benefits are based on assumptions regarding the discount rate, the employee turnover rate, the rate of salary and social security costs increase, drawn up by the management. If actual figures differ from the assumptions used, the charge relating to retirement benefits may increase or decrease in future reporting periods (see note 9.3).

Discount rates are determined based on the average duration of the obligation, that is to say the unweight average of durations calculated between the date of valuation and the date of payment weighted for employee turn-over assumptions.

The expected rate of return on plan assets is also estimated by the management. Estimated returns are based on the estimated return from fixed-income securities including notably bond yields.

The expected rate of return on plan assets is determined on the basis of the discount rates used to measure the defined benefit obligation.

In accordance with IAS 19 revised, Crédit Agricole Assurances recognises all actuarial gains or losses in other comprehensive income.

The amount of the defined benefit liability is equal to the present value of the defined benefit obligation at the reporting date, calculated according to the actuarial method recommended by IAS 19; less, where appropriate, the fair value of the plan assets held to cover this obligation. Such assets may be represented by a qualifying insurance policy issued by an insurer that is not a related party. Where the obligation is entirely covered by a policy corresponding exactly, in its amount and period, to all or part of the benefits to be paid under the plan, the fair value of this policy is considered to be that of the corresponding obligation (that is, the amount of the corresponding actuarial liability). In the particular case where obligations are covered by an insurance policy issued by a consolidated entity, they are not offset in liabilities by the associated assets, which are recognised separately as assets.

For non-covered obligations, a provision aimed at covering termination benefits is recognised as a liability under the heading "Provisions". This provision equals the amount of the obligations relating to employees of entities within the Crédit Agricole Assurances Group, in service at the end of the reporting period and covered by the Collective Employment Agreement of the Crédit Agricole Group that came into force on 1 January 2005.

A provision aimed at covering the cost of early departures is also included under the heading "Provisions". This provision covers the present value of the additional cost resulting from the various early departure agreements signed by Crédit Agricole Group entities which allow employees reaching the required age to be exempt from their service.

Lastly, supplementary retirement obligations, which generate obligations for the companies concerned, are subject to provisions determined from the actuarial debt representing these obligations. These provisions are also recognised as liabilities on the balance sheet under the heading "Provisions" (see note 9.3).

Defined contribution plans

There are various mandatory retirement plans to which "employer" companies contribute. Plan assets are managed by independent organisations and the contributing companies have no legal or constructive obligation to pay additional contributions if the plans do not have sufficient assets to provide all the benefits corresponding to services rendered by employees during the current and prior reporting years. As a result, Crédit Agricole Assurances has no liabilities in this respect other than the contributions to be paid for the past reporting period (see note 9.2)

Long-term employee benefits

Long-term employee benefits are employee benefits, other than post-employment benefits and termination benefits, but not fully due to employees within twelve months after the end of the reporting period in which the related services were rendered.

This particularly concerns bonuses and other deferred compensation paid twelve months or more after the end of the reporting period in which they were acquired, but which are not indexed on equity instruments

The measurement method is similar to that used by the Group for post-employment benefits falling under the defined benefit plans category.

SHARE-BASED PAYMENTS (IFRS 2)

The IFRS 2 standard Share-based payment specifies the measurement of share-based payment transactions in the income statement and balance sheet of the company. This standard applies to transactions entered into with employees and more precisely to:

- equity-settled share-based payment transactions;
- cash-settled share-based payment transactions.

Share-based payment plans initiated by Crédit Agricole Assurances Group that are eligible for IFRS 2 are mainly transactions settled in equity instruments (stock options, free share allocation plans, variable compensation settled in indexed cash or in shares, etc.).

Granted options are measured at grant date at their fair value mainly according to the Black & Scholes model. These are recognised as expenses under the heading "staff costs" with a balancing entry in an equity account over the vesting period, that being four years for all current plans.

The expense relative to share-based payment plans settled in Crédit Agricole S.A. equity instruments is recognised in the financial statements of the entities employing the plan beneficiaries

CURRENT AND DEFERRED TAX (IAS 12)

In accordance with IAS 12, income tax includes all taxes based on income, whether current or deferred.

IAS 12 defines the current tax liability as "the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period." Taxable profit is the profit (loss) for a period determined in accordance with the rules established by the taxation authorities.

The taxation rates and rules applicable for the determination of the current tax liability are those in force in each of the countries in which subsidiaries of Crédit Agricole Assurances are based.

The current tax liability includes all income taxes, payable or recoverable, whose payment is not subject to the completion of future transactions, even if payment is spread over several periods.

The current tax liability must be recognised as a liability until it is paid. If the amount already paid in respect of current and prior periods exceeds the amount due for these periods, the excess shall be recognised as an asset.

In addition, certain transactions conducted by the entity may have tax consequences not taken into account in the determination of the current tax liability. Differences between the carrying amount of an asset or liability and its tax base are defined by IAS 12 as temporary differences.

The standard requires the recognition of deferred tax assets and liabilities in the following cases:

- a deferred tax liability shall be recognised for all taxable temporary differences between the carrying amount of an asset or liability and its tax base, except to the extent that the deferred tax liability arises from:
  - the initial recognition of goodwill,
  - the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit (tax loss) at the transaction date;
- a deferred tax asset shall be recognised for all deductible temporary differences between the carrying amount of an asset or liability and its tax base, to the extent that it is probable that a taxable profit will be available against which these deductible temporary differences can be allocated;
- a deferred tax asset shall also be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be allocated.

The tax rates used are those applicable in each country.

Deferred tax assets and liabilities are not discounted to present value.

When taxable, unrealised capital gains on securities do not generate taxable temporary differences between the carrying value of the asset and the tax base. They do not therefore give rise to the recognition of deferred taxes. Where the securities in question are classified in the category of financial assets at fair value through other comprehensive income, unrealised gains or losses are recognised in equity. Thus, the actual tax expense or tax reduction incurred by the entity in relation to these unrealised gains or losses is reclassified by deduction of the latter.

In France long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt to tax; with the exception of 12% of long-term capital gains that are taxed at the normally applicable rate. Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.

Under IFRS 16 Leases, a deferred tax liability is recognised on the right of use and a deferred tax asset on the rental debt for leases for which the Group is a lessee.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event which is recognised directly in other comprehensive income, in the same or a different period, in which case it is directly credited or debited in other comprehensive income;
- or a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority:
  - either on the same taxable entity,
  - or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tax risks relating to income tax result in the recognition of a current tax receivable or liability when the probability of receiving the asset or paying the liability is considered more likely than not.

Tax credits on income from receivables and securities portfolios, when effectively used in the settlement of income tax due for the reporting period, are recognised under the same heading as the income to which they relate. The corresponding tax expense is maintained under the "Income tax" heading in the income statement.

FOREIGN CURRENCY TRANSACTIONS (IAS 21)

On the reporting date, assets and liabilities denominated in foreign currencies are translated into euros, the Crédit Agricole Agricole Assurances Group's operating currency.

In accordance with IAS 21, a distinction is made between monetary (e.g.: debt instruments) and non-monetary items (e.g.: equity instruments).

Foreign-currency denominated monetary assets and liabilities are translated at the closing rate. The resulting translation adjustments are recorded in the income statement. There are three exceptions to this rule:

- for debt instruments at fair value through other comprehensive income, the component of the foreign exchange difference relating to the amortised cost is recognised through profit or loss; the rest is recognised in other comprehensive income (items that can be reclassified);
- exchange differences on items that qualify as hedging instruments in a cash flow hedge or that are part of a net investment in a foreign operation, are recognised in other comprehensive income (items that can be reclassified);
- for financial liabilities designated at fair value through profit or loss, the exchange differences linked to credit risk fair value variations are recognised in other comprehensive income (items that cannot be reclassified).

The treatment of non-monetary items varies according to the nature of these items:

- items at historical cost are measured using the exchange rate at the transaction date;
- items at fair value are measured using the exchange rate at the end of the reporting period.

Exchange differences on non-monetary items are recognised:

- in profit or loss when the gain or loss on the non-monetary item is recognised in profit or loss;
- in other comprehensive income (items that cannot be reclassified if the gain or loss on the non-monetary item is recognised in other comprehensive income (items that cannot be reclassified).

LEASE (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Leases are analysed in accordance with their substance and financial reality. They are classified as finance leases or operating leases

In the case of finance leases, they are considered equivalent to a capital sale to the lessee financed by a credit granted by the lessor. The analysis of the economic substance of finance leases leads the lessor to:

- remove the leased asset from the balance sheet;
- record a financial debt for the customer under "financial assets at amortised cost" for a value equal to the present value at the contract's implicit rate of the rental payments due to the lessor under the lease, plus any non-guaranteed residual value owed to the lessor;
- recognise deferred taxes for temporary differences relating to the financial debt and the net carrying value of the leased asset;
- break down the rental income into interest and principal.

In the case of operating leases, the lessor recognises the leased assets under "property, plant & equipment" or "Investment property" depending on the nature of the asset leased on the assets side of its balance sheet and records the rental income on a straight-line basis under "income from other activities" or "Investment Income" in the income statement depending on the nature of the asset leased.

Leases for which the Group is the lessee

Leases are recognised in the balance sheet on the date on which the leased asset is made available. The lessee records an asset representing the right of use of the leased asset under "property, plant & equipment" over the estimated term of the contract and a liability representing the rental payment obligation under "miscellaneous liabilities" over the same term.

The lease period of a contract corresponds to the non-cancellable term of the lease adjusted for the contract extension options that the lessee is reasonably certain to exercise and the termination option that the lessee is reasonably certain not to exercise.

In France, the term used for the "3/6/9" commercial leases is generally nine years with an initial non-cancellable period of three years.

The lease liability is recognised for an amount equal to the present value of the rental payments over the term of the contract. Rental payments include fixed rents, variable rents based on a rate or index, and payments that the lessee expects to pay as residual value guarantees, purchase options or early termination penalties. Variable rents that are not based on an index or rate and the non-deductible VAT on rents are excluded when calculating the debt and are recognised under "operating expenses".

The discount rate applicable to the calculation of the right-of-use asset and the lease liability is, by default, the lessee's marginal rate of indebtedness over the term of the contract on the date of signature of the contract, when the implicit rate cannot easily be established.

The marginal indebtedness rate takes account of the rent payment structure.

The rental expense is broken down into interest and principal.

The right of use of the asset is valued at the initial value of the lease liability plus the initial direct costs, advance payments and restoration costs. It is amortised over the estimated term of the contract.

The lease liability and the right of use may be adjusted in the event of amendment to the lease, re-estimation of the lease period or rent review related to the application of indices or rates.

Deferred taxes are recognised as temporary differences in right-of-use assets and rental liabilities by the lessee.

In accordance with the exception set out in the standard, short-term leases (initial term of less than twelve months) and leases for which the new value of the leased asset is low are not recognised on the balance sheet; the corresponding leasing expenses are recorded on a straight-line basis in the income statement under "operating expenses".

In accordance with the standard, the Group does not apply IFRS 16 to leases of intangible assets.

REVENUE FROM CONTRACTS WITH CUSTOMERS (IFRS 15)

Fee and commission income and expenses are recognised in profit or loss based on the nature of services with which they are associated.

Fees and commissions that are an integral part of the effective yield on a financial instrument are recognised as an adjustment to the yield on the instrument and included in its effective interest rate.

The recognition of other types of fees and commissions in profit or loss must reflect the rate of transfer to the customer of the control of the goods or services sold.

The income from a transaction associated with the provision of services is recognised at the time of transfer of control of the service to the customer, if this can be reliably estimated. This transfer may occur as the service is provided (ongoing service) or on a specific date (one-off service):

- fee and commission income from ongoing services is recognised in profit or loss according to the degree of progress of the service provided;
- fee and commission income paid or received as compensation for one-off services is recognised in profit or loss, in its entirety, when the service is provided.

Fee and commission income payable or receivable and contingent upon the achievement of a performance target is recognised for the amount at which it is highly probable that the income thus recognised will not later be subject to a significant downward adjustment upon resolution of the contingency. These estimates are updated at the end of each reporting period. In practice, this condition can result in the deferred recognition of certain items of performance-related fee and commission income until the expiry of the performance assessment period and until such income has been definitively acquired.

Within the Crédit Agricole Assurances Group, revenues falling under the scope of IFRS 15 mainly concern revenues linked to investment contracts without discretionary participation features (commissions retrocessions).

ANALYSIS OF GENERAL EXPENSES BY FUNCTION

In accordance with paragraph 99 of IAS 1 and the ANC recommendation No. 2013-R-05 of 7 November 2013, general expenses are analysed by function.

Thus, in the consolidated income statement of the Group, general expenses are presented according to the following functions:

- acquisition and similar expenses;
- claims handling expenses;
- investment management expenses;
- administrative expenses;
- other technical expenses;
- other non-technical expenses.

The analysis of expenses by nature is presented under the following headings:

- staff costs;
- commissions;
- taxes;
- other.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (IFRS 5)

A non-current asset (or disposal Group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal Group) must be available for immediate sale in its present condition and its sale must be highly probable.

The assets and liabilities concerned are recognised separately on the balance sheet under the headings "Assets held for sale including discontinued operations" and "Liabilities held for sale including discontinued operations".

These non-current assets (or disposal Groups) classified as held for sale are measured at the lower of their carrying amount and their fair value less costs of sale. In case of unrealised loss, an impairment is recognised in profit or loss. In addition, such assets are no longer depreciated from their classification as held for sale.

If the fair value less costs of sale of the disposal Group is lower than its carrying amount less impairment of non-current assets, the difference is allocated to the other assets of the disposal Group, including financial assets, and recognised in the net income of assets held for sale.

A discontinued operation is a component of the Group that either has been disposed of or is classified as held for sale and is in one of the following situations:

- it represents a separate major line of business or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

The following are presented on a separate line of the income statement:

- the net post-tax profit or loss of discontinued operations until the disposal date;

- the post-tax gain or loss resulting from the disposal or the measurement at fair value less costs of sale of the assets and liabilities constituting discontinued operations.

Consolidation principles and policies (IFRS 10, IFRS 11 and IAS 28)

CONSOLIDATION SCOPE

The consolidated financial statements include the financial statements of Crédit Agricole Assurances and of all companies over which, in accordance with the provisions of IFRS 10, IFRS 11 and IAS 28, Crédit Agricole Assurances has control, joint control, or significant influence.

Principle of control

In accordance with international accounting standards, all the entities under control, joint control or significant influence are consolidated, provided that they do not fall within the scope of the exclusions mentioned thereafter.

Crédit Agricole Assurances is presumed to control an entity if it is exposed, or has rights, to variable returns from its involvement with the entity, and if it is able to use its power over this entity to affect those returns. For the purpose of assessing this principle of power, only substantive (voting or contractual) rights shall be considered. Rights are substantive if their holder is able in practice to exercise them when making decisions concerning the entity's relevant activities.

Control over a subsidiary governed by voting rights is determined when the voting rights held give Crédit Agricole Assurances the current ability to direct the subsidiary's relevant activities. Crédit Agricole Assurances generally controls the subsidiary if it holds, directly or indirectly through subsidiaries, more than half of the existing or potential voting rights of an entity, unless it can be clearly demonstrated that such ownership does not allow it to direct the relevant activities. Crédit Agricole Assurances also has control over an entity if it holds half or less than half of the voting rights, including potential voting rights, of an entity, but in practice has the capacity to direct the relevant activities on its own, in particular due to the existence of contractual arrangements, the relative size of the investor's holding of voting rights relative to the dispersion of holdings of the other vote holders, or other facts and circumstances.

Control over a structured entity is not determined by the percentage of voting rights that by nature have no impact on the returns generated by the entity. Analysis of control takes contractual arrangements into account, and also the involvement and decisions of Crédit Agricole Assurances in the creation of the entity, arrangements entered into at inception and risks incurred by Crédit Agricole Assurances, rights resulting from agreements that give the investor the power to direct the relevant activities solely under specific circumstances, as well as other facts or circumstances that indicate that the investor has the ability of directing the entity's relevant activities. If there is an investment mandate in force, the scope of the decision-making authority relating to the delegation of power over the entity to the manager, as well as the remuneration to which it is entitled in accordance with the contractual agreements, are analysed in order to determine whether the manager is acting as an agent (delegated power) or principal (for its own account).

Thus, when decisions relating to the entity's relevant activities are to be taken, the factors to consider in determining whether an entity is acting as agent or principal, are the following: the scope of the decision-making authority relating to the delegation of power over the entity to the manager, the remuneration to which it is entitled in accordance with the contractual agreements, and also the substantive rights held by the other parties involved in the entity that may affect the ability of the decision-maker, and the exposure to variability of returns from other interests held in the entity

Joint control is exercised if there is a contractually agreed sharing of control over an economic activity. Decisions affecting the entity's relevant activities require the unanimous consent of the parties sharing control.

In traditional entities, significant influence results from the power to participate in the financial and operating policy decisions of an entity without controlling the latter. Crédit Agricole Assurances is presumed to have significant influence if it holds, directly or indirectly through its subsidiaries, 20% or more of the voting rights of an entity.

Exclusions from the consolidation scope

In accordance with the provisions of IAS 28, minority interests held by entities for which the option allowed by article 18 of this standard has been used, are excluded from the consolidation scope insofar they are classified as financial assets at fair value through profit or loss

CONSOLIDATION METHODS

The consolidation methods are defined respectively by IFRS 10 and IAS 28 revised. They reflect the nature of control exercised by Crédit Agricole Assurances over the entities that can be consolidated, whatever their activity and whether or not they are incorporated:

- full consolidation for entities under control, including entities with different accounting structures, even if their activity is not an extension of that of Crédit Agricole Assurances;
- the equity method, for entities under significant influence and under joint control.

Full consolidation consists in substituting the assets and liabilities of each subsidiary for the value of shares held. Non-controlling interests in equity and income are recognised separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10 and include instruments that are present ownership interests and which entitle to a share of net assets in the event of liquidation together with other equity instruments issued by the subsidiary and not held by the Group.

The equity method consists in substituting the Group's share in equity and income of concerned entities for the value of shares held.

Changes in the carrying amount of these securities take changes in goodwill into account.

In the event of additional acquisitions or partial disposals, with the maintenance of joint control or significant influence, Crédit Agricole Assurances recognises:

- in the case of an increase in ownership interest held, additional goodwill;
- in the case of a decrease in ownership interest held, a gain or loss on disposal/dilution through profit or loss.

Furthermore, for the recognition of its participation in certain entities on which it has a significant influence, the Group applies the exemption of the equity method as permitted by IAS 28 §18. This measurement exemption allows an entity to elect to measure at fair value through profit or loss an investment in an associate or a joint venture, that is held by, or indirectly held through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds

RESTATEMENT AND ELIMINATION OF INTRAGROUP TRANSACTIONS

Where necessary, financial statements are restated to harmonise the valuation methods applied to consolidated companies.

The impact of Group internal transactions on the consolidated balance sheet and income statement is eliminated for fully consolidated entities.

Capital gains or losses arising from intragroup asset transfers are eliminated; any potential impairment measured at the time of disposal in an internal transaction is recognised.

TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS (IAS 21)

The financial statements of entities representing a "foreign operation" (subsidiary, branch, associate or joint venture) are converted into euros in two steps:

- if applicable, the local currency in which the financial statements are prepared is converted into the functional currency (currency of the main business environment of the entity). The conversion is made as if the information had been recognised initially in the functional currency (same conversion principles as for foreign currency transactions here above);
- the functional currency is converted into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities, including goodwill, are converted at the closing exchange rate. Equity items, such as share capital or reserves, are converted at their historical foreign exchange rates. Income and expenses included in the income statement are converted at the average exchange rate for the period. Foreign exchange impacts resulting from this conversion are recognised as a separate component of shareholders' equity. In the event of exit from the foreign operation (disposal, repayment of capital, liquidation, discontinuation of activity) or in the event of deconsolidation due to a loss of control (even without disposal), these conversion differences are recognised in the income statement when the result of exit or loss of control is recognized

BUSINESS COMBINATIONS - GOODWILL

General principles

Business combinations are accounted for using the acquisition method in accordance with IFRS 3, except for business combinations under common control (in particular mergers of Regional Banks), which are excluded from the field of application of IFRS 3. Pursuant to IAS 8, these transactions are entered at carrying amount using the pooling of interests method, with reference to US standard ASU805-50 which seems to comply with the IFRS general principles.

On the date on which control is obtained, the identifiable assets, liabilities and contingent liabilities of the acquiree which meet the recognition conditions of IFRS 3 are recognised at fair value. However, as allowed under IFRS 4 for the acquisition of an insurance company, the liabilities relating to the life insurance contracts or investment contracts with discretionary participation features acquired are maintained at their carrying amount on the balance sheet of the acquiree (after harmonisation with Crédit Agricole Assurances measurement methods if necessary) and the value of these portfolios of contracts is recognised in assets and amortised over the period of payment of profits. This portfolio value represents the present value of future profits on the contracts acquired and corresponds to the difference between the fair value of contracts and their carrying amount

No restructuring liability is recognised as a liability of the acquiree unless the latter, at the acquisition date, is obliged to carry out this restructuring.

Price adjustment clauses are recognised at fair value, even if their realisation is not probable. Subsequent changes in fair value of the clauses, which have the characteristics of financial debt, are recognised in profit or loss. Only those price adjustment clauses relating to operations where the acquisition of control took place before 31 December 2009 may still be recognised against goodwill, as such transactions were initially recognised under non-revised IFRS 3 standard (2004).

The non-controlling interests that are shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured, at acquirer's choice, in two ways:

- at fair value at the acquisition date;
- at the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

This option may be exercised on an acquisition-by-acquisition basis.

The balance non-controlling interests (equity instruments issued by the subsidiary and not held by the Group) should be recognised for its fair value on the date of acquisition.

The initial measurement of assets, liabilities and contingent liabilities may be adjusted within a maximum period of twelve months from the acquisition date.

Some transactions relating to the acquired entity are recognised separately from the business combination. This applies primarily to:

- transactions that in effect settle a pre-existing relationship between the acquirer and the acquiree;
- transactions that remunerate employees or former owners of the acquiree for future services;
- transactions that reimburse the acquiree or its former owners for paying the acquirer's acquisition related costs.

These separate transactions are generally recognised in profit or loss at the acquisition date.

The transferred consideration at the time of a business combination (the acquisition cost) is measured as the total of fair values transferred by the acquirer, on the date of acquisition in exchange for control of the acquired entity (for example: cash, equity instruments, etc.).

Costs directly attributable to the combination in question are recognised in expenses, separately from the combination. If the transaction has a very high probability of being completed they are recognised under the heading "Net gains or losses on other assets", otherwise they are recognised under "Other operating costs".

The difference between the sum of the acquisition cost and non-controlling interests, and the net balance, at the acquisition date, of identifiable assets acquired and liabilities assumed measured at fair value, is recognised, where positive, as an asset in the consolidated balance sheet, under the heading "Goodwill" where the acquiree is fully consolidated, and under the heading "Investments in equity affiliates" where the acquiree is consolidated by the equity method. If this difference is negative, it is immediately recognised through profit or loss.

Goodwill is recognised on the balance sheet at its initial cost denominated in the acquiree's currency and translated at the closing exchange rate.

In the event of a business combination achieved in stages, the acquirer's previously held equity interest in the acquiree shall be remeasured at its acquisition-date fair value through profit or loss, and goodwill is computed only once, on the basis of the acquisition-date fair value of the assets acquired and liabilities assumed.

Subsequent measurement of goodwill is described in the note on accounting principles and methods.

In the event of an increase in Crédit Agricole Assurances' ownership interest in an entity over which it already exercises exclusive control, the difference between the acquisition cost and the share of net assets acquired is recognised as a reduction in the heading "Consolidated reserves, Group share". Symmetrically, in the event of a reduction in the ownership interest held by the Group in an entity remaining exclusively controlled, the difference between the disposal price and the carrying amount of the share in net assets sold is also recognised directly in the Group share of consolidated reserves. Costs relating to such transactions are recognised in other comprehensive income.

In the event of a loss of control, the result of the disposal is calculated for the entirety of the entity sold and any residual investment share retained is recognised in the balance sheet at its fair value at the date of loss of control.

Business combinations of entities under common control

This type of combination applies to entities that are already controlled by the Group. In this event, transfers and sales are not recognised at fair value but at their net carrying amount in the consolidated financial statements of the parent at the date of the combination, provided such values were established in accordance with IFRS standards. Existing goodwill in the Group's accounts at this date is maintained in the same manner as other assets.

This strict application results in summing the equity accounts of the various entities concerned. If the transaction price is different from the net carrying amount of the acquirees, this method results in recognising the difference directly in consolidated reserves without recognising any additional goodwill.

The constitution of Crédit Agricole Assurances in 2008, as a result of the restructuring of the insurance activities of the Crédit Agricole Group, was conducted under this principle.

NOTE 2 Major structural transactions and material events during the period

Partnership with ABANCA in Spain and Portugal

On 2 July 2019, Crédit Agricole Assurances and ABANCA group signed a partnership to create a joint venture in a non-life insurance activity to operate in Spain and Portugal. In October 2019, the transaction was approved by the relevant authority.

The Abanca Generales de Seguros y Reaseguros SA company is owned 50: 50 by Crédit Agricole Assurances and ABANCA group.

NOTE 3 Subsequent events

No material event occurred between the end of the reporting period 31 December 2019 and the date of approval of the consolidated financial statements by the Board of Directors.

NOTE 4 Financial management, exposure to risk and management of capital

Financial management

The Asset Liability Technical Management (ALTM) and Corporate Finance functions of Crédit Agricole Assurances have the responsibility for organising financial flows within the Crédit Agricole Assurances Group, for the definition and implementation of financing rules, the allocation of equity, the management of assets and liabilities and the oversight of the prudential ratio.

They define and ensure the consistency of the Crédit Agricole Assurances Group's financial management.

Management of risks is conducted by the Group Risk and Permanent Controls department of Crédit Agricole Assurances, in cooperation with the Group Risk Management department of the Crédit Agricole S.A. Group (DRG). This department is responsible for coordinating the management of financial risk, credit risk and the operating risk of subsidiaries.

The description of these systems together with narrative information is included in the management report, in the "Risk factors" chapter, as allowed under IFRS 7. The risk exposure of the Crédit Agricole Assurances Group are presented in the risk factors (management report, section 5).

Capital management and solvency margin

Applicable regulations for entities within the Crédit Agricole Assurances Group, in France and elsewhere, require that each insurance company maintains a minimum solvency ratio, the main purpose of which is the protection of the policyholder.

As at 31 December 2019, the Crédit Agricole Assurances Group and each of its individual subsidiaries met their solvency obligations.

The various items considered by the Group as available capital are determined in accordance with the rules applicable under Solvency II.

As at 31 December 2019, the eligible equity consisted primarily of the following:

- consolidated shareholders' equity;
- remeasurement at fair value of financial assets and liabilities measured at amortized cost;
- eligible subordinated debt;
- remeasurement of the technical liabilities corresponding to the sum of better estimations of provisions and margin for risks;
- deduction of intangible assets.

The calculation of the adjusted solvency ratio is submitted to the Autorité de contrôle prudentiel et de résolution, which is responsible for the application of these directives in France.

NOTE 5 Segment information

In accordance with IFRS 8, the information presented is based on the internal reporting used by the Executive Committee for the management of the Crédit Agricole Assurances Group, the evaluation of performance and the allocation of resources to the operating sectors identified.

The operating sectors presented in the internal reporting correspond to the Group's specialised businesses.

Within Crédit Agricole Assurances, businesses are organised into 5 operating segments.

"**Life - France**" covers the life insurance, savings, retirement and provident insurance operations conducted by the French entities of the Group.

"**Non-life - France**" covers mainly motor, household, agricultural, life accident insurance products and health sold in France.

"**Creditor insurance**" covers creditor insurance activities in France (with the exception of those conducted by Predica which are included in the life - France segment) and abroad.

"**International**" covers the life and non-life insurance activities conducted outside France.

"**Other**" covers primarily holding company activities and reinsurance.

The geographical analysis of segment information is based on the location of the accounting recognition of activities.

Income statement by segment

	31/12/2019						
(in € millions)	Life France	Non-life France	International	Creditor Insurance	Other	Intragroup	Total
Written premiums	25,800	4,517	7,563	1,111	-	(2,023)	36,968
Change in unearned premiums	-	(118)	(6)	(103)	-	1	(225)
Earned premiums	**25,800**	**4,400**	**7,557**	**1,008**	**-**	**(2,022)**	**36,743**
Revenue or income from other activities	(317)	115	89	-	14	(24)	(124)
Investment income net of expenses	**14,080**	**104**	**1,402**	**32**	**322**	**(278)**	**15,662**
Claims expenses	**(35,379)**	**(3,361)**	**(8,712)**	**(286)**	**22**	**2,170**	**(45,546)**
Net reinsurance income or expense	**29**	**(7)**	**157**	**(16)**	**-**	**(206)**	**(43)**
Contracts acquisition costs	(676)	(635)	(266)	(612)	-	169	(2,021)
Amortization of values of business in-force and similar	-	-	-	-	-	-	-
Administrative expenses	(1,476)	(354)	(94)	(28)	-	96	(1,856)
Other current operating income and expenses	(81)	(65)	(24)	(7)	(21)	(217)	(416)
Other operating income and expenses	-	-	-	-	-	-	-
Operating income	**1,978**	**196**	**109**	**91**	**338**	**(313)**	**2,399**
Financing expenses	(257)	(29)	(19)	(15)	(232)	313	(239)
Income tax	(491)	(58)	(23)	(22)	(54)	-	(647)
Profit (loss) after-tax from discontinued operations[(1)]	-	-	8	-	-	-	8
CONSOLIDATED NET INCOME	**1,230**	**110**	**76**	**54**	**51**	**-**	**1,522**
Non-controlling interests	(1)	-	(3)	-	-	-	(4)
NET INCOME - GROUP SHARE	**1,229**	**110**	**73**	**54**	**51**	**-**	**1,518**

(1) The amount corresponds to the result of CA life Greece.

	31/12/2018						
(in € millions)	**Life France**	**Non-life France**	**International**	**Creditor Insurance**	**Other**	**Intragroup**	**Total**
Written premiums	23,547	4,176	6,508	1,096	-	(1,793)	33,534
Change in unearned premiums	-	(112)	(9)	(90)	-	1	(210)
Earned premiums	**23,547**	**4,064**	**6,499**	**1,007**	**-**	**(1,793)**	**33,324**
Revenue or income from other activities	91	98	76	-	14	(27)	252
Investment income net of expenses	**2,390**	**91**	**(62)**	**25**	**313**	**(304)**	**2,453**
Claims expenses	**(21,948)**	**(3,077)**	**(6,243)**	**(219)**	**-**	**1,936**	**(29,551)**
Net reinsurance income or expense	**6**	**(30)**	**145**	**(27)**	**-**	**(184)**	**(90)**
Contracts acquisition costs	(674)	(611)	(232)	(663)	-	127	(2,053)
Amortization of values of business in-force and similar	-	-	-	-	-	-	-
Administrative expenses	(1,407)	(243)	(72)	(26)	-	85	(1,663)
Other current operating income and expenses	(76)	(55)	-	(6)	(52)	(164)	(353)
Other operating income and expenses	-	-	-	-	(22)	-	(22)
Operating income	**1,929**	**240**	**110**	**89**	**252**	**(324)**	**2,296**
Financing expenses	(276)	(27)	(19)	(15)	(416)	324	(429)
Income tax	(404)	(70)	(24)	(62)	37	-	(523)
Profit (loss) after-tax from discontinued operations[1]	-	-	(1)	-	-	-	(1)
CONSOLIDATED NET INCOME	**1,248**	**144**	**66**	**12**	**(129)**	**-**	**1,341**
Non-controlling interests	(7)	-	(4)	-	-	-	(11)
NET INCOME - GROUP SHARE	**1,242**	**144**	**62**	**12**	**(129)**	**-**	**1,331**

(1) *The amount includes the results of CA life Greece.*

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Balance sheet by segment

	31/12/2019						
(in € millions)	Life France	Non-life France	International	Creditor Insurance	Other	Intragroup	Total
Goodwill	486	70	37	280	-	-	872
Values of business in-force	-	-	-	-	-	-	-
Other intangible assets	172	61	29	70	5	-	337
Intangible assets	**659**	**130**	**66**	**350**	**5**	**-**	**1,209**
Investment property	6,322	82	-	5	-	-	6,410
Unit-linked investment property	-	-	-	-	-	-	-
Financial investments	297,904	5,173	16,756	921	18,598	(6,872)	332,480
Unit-linked financial investments	54,243	-	14,892	-	-	-	69,135
Derivative instruments and separated embedded derivatives	1,932	-	-	-	-	-	1,932
Investments in associates and joint ventures	4,002	-	-	-	-	-	4,002
Investments from insurance activities	**364,404**	**5,256**	**31,648**	**926**	**18,598**	**(6,872)**	**413,959**
Reinsurer's share in liabilities arising from insurance and financial contracts	**1,151**	**582**	**10,397**	**289**	**-**	**(10,321)**	**2,099**
Operating property and other property, plant and equipment	133	67	10	3	21	-	235
Deferred acquisition costs	1	134	55	885	-	-	1,075
Deferred participation assets	-	-	-	-	-	-	-
Deferred tax assets	-	-	12	2	22	-	36
Receivables resulting from insurance and inward reinsurance operations	686	1,752	8	183	-	(41)	2,589
Receivables resulting from ceded reinsurance operations	2	9	195	38	-	(40)	204
Current income tax assets	5	15	5	2	2	-	29
Other receivables	2,380	165	558	40	181	(299)	3,024
Other assets	**3,207**	**2,143**	**843**	**1,152**	**227**	**(380)**	**7,193**
Assets held for sale including discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and cash equivalents	**295**	**51**	**433**	**56**	**141**	**-**	**976**
TOTAL ASSETS	**369,716**	**8,162**	**43,386**	**2,773**	**18,971**	**(17,573)**	**425,435**

	31/12/2019						
(in € millions)	**Life France**	**Non-life France**	**International**	**Creditor Insurance**	**Other**	**Intragroup**	**Total**
Provisions	**55**	**29**	**14**	**-**	**68**	**-**	**165**
Subordinated debts	5,672	672	446	228	5,080	(6,580)	5,518
Debt to banking establishments	1,160	-	-	20	1,129	(230)	2,079
Financing debt	**6,831**	**672**	**446**	**247**	**6,210**	**(6,809)**	**7,597**
Technical liabilities on insurance contracts	157,953	6,093	10,846	2,009	-	(105)	176,796
Technical liabilities on unit-linked insurance contracts	50,329	-	13,321	-	-	-	63,650
Technical liabilities on insurance contracts	**208,282**	**6,093**	**24,167**	**2,009**	**-**	**(105)**	**240,445**
Technical liabilities on financial contracts with discretionary participation features	78,778	-	15,284	-	-	(10,216)	83,846
Technical liabilities on financial contracts without discretionary participation features	1	-	22	-	-	-	23
Technical liabilities on unit-linked financial contracts	4,018	-	1,672	-	-	-	5,690
Technical liabilities on financial contracts	**82,797**	**-**	**16,977**	**-**	**-**	**(10,216)**	**89,558**
Deferred participation reserve	**25,706**	**-**	**764**	**-**	**118**	**-**	**26,587**
Technical liabilities	**316,785**	**6,093**	**41,908**	**2,009**	**118**	**(10,321)**	**356,591**
Deferred tax liabilities	397	36	(31)	8	16	-	425
Liabilities towards holders of units in consolidated mutual funds	8,637	-	483	-	-	-	9,121
Operating debt to banking establishments	150	84	-	-	9	-	244
Debts arising from insurance or inward reinsurance operations	1,441	595	137	169	-	(76)	2,266
Debts arising from ceded reinsurance operations	1,170	106	195	162	-	(5)	1,627
Current income tax liabilities	69	11	24	4	7	-	116
Derivative instrument liabilities	-	-	32	-	-	-	32
Other debts	30,143	344	244	119	429	(361)	30,919
Other liabilities	**42,008**	**1,177**	**1,084**	**462**	**462**	**(442)**	**44,750**
Liabilities held for sale including discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL LIABILITIES EXCEPT SHAREHOLDER'S EQUITY	**365,679**	**7,970**	**43,451**	**2,718**	**6,857**	**(17,573)**	**409,102**

	31/12/2018						
(in € millions)	Life France	Non-life France	International	Creditor Insurance	Other	Intragroup	Total
Goodwill	486	70	37	279	-	-	872
Values of business in-force	-	-	-	-	-	-	-
Other intangible assets	140	55	22	62	15	-	294
Intangible assets	**626**	**125**	**60**	**341**	**13**	**-**	**1,165**
Investment property	6,192	82	-	5	1	-	6,280
Unit-linked investment property	-	-	-	-	-	-	-
Financial investments	267,672	4,410	13,642	808	17,342	(5,887)	297,987
Unit-linked financial investments	47,908	-	11,735	-	-	-	59,643
Derivative instruments and separated embedded derivatives	1,705	-	-	-	-	-	1,705
Investments in associates	3,785	-	-	-	-	-	3,785
Investments from insurance activities	**327,263**	**4,491**	**25,376**	**813**	**17,344**	**(5,887)**	**369,400**
Reinsurer's share in liabilities arising from insurance contracts	**1,016**	**458**	**8,746**	**278**	**-**	**(8,675)**	**1,822**
Reinsurer's share in liabilities arising from insurance and financial contracts	1,016	458	8,746	278	(1)	(8,675)	1,822
Operating property and other property, plant and equipment	136	66	1	-	8	-	211
Deferred acquisition costs	1	131	49	844	-	-	1,025
Deferred participation assets	-	-	52	-	-	-	52
Deferred tax assets	9	2	48	-	-	-	59
Receivables resulting from insurance and inward reinsurance operations	1,011	1,622	15	175	-	(120)	2,703
Receivables resulting from ceded reinsurance operations	1	34	67	38	1	(2)	139
Current income tax assets	2	16	7	6	41	-	72
Other receivables	3,655	91	447	34	233	(205)	4,254
Other assets	**4,815**	**1,964**	**684**	**1,096**	**283**	**(329)**	**8,513**
Assets held for sale including discontinued operations[(1)]	**-**	**-**	**257**	**-**	**-**	**-**	**257**
Cash and cash equivalents	**237**	**42**	**629**	**51**	**405**	**1**	**1,365**
TOTAL ASSETS	**333,958**	**7,082**	**35,751**	**2,578**	**18,043**	**(14,890)**	**382,523**

(1) *The amount includes the assets of CA life Greece.*

	31/12/2018						
(in € millions)	**Life France**	**Non-life France**	**International**	**Creditor Insurance**	**Other**	**Intragroup**	**Total**
Provisions	**51**	**25**	**2**	**-**	**65**	**-**	**143**
Subordinated debts	4,833	606	369	235	4,074	(5,605)	4,512
Debt to banking establishments	1,174	-	-	20	1,015	(230)	1,979
Financing debt	**6,007**	**606**	**369**	**255**	**5,089**	**(5,835)**	**6,491**
Technical liabilities on insurance contracts	146,318	5,395	9,105	1,856	-	(107)	162,567
Technical liabilities on unit-linked insurance contracts	44,403	-	10,355	-	-	-	54,758
Technical liabilities on insurance contracts	**190,721**	**5,395**	**19,459**	**1,856**	**-**	**(107)**	**217,324**
Technical liabilities on financial contracts with discretionary participation features	80,543	-	13,818	-	-	(8,568)	85,793
Technical liabilities on financial contracts without discretionary participation features	-	-	29	-	-	-	29
Technical liabilities on unit-linked financial contracts	3,707	-	1,456	-	-	-	5,163
Technical liabilities on financial contracts	**84,251**	**-**	**15,303**	**-**	**-**	**(8,569)**	**90,985**
Deferred participation reserve	**16,244**	**-**	**(1)**	**-**	**-**	**-**	**16,243**
Technical liabilities	**291,216**	**5,395**	**34,761**	**1,856**	**-**	**(8,675)**	**324,553**
Deferred tax liabilities	125	10	2	6	11	-	154
Liabilities towards holders of units in consolidated mutual funds	6,558	-	-	-	-	-	6,558
Operating debt to banking establishments	244	25	-	-	583	-	851
Debts arising from insurance and inward reinsurance operations	1,702	529	126	191	-	(33)	2,515
Debts arising from ceded reinsurance operations	1,056	72	186	163	-	(88)	1,389
Current income tax liabilities	39	3	9	3	-	-	54
Derivative instrument liabilities	-	-	18	-	-	-	18
Other debts	23,968	257	187	128	286	(258)	24,568
Other liabilities	**33,694**	**895**	**527**	**492**	**881**	**(380)**	**36,109**
Liabilities held for sale including discontinued operations[(1)]	**-**	**-**	**229**	**-**	**-**	**-**	**229**
TOTAL LIABILITIES EXCEPT SHAREHOLDER'S EQUITY	**330,968**	**6,922**	**35,889**	**2,602**	**6,033**	**(14,890)**	**367,524**

(1) *The amount includes the liabilities of CA life Greece.*

NOTE 6 Notes to the balance sheet

6.1 Goodwill

(in € millions)	31/12/2018	Increase	Decrease	Loss of value	Foreign exchange differences	Other changes	31/12/2019
Gross amount							
Life - France	486	-	-	-	-	-	486
Non-life - France	70	-	-	-	-	-	70
International	36	-	-	-	-	-	36
Creditor Insurance	409	-	-	-	-	-	409
Other	-	-	-	-	-	-	-
ALL	**1,001**	**-**	**-**	**-**	**-**	**-**	**1,001**
Loss of value							
Life - France	-	-	-	-	-	-	-
Non-life - France	-	-	-	-	-	-	-
International	-	-	-	-	-	-	-
Creditor Insurance	(129)	-	-	-	-	-	(129)
Other	-	-	-	-	-	-	-
ALL	**(129)**	**-**	**-**	**-**	**-**	**-**	**(129)**
Net value							
Life - France	486	-	-	-	-	-	486
Non-life - France	70	-	-	-	-	-	70
International	36	-	-	-	-	-	36
Creditor Insurance	280	-	-	-	-	-	280
Other	-	-	-	-	-	-	-
ALL	**872**	**-**	**-**	**-**	**-**	**-**	**872**

Impairment tests were carried out on goodwill at 1 January 2019, based on the assessment of the value in use of the CAA Group's insurance entities. Value in use was determined by discounting the CGU's future cash flows as presented in the medium-term plans drawn up for the Group's steering requirements. The following assumptions were drawn upon:

- estimated future cash flows: preliminary 3/5-year data established under the Group's medium-term plan;
- the equity capital allocated to the various activities at 31 December 2019 is equal to 100% of the solvency margin for the insurance activities including the economic position in terms of subordinated debts of each entity;
- growth rate: 2%;
- discount rate: interest rates by geographical area are between 7.3% and 12.32%.

At 31 December 2019, goodwill items continued to be justified.

In addition, sensitivity testing carried out shows that a +50 basis point change in discount rates would not result in any significant impairment.

6.2 Values of business in-force and other intangible assets

(in € millions)	31/12/2018	Change in scope	Acquisitions/ Depreciation	Disposals/ Decreases	Foreign exchange differences	Other changes	31/12/2019
Values of business in-force	39	-	-	-	-	-	39
Software programs	311	(10)	12	(1)	1	10	323
Intangible assets in progress	602	-	123	(6)	-	(4)	715
Gross amount	**953**	**(10)**	**135**	**(7)**	**1**	**6**	**1,077**
Impairment on distribution right	-	-	-	-	-	-	-
Amortization of values of business in-force	(39)	-	-	-	-	-	(39)
Amortization of software programs	(241)	3	(20)	1	-	(5)	(262)
Impairment of software programs	(4)	-	-	-	-	-	(4)
Amortization Intangible assets in progress	(376)	-	(65)	5	-	-	(436)
Impairment Intangible assets in progress	-	-	-	-	-	-	-
Amortization & impairment	**(659)**	**3**	**(85)**	**6**	**-**	**(5)**	**(741)**
OTHER NET INTANGIBLE ASSETS	**294**	**(7)**	**49**	**(1)**	**1**	**1**	**337**

6.3 Investment property

6.3.1 INVESTMENT PROPERTY (EXCLUDING UNIT-LINKED CONTRACTS)

(in € millions)	31/12/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Foreign exchange differences	Other movements	31/12/2019
Gross amount	6,304	-	554	(363)	-	(61)	6,435
Depreciation, amortization and impairment	(24)	-	(1)	(18)	-	19	(25)
NET VALUE OF INVESTMENT PROPERTY	**6,280**	**-**	**553**	**(381)**	**-**	**(42)**	**6,410**

6.3.2 FAIR VALUE OF INVESTMENT PROPERTY

The market value of investment property recorded at amortised cost, as valued by "expert appraisers", was €9,552 million at 31 December 2019 compared to €9,126 million at 31 December 2018.

All investment property are recognised at amortised cost in the balance sheet.

(in € millions)	Estimated fair value at 31/12/2019	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on non-observable data: level 3	Carrying amount at 31/12/2019
Investment property	9,552	-	9,546	-	6,410
TOTAL INVESTMENT PROPERTY WHOSE FAIR VALUE IS DISCLOSED	**9,552**	**-**	**9,546**	**-**	**6,410**

(in € millions)	Estimated fair value at 31/12/2018	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on non-observable data: level 3	Carrying amount at 31/12/2018
Investment property	9,126	-	9,126	-	6,280
TOTAL INVESTMENT PROPERTY WHOSE FAIR VALUE IS DISCLOSED	**9,126**	**-**	**9,126**	**-**	**6,280**

6.4 Investments from insurance activities

(in € millions)	31/12/2019	31/12/2018
Financial investment	**332,480**	**297,987**
Financial assets at fair value through profit and loss	103,493	82,900
Financial assets held to trading	*-*	*-*
Other financial assets at fair-value thrugh profit and loss	*103,493*	*82,900*
Financial assets at fair-value through equity	227,558	214,260
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	*227,393*	*214,109*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	*165*	*151*
Financial assets at amortized cost	1,428	828
Loans and receivables	*472*	*491*
Debt securities	*957*	*337*
Investment property	**6,410**	**6,280**
Derivative instruments	**1,932**	**1,705**
Unit-linked financial investments	**69,135**	**59,643**
Unit-linked investment property	**-**	**-**
Investment in associates	**4,002**	**3,785**
TOTAL INSURANCE ACTIVITY INVESTMENTS	**413,959**	**369,400**

6.4.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in € millions)	31/12/2019	31/12/2018
Financial assets held for trading	**-**	**-**
Other financial assets at fair value through profit or loss	**172,628**	**142,542**
Equity instruments	33,230	25,463
Debt instruments that do not meet the conditions of the "SPPI" test	70,263	57,437
Assets representing unit-linked contracts	69,135	59,643
Financial assets designated at fair value through profit or loss	-	-
BALANCE SHEET VALUE	**172,628**	**142,542**

6.4.1.1 Equity instruments at fair value through profit or loss

(in € millions)	31/12/2019	31/12/2018
Equity and other variable income securities	23,050	17,730
Non-consolidated equity investments	10,180	7,733
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**33,230**	**25,463**

6.4.1.2 Debt instruments that do not meet the conditions of the "SPPI" test

(in € millions)	31/12/2019	31/12/2018
Debt securities	**66,607**	**54,745**
Tresury bills and similar securities	174	156
Bonds and other fixed income securities	13,883	12,525
Mutual funds	52,550	42,065
Loans and receivables	**3,656**	**2,692**
TOTAL DEBT INSTRUMENTS THAT DO NOT MEET THE CONDITIONS OF THE "SPPI" TEST	**70,263**	**57,437**

6.4.1.3 Representative assets in unit-linked contracts

(in € millions)	31/12/2019	31/12/2018
Treasury bills and similar securities	457	988
Bonds and other fixed income securities	13,820	12,213
Equities and other variable income securities	6,822	5,161
Mutual funds	48,037	41,281
TOTAL REPRESENTATIVE ASSETS IN UNIT-LINKED CONTRACTS	**69,135**	**59,643**

6.4.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31/12/2019			31/12/2018		
(in € millions)	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	227,393	20,455	(128)	214,109	14,615	(742)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	165	-	(23)	151	3	(20)
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**227,558**	**20,456**	**(151)**	**214,260**	**14,618**	**(763)**

6.4.2.1 Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss

	31/12/2019			31/12/2018		
(in € millions)	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills ans similar securities	68,474	7,559	(69)	61,593	4,412	(171)
Bonds and other fixed income securities	158,919	12,896	(59)	152,516	10,203	(572)
Total Debt securities	**227,393**	**20,455**	**(128)**	**214,109**	**14,615**	**(742)**
TOTAL DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	**227,393**	**20,455**	**(128)**	**214,109**	**14,615**	**(742)**
Income tax charge		(5,353)	34		(3,839)	198
Other comprehensive income on debt instruments that will not be reclassified to profit or loss (net of income tax)		15,102	(94)		10,776	(544)

6.4.2.2 Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss

INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

	31/12/2019			31/12/2018		
(in € millions)	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	-	-	-	-	-	-
Non-consolidated equity investments	165	-	(23)	151	3	(20)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	**165**	**-**	**(23)**	**151**	**3**	**(20)**
Income tax charge		-	6		(2)	6
Other comprehensive income on equity instruments that will not be reclassified to profit or loss (net of income tax)		-	(17)		1	(15)

EQUITY INSTRUMENTS DERECOGNISED DURING THE PERIOD

(in € millions)	31/12/2019 Fair value at the date of derecognition	31/12/2019 Cumulative gains realised[1]	31/12/2019 Cumulative losses realised[1]	31/12/2018 Fair value at the date of derecognition	31/12/2018 Cumulative gains realised[1]	31/12/2018 Cumulative losses realised[1]
Equities and other variable income securities	-	-	-	-	-	-
Non-consolidated equity investments	2	-	-	-	-	-
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	**2**	**-**	**-**	**-**	**-**	**-**
Income tax charge		-	-		-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss (net of income tax)		-	-		-	-

(1) The realized gains and losses are transferred to the consolidated reserves at the moment of the derecognition of the concerned instrument.

6.4.3 FINANCIAL ASSETS AT AMORTISED COST

(in € millions)	31/12/2019	31/12/2018
Loans and receivables due from credit institutions	472	491
Debt securities	957	337
TOTAL FINANCIAL ASSETS AT AMORTISED COST	**1,428**	**828**

6.4.3.1 Debt securities

(in € millions)	31/12/2019	31/12/2018
Treasury bills and similar securities	76	-
Bonds and other fixed income securities	881	337
TOTAL	**957**	**337**
Impairment	(1)	-
CARRYING AMOUNT	**957**	**337**

6.5 Fair value of financial instruments

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in a standard transaction between market participants at the measurement date.

Fair value is defined on the basis of the exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

The fair value hierarchy of financial assets and liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 applies to the fair value of financial assets and liabilities quoted in active markets.

Level 2 applies to the fair value of financial assets and liabilities with observable inputs. This agreement includes market data relating to interest rate risk or credit risk when the latter can be revalued based on Credit Default Swap (CDS) spread. Securities bought or sold under repurchase agreements with underlyings quoted in an active market are also included in Level 2 of the hierarchy, as are financial assets and liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 indicates the fair value of financial assets and liabilities with unobservable inputs or for which some data can be revalued using internal models based on historical data. This mainly includes market data relating to credit risk or early redemption risk.

In some cases, market values are close to carrying amounts. This applies primarily to:

- assets or liabilities at variable rates for which interest rate changes do not have a significant influence on the fair value, since the rates on these instruments frequently adjust themselves to the market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- instruments executed on a regulated market for which the prices are set by the public authorities;
- demand assets and liabilities;
- transactions for which there are no reliable observable data.

6.5.1 FINANCIAL ASSETS AND LIABILITIES AT AMORTISED COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

Amounts presented below include accruals and prepayments and are net of impairment.

FINANCIAL ASSETS AT FAIR VALUE

(in € millions)	Book Value 31/12/2019	Estimated fair value at 31/12/2019	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**2,006**	**1,948**	**-**	**1,641**	**308**
Accounts and long-term loans	39	39	-	37	2
Pledged securities	-	-	-	-	-
Securities bought under repurchase agreements	1,534	1,519	-	1,520	-
Subordinated notes	-	-	-	-	-
Other loans and receivables	433	390	-	84	306
Debt securities	**957**	**992**	**948**	**44**	**-**
Treasury bills and similar securities	76	93	93	-	-
Bonds and other fixed income securities	881	899	855	44	-
TOTAL FINANCIAL ASSETS WHOSE FAIR VALUE IS DISCLOSED	**2,963**	**2,940**	**948**	**1,684**	**308**

(in € millions)	Book Value 31/12/2018	Estimated fair value at 31/12/2018	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**3,470**	**3,415**	**-**	**3,099**	**317**
Accounts and long-term loans	38	38	-	35	2
Pledged securities	-	-	-	-	-
Securities bought under repurchase agreements	2,979	2,971	-	2,971	-
Subordinated notes	-	-	-	-	-
Other loans and receivables	453	406	-	92	315
Debt securities	**337**	**337**	**337**	**-**	**-**
Treasury bills and similar securities	-	-	-	-	-
Bonds and other fixed income securities	337	337	337	-	-
TOTAL FINANCIAL ASSETS WHOSE FAIR VALUE IS DISCLOSED	**3,806**	**3,753**	**337**	**3,099**	**317**

FINANCIAL LIABILITIES AT FAIR VALUE

(in € millions)	Book Value 31/12/2019	Estimated fair value at 31/12/2019	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial liabilities not measured at fair value on balance sheet					
Financing debt	**7,597**	**7,545**	**(44)**	**6,354**	**1,234**
Debts of financing towards companies of the banking sector	2,079	2,077	-	1,160	918
Subordinated debt	5,518	5,467	(44)	5,195	316
Other debt	**23,154**	**23,154**	**-**	**23,154**	**-**
Operating debt owed to banking sector companies	-	-	-	-	-
Values given in pension	23,154	23,154	-	23,154	-
Securities given under repurchase agreements	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES WHOSE FAIR VALUE IS DISCLOSED	**30,751**	**30,698**	**(44)**	**29,508**	**1,234**

(in € millions)	Book Value 31/12/2018	Estimated fair value at 31/12/2018	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial liabilities not measured at fair value on balance sheet					
Financing debt	**6,491**	**6,442**	**-**	**3,321**	**3,121**
Debts of financing towards companies of the banking sector	1,979	1,977	-	1,174	803
Subordinated debt	4,512	4,466	-	2,147	2,318
Other financing debt	**18,181**	**18,181**	**-**	**18,181**	**-**
Operating debt owed to banking sector companies	-	-	-	-	-
Values given in pension	18,181	18,181	-	18,181	-
Securities given under repurchase agreements	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES WHOSE FAIR VALUE IS DISCLOSED	**24,672**	**24,623**	**-**	**21,502**	**3,121**

6.5.2 INFORMATIONS ON THE ESTIMATED FINANCIAL INSTRUMENTS AT FAIR VALUE

6.5.2.1 Breakdown of financial instruments at fair value by valuation model

(in € millions)	31/12/2019	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on observable data: level 3
Financial assets held for trading	**-**	**-**	**-**	**-**
Other financial instruments at fair value through profit or loss				
Equity instruments at fair value through profit or loss	**33,230**	**24,864**	**5,214**	**3,153**
Shares and other variable income securities	23,050	21,532	1,515	3
Non-consolidated equity investments	10,180	3,332	3,699	3,149
Debt instruments that do not meet SPPI criteria	**70,263**	**42,957**	**22,987**	**4,319**
Loans and receivables	3,656	-	3,656	-
Debt securities	66,607	42,957	19,331	4,319
Public bills and similar securities	174	35	139	-
Bonds and other fixed income securities	13,883	1,976	11,332	574
Mutual funds	52,550	40,945	7,857	3,748
Assets representing unit-linked contracts	**69,135**	**42,352**	**26,587**	**196**
Public bills and similar securities	457	444	13	-
Bonds and other fixed income securities	13,820	1,218	12,601	-
Shares and other variable income securities	6,822	1,287	5,351	184
Mutual funds	48,037	39,403	8,622	12
Financial assets at fair value through option result	**-**	**-**	**-**	**-**
Loans and receivables	-	-	-	-
Fair value securities by option result	-	-	-	-
Public bills and similar securities	-	-	-	-
Bonds and other fixed income securities	-	-	-	-
Financial assets at fair value through equity	**227,558**	**206,338**	**21,220**	**-**
Equity instruments recognized at fair value through non-recyclable equity	165	25	140	-
Shares and other variable income securities	-	-	-	-
Non-consolidated equity investments	165	25	140	-
Debt instruments recognized at fair value through recyclable equity	227,393	206,313	21,080	-
Debt securities	227,393	206,313	21,080	-
Public bills and similar securities	68,474	68,464	11	-
Bonds and other fixed income securities	158,919	137,849	21,069	-
Derivatives hedging	**1,932**	**-**	**1,932**	**-**
TOTAL FINANCIAL ASSETS VALOR AT THE RIGHT VALUE	**402,118**	**316,510**	**77,937**	**7,671**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	-
Transfers from Level 2: Valuation based on observable data		362		20
Transfers from Level 3: Valuation based on unobservable data		-	-	
TOTAL TRANSFERS TO EACH LEVEL		**362**	**-**	**20**

(in € millions)	31/12/2018	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on observable data: level 3
Financial assets held for trading	**-**	**-**	**-**	**-**
Other financial instruments at fair value through profit or loss				
Equity instruments at fair value through profit or loss	**25,463**	**19,016**	**4,151**	**2,296**
Shares and other variable income securities	17,730	16,723	969	38
Non-consolidated equity investments	7,733	2,293	3,182	2,258
Debt instruments that do not meet SPPI criteria	**57,437**	**33,634**	**19,744**	**4,059**
Loans and receivables	2,692	-	2,692	-
Debt securities	54,745	33,633	17,053	4,059
Public bills and similar securities	156	73	83	-
Bonds and other fixed income securities	12,525	1,741	10,043	741
Mutual funds	42,065	31,820	6,927	3,318
Assets representing unit-linked contracts	**59,643**	**37,221**	**22,418**	**4**
Public bills and similar securities	988	975	13	-
Bonds and other fixed income securities	12,213	1,150	11,063	-
Shares and other variable income securities	5,161	1,167	3,994	-
Mutual funds	41,281	33,930	7,347	4
Financial assets at fair value through option result	**-**	**-**	**-**	**-**
Loans and receivables	-	-	-	-
Fair value securities by option result	-	-	-	-
Public bills and similar securities	-	-	-	-
Bonds and other fixed income securities	-	-	-	-
Financial assets at fair value through equity	**214,260**	**193,225**	**21,035**	**-**
Equity instruments recognized at fair value through non-recyclable equity	151	26	125	-
Shares and other variable income securities	-	-	-	-
Non-consolidated equity investments	151	26	125	-
Debt instruments recognized at fair value through recyclable equity	214,109	193,200	20,909	-
Debt securities	214,109	193,200	20,909	-
Public bills and similar securities	61,593	61,584	9	-
Bonds and other fixed income securities	152,517	131,617	20,900	-
Derivatives hedging	**1,705**	**-**	**1,705**	**-**
TOTAL FINANCIAL ASSETS VALOR AT THE RIGHT VALUE	**358,509**	**283,096**	**69,052**	**6,361**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	-
Transfers from Level 2: Valuation based on observable data		224		702
Transfers from Level 3: Valuation based on unobservable data		-	6	
TOTAL TRANSFERS TO EACH LEVEL		**224**	**6**	**702**

6.5.2.2 Net change in financial instruments measured at fair value according to level 3

		Other financial instruments at fair value through profit or loss					
		Equity instruments at fair value through profit or loss		Debt instruments that do not meet the conditions of the "SPPI" test			
				Debt securities			
(in € millions)	Total financial assets valuated at fair value according to the level 3	Equities and other variable income securities	Non-consolidated equity investments	Loans and receivables	Treasury bills and similar securities	Bonds and other fixed income securities	Mutual funds
OPENING BALANCE 31 DECEMBER 2018	**6,360**	**38**	**2,259**	**-**	**-**	**741**	**3,318**
Gains or losses during the period[1]	397	4	213	-	-	5	(9)
Recognised in profit or loss	397	4	213	-	-	5	(9)
Recognised in other comprehensive income	-	-	-	-	-	-	-
Purchases	1,831	-	688	-	-	62	1,072
Sales	(948)	(39)	(17)	-	-	(238)	(654)
Issues	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Changes associated with scope during the period	10	-	5	-	-	5	-
Transfers	20	-	-	-	-	-	20
Transfers to Level 3	20	-	-	-	-	-	20
Transfers from Level 3	-	-	-	-	-	-	-
CLOSING BALANCE 31 DECEMBER 2019	**7,670**	**3**	**3,149**	**-**	**-**	**574**	**3,748**

(1) This balance includes the gains and losses of the period issued from the assets held on the balance sheet at closing date for the following amounts.

	31/12/2019	31/12/2018
Gains/losses for the period from level 3 assets held at the end of the period	**397**	**158**
Recognised in profit or loss	397	158
Recognised in other comprehensive income	-	-

Other financial instruments at fair value through profit or loss				Financial assets at fair value through other comprehensive income				
Assets backing unit-linked contracts				Equity instruments at fair value through other comprehensive income that will not be reclassified to profit orand loss		Debt instruments at fair value through other comprehensive income that may be reclassified to profit orand loss		
						Debt securities		
Treasury bills and similar securities	Bonds and other fixed income securities	Equities and other variable income securities	Mutual funds	Equities and other variable income securities	Non-consolidated equity investments	Treasury bills and similar securities	Bonds and other fixed income securities	Derivative instruments
-	**-**	**-**	**4**	**-**	**-**	**-**	**-**	**-**
-	-	184	-	-	-	-	-	-
-	-	184	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	8	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**184**	**12**	**-**	**-**	**-**	**-**	**-**

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6.6 Breakdown of financial assets and liabilities by contractual maturity

The breakdown of balance sheet financial assets and liabilities is made according to contractual maturity date.

The maturities of derivative instruments held for trading and for hedging correspond to their date of contractual maturity.

Equities and other variable-income securities are by nature without maturity; they are classified "Indefinite".

	31/12/2019					
(in € millions)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Financial investments	**3,651**	**10,043**	**85,933**	**145,681**	**87,172**	**332,480**
Financial assets at fair value through profit and loss	139	149	6,019	10,780	86,407	103,493
Financial assets at fair-value through equity	3,502	9,918	79,914	133,944	279	227,558
Financial assets at amortized cost	10	(24)	-	957	486	1,428
Unit-linked financial investments	**441**	**222**	**4,174**	**7,931**	**56,367**	**69,135**
Derivative instruments and separated embedded derivatives	**-**	**78**	**101**	**1,752**	**-**	**1,932**
Cash and cash equivalents	**582**	**4**	**-**	**-**	**390**	**976**
TOTAL FINANCIAL ASSETS BY MATURITY	**4,674**	**10,348**	**90,208**	**155,364**	**143,929**	**404,522**

	31/12/2018					
(in € millions)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Financial investments	**2,431**	**9,156**	**81,279**	**134,958**	**70,163**	**297,987**
Financial assets at fair value through profit and loss	249	562	5,824	7,111	69,154	82,900
Financial assets at fair-value through equity	2,179	8,560	75,455	127,511	555	214,260
Financial assets at amortized cost	3	34	-	337	454	828
Unit-linked financial investments	**415**	**926**	**2,481**	**7,444**	**48,377**	**59,643**
Derivative instruments and separated embedded derivatives	**-**	**84**	**139**	**1,482**	**-**	**1,705**
Cash and cash equivalents	**1,158**	**-**	**-**	**-**	**207**	**1,365**
TOTAL FINANCIAL ASSETS BY MATURITY	**4,004**	**10,166**	**83,899**	**143,884**	**118,747**	**360,700**

6.7 Credit risk

Valuable corrections for losses correspond to the depreciations on assets and provisions on off-balance sheet commitments booked in the net result (Investment income net of expenses) for the credit risk.

The different steps of depreciations ("healthy assets – Bucket 1 and Bucket 2" and "Depreciated assets – Bucket 3") are classified into the note 1 "According principles and politics applied", chapter "Financial Instruments Credit risk and provisioning stages".

The following statements present the reconciliation between opening balances and valuable corrections for losses closing values booked in net result and associates according value per accounting category and per type of instruments.

6.7.1 VARIATION OF BOOK VALUES AND VALUABLE CORRECTIONS FOR LOSSES OVER THE PERIOD

ASSETS AT AMORTISED COST: DEBT SECURITIES

	Performing assets								
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)		Total		
(in € millions)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
BALANCE AT 31 DECEMBER 2018	**337**	**-**	**-**	**-**	**-**	**-**	**337**	**-**	**337**
Transfer between buckets during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Transfer from Bucket 1 to Bucket 2	-	-	-	-			-	-	
Return to Bucket 2 from Bucket 1	-	-	-	-			-	-	
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-	
Return from Bucket 3 to Bucket 2/ Bucket 1	-	-	-	-	-	-	-	-	
Total after transfers	**337**	**-**	**-**	**-**	**-**	**-**	**337**	**-**	**337**
Changes in gross carrying amounts and loss allowances	**618**	**-**	**-**	**-**	**-**	**-**	**618**	**-**	
New production: purchase, granting, origination...[2]	618	-	-	-			618	-	
Derecognition: disposal, repayment, maturity	-	-	-	-	-	-	-	-	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models credit risk parameters during the period		-		-		-		-	
Changes in model/methodology		-		-		-		-	
Changes in scope	-	-	-	-	-	-	-	-	
Other	1	-	-	-	-	-	1	-	
TOTAL	**955**	**(1)**	**-**	**-**	**-**	**-**	**955**	**(1)**	**954**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	2		-		-		2		
BALANCE AT 31 DECEMBER 2019	**957**	**(1)**	**-**	**-**	**-**	**-**	**957**	**(1)**	**956**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		-

(1) *The transfers towards Bucket 3 correspond to the outstandings initially classified as Bucket 1, which have been downgraded directly to Bucket 3, or to Bucket 2 then to Bucket 3 during the year.*

(2) *The originations in Bucket 2 can include outstandings originated in Bucket 1 and reclassified in Bucket 2 during the period.*

(3) *Includes the impacts of fair value revaluations of micro-hedged instruments, the impacts related to the use of the EIT method (particularly the amortization of premiums/ discounts), the impacts related to the accretion of the loans recorded on restructured loans.*

ASSETS AT AMORTISED COST: LOANS AND RECEIVABLES

	Performing assets								
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)		Total		
(in € millions)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
BALANCE AT 31 DECEMBER 2018	**491**	**-**	**-**	**-**	**-**	**-**	**491**	**-**	**491**
Transfer between buckets during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Transfer from Bucket 1 to Bucket 2	-	-	-	-			-	-	
Return to Bucket 2 from Bucket 1	-	-	-	-			-	-	
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-	
Return from Bucket 3 to Bucket 2/ Bucket 1	-	-	-	-	-	-	-	-	
Total after transfers	**491**	**-**	**-**	**-**	**-**	**-**	**491**	**-**	**491**
Changes in gross carrying amounts and loss allowances	**(16)**	**-**	**-**	**-**	**-**	**-**	**(16)**	**-**	
New production: purchase, granting, origination…[2]	17	-	-	-			17	-	
Derecognition: disposal, repayment, maturity	(33)	-	-	-	-	-	(33)	-	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models credit risk parameters during the period		-		-		-		-	
Changes in model/methodology		-		-		-		-	
Changes in scope	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
TOTAL	**475**	**-**	**-**	**-**	**-**	**-**	**475**	**-**	**475**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	(3)		-		-		(3)		
BALANCE AT 31 DECEMBER 2019	**472**	**-**	**-**	**-**	**-**	**-**	**472**	**-**	**472**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

(1) The transfers towards Bucket 3 correspond to the outstandings initially classified as Bucket 1, which have been downgraded directly to Bucket 3, or to Bucket 2 then to Bucket 3 during the year.

(2) The originations in Bucket 2 can include outstandings originated in Bucket 1 and reclassified in Bucket 2 during the period.

(3) Includes the fair value revaluation impacts of the micro-hedged instruments, the impacts related to the use of the TIE method (especially the amortizations of the premiums/haircuts), the impacts related to the undiscounting of the haircuts over the restructured credits.

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ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: DEBT SECURITIES

	Performing assets							
	Assets subject to 12-month ECL (*Bucket* 1)		Assets subject to lifetime ECL (*Bucket* 2)		Credit-impaired assets (Bucket 3)		Total	
(in € millions)	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
BALANCE AT 31 DECEMBER 2018	**212,037**	**(93)**	**2,187**	**(22)**	**1**	**(1)**	**214,225**	**(116)**
Transfer between buckets during the period	**145**	**-**	**(145)**	**3**	**-**	**-**	**-**	**3**
Transfer from Bucket 1 to Bucket 2	-	-	-	-			-	-
Return Bucket 2 Bucket 1	145	-	(145)	3			-	3
Transfer to Bucket 3[1]	-	-	-	-	-	-	-	-
Return from Bucket 3 to Bucket 2/Bucket 1	-	-	-	-	-	-	-	-
Total after transfers	**212,182**	**(94)**	**2,042**	**(19)**	**1**	**(1)**	**214,225**	**(113)**
Changes in gross carrying amounts and loss allowances	**13,667**	**(23)**	**(202)**	**(11)**	**-**	**-**	**13,465**	**(34)**
Fair value revaluation during the period	6,504		5		-		6,509	
New financial assets: acquisition, granting, origination...[2]	23,385	(21)	140	(12)			23,525	(32)
Derecognition: disposal, repayment, maturity	(16,243)	7	(351)	1	-	-	(16,595)	8
Write-offs					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	5	-	1	-	-	-	7
Changes in models credit risk parameters during the period		(15)		(1)		-		(16)
Changes in model/methodology		-		-		-		-
Changes in scope	-	-	-	-	-	-	-	-
Other	21	-	4	-	-	-	25	-
TOTAL	**225,849**	**(117)**	**1,840**	**(29)**	**1**	**(1)**	**227,690**	**(147)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	(150)		-		-		(149)	
BALANCE AT 31 DECEMBER 2019	**225,700**	**(117)**	**1,840**	**(29)**	**1**	**(1)**	**227,541**	**(147)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

(1) The transfers towards Bucket 3 correspond to the outstandings initially classified as Bucket 1, which have been downgraded directly to Bucket 3, or to Bucket 2 then to Bucket 3 during the year.

(2) The originations in Bucket 2 can include outstandings originated in Bucket 1 and reclassified in Bucket 2 during the period.

(3) Includes impacts relating to the use of the TIE method (including depreciation of premiums/haircuts).

GARANTEE COMMITMENTS (OUT OF INTERNAL OPERATIONS AT CREDIT AGRICOLE)

	Performing commitments				Provisioned commitments (Bucket 3)		Total		
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)						
(in € millions)	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment (a)	Loss allowance (b)	Net amount of commitment (a) + (b)
BALANCE AT 31 DECEMBER 2018	**142**	**-**	**-**	**-**	**-**	**-**	**142**	**-**	**142**
Transfer between buckets during the period	-	-	-	-	-	-	-	-	
Transfers from Bucket 1 to Bucket 2	-	-	-	-			-	-	
Return to Bucket 2 from Bucket 1	-	-	-	-			-	-	
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-	
Return from Bucket 3 to Bucket 2/Bucket 1	-	-	-	-	-	-	-	-	
Total after transfers	**142**	**-**	**-**	**-**	**-**	**-**	**142**	**-**	**142**
Changes in commitments and loss allowances	**2**	**-**	**-**	**-**	**-**	**-**	**2**	**-**	
New commitments given[2]	-	-	-	-			-	-	
End of commitments	-	-	-	-	-	-	-	-	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models credit risk parameters during the period		-		-		-		-	
Changes in model/ methodology		-		-		-		-	
Changes in scope	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
BALANCE AT 31 DECEMBER 2019	**144**	**-**	**-**	**-**	**-**	**-**	**144**	**-**	**144**

(1) *The transfers towards Bucket 3 correspond to the commitments initially classified as Bucket 1, which have been downgraded directly to Bucket 3, or to Bucket 2 then to Bucket 3 during the year.*

(2) *The new commitments given in Bucket 2 can include commitments originated in Bucket 1 reclassified in Bucket 2 during the period.*

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6.7.2 MAXIMAL EXPOSURE AT THE RISK OF CREDIT AND EFFECTS OF ASSETS HELD IN GUARANTEE AND OTHER RAISING OF CREDITS

An entity's maximum exposure to credit risk represents the carrying amount, net of any impairment loss recognised and without taking account of any collateral held or other credit enhancements (e.g. netting agreements that do not qualify for offset in accordance with IAS 32).

The tables below show the maximum exposures as well as the amount of collateral held and other credit enhancements allowing this exposure to be reduced.

Impaired assets at the end of the reporting period constitute the impaired assets (Bucket 3).

FINANCIAL ASSETS NOT SUBJECT TO IMPAIRMENT REQUIREMENTS (ACCOUNTED AT FAIR VALUE THROUGH PROFIT OR LOSS)

	31/12/2019					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in € millions)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**70,263**	**-**	**-**	**-**	**-**	**-**
Financial assets held for trading	-	-	-	-	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	70,263	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Hedging derivative Instruments	**929**	**-**	**-**	**-**	**-**	**-**
TOTAL	**71,192**	**-**	**-**	**-**	**-**	**-**

FINANCIAL ASSETS SUBJECT TO IMPAIRMENT REQUIREMENTS

	31/12/2019					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in € millions)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit orand loss	**227,393**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	1,811	-	-	-	-	-
Financial assets at amortised cost	**1,428**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables	472	-	-	-	-	-
of which impaired assets at the reporting date	-	-	-	-	-	-
Debt securities	957	1,520	-	-	-	-
of which impaired assets at the reporting date	-	-	-	-	-	-
TOTAL	**228,822**	**1,520**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	**1,811**	**-**	**-**	**-**	**-**	**-**

31/12/2018					
	Credit risk mitigation				
	Collateral held as security			Other credit enhancement	
Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
57,437	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
57,437	-	-	-	-	-
-	-	-	-	-	-
1,072	**-**	**-**	**-**	**-**	**-**
58,509	**-**	**-**	**-**	**-**	**-**

31/12/2018					
	Credit risk mitigation				
	Collateral held as security			Other credit enhancement	
Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
214,109	**-**	**-**	**-**	**-**	**-**
2,165	-	-	-	-	-
828	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
491	-	-	-	-	-
-	-	-	-	-	-
337	-	-	-	-	-
-	-	-	-	-	-
214,937	**-**	**-**	**-**	**-**	**-**
2,165	**-**	**-**	**-**	**-**	**-**

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OFF-BALANCE SHEET COMMITMENTS SUBJECT TO PROVISION REQUIREMENTS

	31/12/2019					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in € millions)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Guarantee commitments	144	-	-	-	-	-
of which provisioned commitments at the reporting date	-	-	-	-	-	-
Financing commitments	-	-	-	-	-	-
of which provisioned commitments at the reporting date	-	-	-	-	-	-
TOTAL	**144**	**-**	**-**	**-**	**-**	**-**
of which provisioned commitments at the reporting date	-	-	-	-	-	-

31/12/2018					
	Credit risk mitigation				
	Collateral held as security			Other credit enhancement	
Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
142	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
142	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-

6.7.3 EXPOSURE AT THE RISK OF CREDIT AND EVALUATION OF THE CONCENTRATION OF THE CREDIT RISK

The carrying amounts and commitments are presented net of impairment and provisions.

Exposure to credit risk by category of credit risk

FINANCIAL ASSETS AT AMORTISED COST

		31/12/2019				31/12/2018			
		Book value				Book value			
		Healthy assets				Healthy assets			
(in € millions)	Credit risk rating grades	Assets subject to ECL 12 months (Bucket 1)	Assets subject to mature ECL (Bucket 2)	Depreciated assets (Bucket 3)	Total	Assets subject to ECL 12 months (Bucket 1)	Assets subject to mature ECL (Bucket 2)	Depreciated assets (Bucket 3)	Total
Financial institutions	AAA	86	-	-	86	66	-	-	66
	AA	144	-	-	144	61	-	-	61
	A	80	-	-	80	33	-	-	33
	BBB	-	-	-	-	-	-	-	-
	BB ou < BB	10	-	-	10	4	-	-	4
	NR	-	-	-	-	-	-	-	-
Total Financial Institutions		**320**	**-**	**-**	**320**	**164**	**-**	**-**	**164**
Corporate	AAA	35	-	-	35	20	-	-	20
	AA	245	-	-	245	220	-	-	220
	A	161	-	-	161	20	-	-	20
	BBB	218	-	-	218	-	-	-	-
	BB ou < BB	-	-	-	-	-	-	-	-
	NR	374	-	-	374	404	-	-	404
Total Corporate		**1,033**	**-**	**-**	**1,032**	**664**	**-**	**-**	**664**
General Administration	AAA	-	-	-	-	-	-	-	-
	AA	-	-	-	-	-	-	-	-
	A	-	-	-	-	-	-	-	-
	BBB	76	-	-	76	-	-	-	-
	BB ou < BB	-	-	-	-	-	-	-	-
	NR	-	-	-	-	-	-	-	-
Total General Administration		**76**	**-**	**-**	**76**	**-**	**-**	**-**	**-**
Impairment		-	-	-	(1)	-	-	-	-
TOTAL		**1,429**	**-**	**-**	**1,428**	**828**	**-**	**-**	**828**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR/ AND LOSS

		31/12/2019				31/12/2018			
		Book value				Book value			
		Healthy assets				Healthy assets			
(in € millions)	Credit risk rating grades	Assets subject to ECL 12 months (Bucket 1)	Assets subject to mature ECL (Bucket 2)	Depreciated assets (Bucket 3)	Total	Assets subject to ECL 12 months (Bucket 1)	Assets subject to mature ECL (Bucket 2)	Depreciated assets (Bucket 3)	Total
Financial institutions	AAA	24,310	-	-	24,310	23,544	-	-	23,544
	AA	8,425	-	-	8,425	7,255	-	-	7,255
	A	29,806	-	-	29,806	30,032	-	-	30,032
	BBB	5,272	-	-	5,272	4,785	-	-	4,785
	BB ou < BB	-	4	-	4	-	3	-	3
	NR	-	-	-	-	-	-	-	-
Total Financial Institutions		**67,813**	**4**	**-**	**67,817**	**65,616**	**3**	**-**	**65,619**
Corporate	AAA	1,555	4	-	1,559	1,368	-	-	1,368
	AA	24,175	-	-	24,175	23,146	-	-	23,146
	A	31,818	444	-	32,262	31,731	1,136	-	32,867
	BBB	29,505	742	-	30,247	27,828	976	-	28,804
	BB ou < BB	217	617	-	834	-	50	-	50
	NR	-	-	-	-	-	-	-	-
Total Corporate		**87,270**	**1,807**	**-**	**89,077**	**84,073**	**2,162**	**-**	**86,235**
General Administration	AAA	721	-	-	721	475	-	-	475
	AA	56,126	-	-	56,126	50,708	-	-	50,708
	A	4,240	-	-	4,240	4,035	1	-	4,035
	BBB	9,413	-	-	9,413	7,038	-	-	7,038
	BB ou < BB	-	-	-	-	-	-	-	-
	NR	-	-	-	-	-	-	-	-
Total General Administration		**70,500**	**-**	**-**	**70,500**	**62,256**	**1**	**-**	**62,256**
TOTAL		**225,583**	**1,811**	**-**	**227,394**	**211,944**	**2,165**	**-**	**214,109**

Credit risk concentrations by geographical area

FINANCIAL ASSETS AT AMORTISED COST BY GEOGRAPHICAL AREA (EXCLUDING CRÉDIT AGRICOLE INTERNAL TRANSACTIONS)

	31/12/2019				31/12/2018			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
(in € millions)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total
France (including overseas departments and territories)	3,517	-	-	3,517	4,916	-	-	4,916
Other European Union countries	727	-	-	727	602	-	-	602
Others	6	-	-	6	-	-	-	-
North America	112	-	-	112	20	-	-	20
Central and South America	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-
Asia-Pacific (ex. Japan)	5	-	-	5	-	-	-	-
Japan	124	-	-	124	122	-	-	122
Supranational organisations	-	-	-	-	-	-	-	-
Impairment	(1)	-	-	(1)	-	-	-	(1)
TOTAL	**4,490**	**-**	**-**	**4,490**	**5,660**	**-**	**-**	**5,660**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BY GEOGRAPHICAL AREA

	31/12/2019				31/12/2018			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
(in € millions)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total
France (including overseas departments and territories)	121,140	898	-	122,038	114,856	1,088	-	115,945
Other European Union countries	86,904	916	-	87,820	71,452	1,077	-	72,529
Others	2,894	-	-	2,894	2,758	-	-	2,758
North America	20,708	-	-	20,708	17,799	-	-	17,799
Central and South America	256	-	-	256	238	-	-	238
Africa and Middle East	92	-	-	92	87	-	-	87
Asia-Pacific (ex. Japan)	4,766	-	-	4,766	4,685	-	-	4,685
Japan	131	-	-	131	69	-	-	69
Supranational organisations	8	-	-	8	-	-	-	-
TOTAL	**236,899**	**1,814**	**-**	**238,713**	**211,944**	**2,165**	**-**	**214,109**

GARANTEE COMMITMENTS

(in € millions)	31/12/2019				31/12/2018			
	Amount of commitment				Amount of commitment			
	Performing commitments				Performing commitments			
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	Total	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	Total
France (including overseas departments and territories)	-	-	-	-	-	-	-	-
Other European Union countries	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
North America	-	-	-	-	-	-	-	-
Central and South America	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-
Asia-Pacific (ex. Japan)	-	-	-	-	-	-	-	-
Japan	144	-	-	144	142	-	-	142
Supranational organisations	-	-	-	-	-	-	-	-
Provisions[1]	-	-	-	-	-	-	-	-
TOTAL	**144**	**-**	**-**	**144**	**142**	**-**	**-**	**142**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

6

6.8 Transferred assets not derecognised or derecognised with continuous implication

	31/12/2019				
	Transferred assets still fully recognised				
	Transferred asssets				
Nature of transferred assets *(in € million)*	Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/ bought under repurchase agreements	o/w other[1]	Fair value[2]
Financial assets held for trading	**-**	**-**	**-**	**-**	**-**
Equity instruments	**-**	**-**	**-**	**-**	**-**
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Other financial assets at fair value through profit or loss	-	-	-	-	-
Equity instruments	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Financial assets at fair value through equity	**23,154**	**-**	**23,154**	**-**	**22,788**
Equity instruments	-	-	-	-	-
Debt securities	23,154	-	23,154	-	22,788
Loans and receivables	-	-	-	-	-
Financial assets at amortized cost	**-**	**-**	**-**	**-**	**-**
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
TOTAL FINANCIAL ASSETS	**23,154**	**-**	**23,154**	**-**	**22,788**
TOTAL ASSETS TRANSFERRED	**23,154**	**-**	**23,154**	**-**	**22,788**

(1) *Including securities loans with no* collateral *cash.*

(2) *In the event that the "guarantee of the other party to the agreement giving rise to the associated liabilities is limited to the transferred assets" (IFRS 7.42D. (D).*

31/12/2019								
						Transferred assets accounted for to the extent of the entity's continuing involvement		
Associated liabilities					Assets and liabilities associated			
Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/ bought under repurchase agreements	o/w other	Fair value(2)	Net worth(2)	Total book value of initial assets before their transfer	Carrying amount of the asset still recognized (continuing involvement)	Carrying value of related liabilities
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
23,154	-	23,154	-	23,154	(366)	-	-	-
-	-	-	-	-	-	-	-	-
23,154	-	23,154	-	23,154	(366)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
23,154	**-**	**23,154**	**-**	**23,154**	**(366)**	**-**	**-**	**-**
23,154	**-**	**23,154**	**-**	**23,154**	**(366)**	**-**	**-**	**-**

	31/12/2018				
	Transferred assets still fully recognised				
	Transferred asssets				
Nature of transferred assets *(in € million)*	**Carrying amount**	**o/w securitisation (non-deconsolidating)**	**o/w securities sold/ bought under repurchase agreements**	**o/w other[(1)]**	**Fair value[(2)]**
Financial assets held for trading	**-**	**-**	**-**	**-**	**-**
Equity instruments	**-**	**-**	**-**	**-**	**-**
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Other financial assets at fair value through profit or loss	-	-	-	-	-
Equity instruments	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Financial assets at fair value through equity	**18,181**	**6**	**18,175**	**-**	**18,020**
Equity instruments	-	-	-	-	-
Debt securities	18,181	6	18,175	-	18,020
Loans and receivables	-	-	-	-	-
Financial assets at amortized cost	**-**	**-**	**-**	**-**	**-**
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
TOTAL FINANCIAL ASSETS	**18,181**	**6**	**18,175**	**-**	**18,020**
TOTAL ASSETS TRANSFERRED	**18,181**	**6**	**18,175**	**-**	**18,020**

(1) *Including securities loans with no* collateral *cash.*

(2) *In the event that the "guarantee of the other party to the agreement giving rise to the associated liabilities is limited to the transferred assets" (IFRS 7.42D. (D).*

31/12/2018								
Transferred assets still fully recognised						Transferred assets accounted for to the extent of the entity's continuing involvement		
Associated liabilities				Assets and liabilities associated				
Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/bought under repurchase agreements	o/w other	Fair value(2)	Net worth(2)	Total book value of initial assets before their transfer	Carrying amount of the asset still recognized (continuing involvement)	Carrying value of related liabilities
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
18,181	**-**	**18,181**	**-**	**18,181**	**(161)**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
18,181	-	18,181	-	18,181	(161)	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
18,181	**-**	**18,181**	**-**	**18,181**	**(161)**	**-**	**-**	**-**
18,181	**-**	**18,181**	**-**	**18,181**	**(161)**	**-**	**-**	**-**

6.9 Derivative instruments

6.9.1 HEDGE ACCOUNTING

Fair value hedges

A fair value hedge modifies the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities.

Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

Cash flow hedges

A cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments.

Items hedged are principally floating-rate loans and deposits.

Hedge of net investment in foreign currency

A hedge of a net investment in foreign currency modifies the risk inherent in exchange rate fluctuations connected with foreign currency investments in subsidiaries.

6.9.1.1 Hedging derivative instruments

	31/12/2019			31/12/2018		
	Market value		Notional amount	Market value		Notional amount
(in € millions)	Positive	Negative		Positive	Negative	
Fair value hedges	**-**	**-**	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-	-	-
Foreign exchange	-	-	-	-	-	-
Other	-	-	-	-	-	-
Cash flow hedges	**929**	**-**	**3,580**	**1,072**	**-**	**3,550**
Interest rate	929	-	3,580	1,072	-	3,550
Foreign exchange	-	-	-	-	-	-
Other	-	-	-	-	-	-
Hedges of net investments in foreign operations	-	-	-	-	-	-
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**929**	**-**	**3,580**	**1,072**	**-**	**3,550**

6.9.1.2 Operations on instruments derived of cover: analysis by residual duration (notional)

HEDGING DERIVATIVE INSTRUMENTS - NOTIONAL

The breakdown of notionals values of derivative instruments is shown by remaining contractual maturity.

	31/12/2019						
	Exchange-traded transactions			Over-the-counter transactions			
(in € millions)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	**-**	**-**	**-**	**-**	**-**	**3,580**	**3,580**
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	3,580	3,580
Interest rate options	-	-	-	-	-	-	-
Caps - floors - collars	-	-	-	-	-	-	-
Other options	-	-	-	-	-	-	-
Currency	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Currency futures	-	-	-	-	-	-	-
Currency options	-	-	-	-	-	-	-
Other instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**3,580**	**3,580**
Forward currency transactions	-	-	-	-	-	-	-
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**-**	**-**	**-**	**-**	**-**	**3,580**	**3,580**

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			
(in € millions)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	**-**	**-**	**-**	**-**	**-**	**3,550**	**3,550**
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	3,550	3,550
Interest rate options	-	-	-	-	-	-	-
Caps - floors - collars	-	-	-	-	-	-	-
Other options	-	-	-	-	-	-	-
Currency	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Currency futures	-	-	-	-	-	-	-
Currency options	-	-	-	-	-	-	-
Other instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**3,550**	**3,550**
Forward currency transactions	-	-	-	-	-	-	-
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**-**	**-**	**-**	**-**	**-**	**3,550**	**3,550**

6.9.1.3 Cash flow hedge and net investment – hedging instruments

	31/12/2019			
	Carrying amount			
(in € millions)	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Regulated markets	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**929**	**-**	**(143)**	**3,580**
Interest rate	929	-	(143)	3,580
Futures	*929*	-	*(143)*	*3,580*
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
TOTAL CASH FLOW HEDGES	**929**	**-**	**(143)**	**3,580**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**-**	**-**	**-**	**-**

	31/12/2018			
	Carrying amount			
(in € millions)	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Regulated markets	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**1,072**	**-**	**54**	**3,550**
Interest rate	1,072	-	54	3,550
Futures	*1,072*	-	*54*	*3,550*
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
TOTAL CASH FLOW HEDGES	**1,072**	**-**	**54**	**3,550**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**-**	**-**	**-**	**-**

Changes in the fair value of hedging derivatives are recognised under "Other comprehensive income" excluding the ineffective portion of the hedging relationship which is recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

6.9.1.4 Cash flow hedge and net investment – result of hedge accounting

	31/12/2019		
	Other comprehensive income on items that may be reclassified to profit or loss		Net income (Hedge accounting income or loss)
(in € millions)	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion
Interest rate	(143)	-	-
Foreign exchange	(1)	-	-
Commodities	-	-	-
OTHER	**-**	**-**	**-**
TOTAL CASH FLOW HEDGES	**(144)**	**-**	**-**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**-**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**(144)**	**-**	**-**

	31/12/2018		
	Other comprehensive income on items that may be reclassified to profit or loss		Net income (Hedge accounting income or loss)
(in € millions)	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion
Interest rate	54	-	-
Foreign exchange	-	-	-
Commodities	-	-	-
OTHER	**-**	**-**	**-**
TOTAL CASH FLOW HEDGES	**54**	**-**	**-**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**-**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**54**	**-**	**-**

6.9.2 HELD FOR TRADING DERIVATIVE INSTRUMENTS

	31/12/2019		31/12/2018	
	Market value		Market value	
(in € millions)	positive	negative	positive	negative
FRA	-	-	-	-
Interest rate swaps	808	-	268	-
Interest rate options	177	-	218	-
Caps, floors, collars	18	32	148	18
Other derivative instruments	-	-	-	-
Interest rate instruments	**1,003**	**32**	**634**	**18**
Exchange transactions	-	-	-	-
Currency instruments and gold	**-**	**-**	**-**	**-**
Equity and index derivatives	-	-	-	-
Other	-	-	-	-
Other instruments	**-**	**-**	**-**	**-**
TOTAL HELD FOR TRADING DERIVATIVE INSTRUMENTS	**1,003**	**32**	**634**	**18**

6.10 Investments in companies at equity

FINANCIAL INFORMATION OF COMPANIES AT EQUITY

At 31 December 2019, the equity-accounted value of associates and joint ventures totalled €4,002 million.

Crédit Agricole Assurances holds interests in 11 joint ventures and 12 associates following the SCI CARGO PROPERTY HOLDING' sale.

Associates and joint ventures are presented in the table below. These are the associates and joint ventures that make up up the "the equity-accounted value in the balance sheet".

	31/12/2019						
(in € millions)	% of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income	Share of shareholders' equity	Goodwill
Joint ventures							
FONCIERE HYPERSUD	51	15	36	-	3	15	-
ARCAPARK SAS	50	36	165	-	10	(11)	47
SCI EUROMARSEILLE 1	50	42	9	(3)	15	42	-
SCI EUROMARSEILLE 2	50	7	4	(2)	3	7	-
FREY RETAIL VILLEBON	48	19	25	(1)	1	19	-
SCI RUE DU BAC	50	88	136	(4)	4	88	-
SCI TOUR MERLE	50	26	46	(4)	2	26	-
SCI CARPE DIEM	50	54	165	(2)	1	54	-
SCI ILOT 13	50	26	54	(2)	2	26	-
SCI1 TERRASSE BELLINI	33	32	58	(2)	4	32	-
SCI WAGRAM 22/30	50	32	45	(4)	1	32	-
Associates							
RAMSAY - GENERALE DE SANTE	40	663	735	-	3	395	268
INFRA FOCH TOPCO	37	112	495	-	31	(33)	145
ALTAREA	25	596	835	(51)	65	497	99
KORIAN	24	650	845	(11)	29	610	40
FREY	19	146	156	(4)	7	113	33
ICADE	19	929	1,372	(63)	33	539	390
PATRIMOINE ET COMMERCE	20	72	52	(3)	5	72	-
SAS PARHOLDING	50	87	425	(3)	8	13	74
SCI HEART OF LA DEFENSE	33	269	266	(14)	11	269	-
SAS CRISTAL	46	47	79	(6)	7	47	-
SCI WASHINGTON	34	39	239	(5)	5	39	-
SCI FONDIS	25	15	70	(2)	-	15	-
Net carrying amount of investments in associates and joint ventures	-	**4,002**	**6,312**	**(187)**	**250**	**2,905**	**1,097**

(in € million)	31/12/2018						
	% of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income[1]	Share of shareholders' equity	Goodwill
Joint ventures							
FONCIERE HYPERSUD	51	12	33	-	3	12	-
EUROMARSEILLE[2]	50	29	43	(9)	31	29	-
FREY RETAIL VILLEBON[2]	48	19	23	(1)	2	19	-
SCI RUE DU BAC[2]	50	88	126	(3)	7	88	-
SCI TOUR MERLE[2]	50	28	42	-	2	28	-
SCI CARPE DIEM[2]	50	55	148	2	(1)	55	-
SCI ILOT 13[2]	50	25	49	(2)	4	25	-
SCI1 TERRASSE BELLINI[2]	33	30	52	(1)	1	30	-
SCI WAGRAM 22/30[2]	50	35	44	(4)	2	35	-
Associates							
RAMSAY - GENERALE DE SANTE	38	439	624	-	3	181	258
INFRA FOCH TOPCO	49	95	226	(35)	16	(93)	188
ALTAREA	25	559	657	(50)	54	462	97
KORIAN	23	615	591	(11)	42	578	37
FREY	19	114	100	(2)	14	112	2
SCI CARGO PROPERTY HOLDING[2]	28	182	207	(9)	3	182	-
ICADE[2]	18	935	911	(59)	22	566	370
PATRIMOINE ET COMMERCE[2]	20	71	45	(3)	2	71	-
SAS PARHOLDING[2]	50	83	391	(4)	13	8	74
SCI HEART OF LA DEFENSE[2]	33	271	271	(10)	(5)	271	-
SAS CRISTAL[2]	46	46	76	(7)	(4)	46	-
SCI WASHINGTON[2]	34	39	218	(3)	9	39	-
SCI FONDIS[2]	25	17	72	(1)	4	17	-
Net carrying amount of investments in associates		**3,785**	**4,949**	**(211)**	**225**	**2,758**	**1,027**

(1) Share of result since a significant influence is exercised recognised in the period before restatements.

(2) The companies entered the consolidation perimeter by equity in 2018.

The market value shown above is the quoted price of the shares on the market at 31 December 2019. This value may not be representative of the selling value since the value in use of equity-accounted entities may be different from the equity-accounted value determined pursuant to IAS 28.

6

Condensed financial information for the material associates and joint ventures of Crédit Agricole Assurances is shown below:

(in € millions)	31/12/2019		
	Net Income[1]	Total Assets	Total equity
Joint ventures			
FONCIERE HYPERSUD	6	181	29
ARCAPARK SAS	21	112	112
SCI EUROMARSEILLE 1	31	148	78
SCI EUROMARSEILLE 2	6	72	14
FREY RETAIL VILLEBON	3	168	39
SCI RUE DU BAC	8	234	176
SCI TOUR MERLE	5	119	56
SCI CARPE DIEM	3	236	108
SCI ILOT 13	5	88	50
SCI1 TERRASSE BELLINI	12	131	97
SCI WAGRAM 22/30	2	341	70
Associates			
RAMSAY - GENERALE DE SANTE	8	4,361	1,039
INFRA FOCH TOPCO	85	3,657	301
ALTAREA	263	8,563	3,187
KORIAN	119	10,720	2,478
FREY	35	1,056	583
ICADE	175	11,828	3,596
PATRIMOINE ET COMMERCE	26	850	377
SAS PARHOLDING	16	38	25
SCI HEART OF LA DEFENSE	33	1,881	816
SAS CRISTAL	16	126	118
SCI WASHINGTON	15	279	109
SCI FONDIS	1	623	295

(1) *Net income, Group share corresponding to 12 rolling months reconstituted from the half-year financial statements of 30 June 2019.*

	31/12/2018		
(in € millions)	Net Income[(1)]	Total Assets	Total equity
Joint ventures			
FONCIERE HYPERSUD	6	176	23
EUROMARSEILLE	62	211	82
FREY RETAIL VILLEBON	4	171	39
SCI RUE DU BAC	14	238	175
SCI TOUR MERLE	4	118	56
SCI CARPE DIEM	(2)	236	109
SCI ILOT 13	8	87	48
SCI1 TERRASSE BELLINI	4	125	95
SCI WAGRAM 22/30	5	352	75
Associates			
RAMSAY - GENERALE DE SANTE	7	2,502	511
INFRA FOCH TOPCO	33	3,199	550
ALTAREA	220	8,247	3,060
KORIAN	180	7,279	2,480
FREY	71	1,048	581
SCI CARGO PROPERTY HOLDING	10	595	576
ICADE	120	11,388	3,812
PATRIMOINE ET COMMERCE	12	795	361
SAS PARHOLDING	26	38	25
SCI HEART OF LA DEFENSE	(15)	1,876	825
SAS CRISTAL	(9)	129	119
SCI WASHINGTON	28	286	104
SCI FONDIS	18	576	297

(1) *Net income, Group share corresponding to 12 rolling months reconstituted from the half-year financial statements of 30 June 2018.*

This financial information comes from the last published financial statements established according to IFRS standards by associates and by joint ventures.

INFORMATION ON THE RISKS RELATED TO INTERESTS

At 31 December 2019, Crédit Agricole Assurances has no commitment in respect of its interests in its joint ventures which would result in an outflow of resources or assets.

At 31 December 2019, no contingent liability is incurred by Crédit Agricole Assurances in its joint ventures and associates.

SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

These restrictions are similar to the one relating to controlled entities shown in note 11 Scope of consolidation.

6.11 Reinsurer's share in liabilities arising from insurance and financial contracts

(in € millions)	31/12/2019	31/12/2018
Mathematical reserves ceded	-	-
Provisions for unearned premiums ceded	139	139
Provisions for claims outstanding ceded	624	499
Other technical reserves ceded	523	469
Reinsurers' share in non-life insurance reserves	**1,285**	**1,107**
Mathematical reserves ceded	561	503
Provisions for unearned premiums ceded	169	155
Provisions for claims outstanding ceded	66	44
Other technical reserves ceded	18	13
Profit-sharing provisions ceded	-	-
Reinsurers' share in life insurance reserves	**813**	**715**
Reinsurers' share in provisions for financial contracts	**-**	**-**
TOTAL SHARE HELD BY CEDANTS IN LIABILITIES	**2,099**	**1,822**

6.12 Operating property and other property, plant and equipment

Operating property, plant and equipment includes the rights to use fixed assets leased as lessee as from 1 January 2019 (see note 1 "Accounting principles and policies" – IFRS 16 "Leases").

Depreciation and impairment of property, plant and equipment are presented including depreciation on property, plant and equipment leased under operating leases.

(in € millions)	31/12/2018	01/01/2019[1]	Change in scope	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Foreign exchange differences	Other movements	31/12/2019
Gross amount	297	34	(1)	23	(76)	-	61	338
Depreciation, amortization and impairment[2]	(87)	-	1	(17)	19	-	(19)	(103)
NET VALUE OF OPERATING PROPERTY AND OTHER PROPERTY, PLANT AND EQUIPMENT	**211**	**34**	**(1)**	**6**	**(57)**	**-**	**42**	**235**

(1) Impacts of right-of-use first accounting as part of the implementation of IFRS 16 "Leases" amount to €34 million (See note 1 "Accounting principles and policies").

(2) Which of €-6 million accounted as part of right-if-use's amortization at 31 December 2019.

6.13 Deferred acquisition costs

(in € millions)	31/12/2019	31/12/2018
Net deferred acquisition costs and similar on insurance and financial contracts with discretionary participation features	647	601
Rights acquired on financial contracts without discretionary participation features	14	15
Net deferred acquisition costs and similar on life activities	**662**	**616**
Deferred acquisition costs on non-life activities	**414**	**409**
Deferred acquisition costs	**1,075**	**1,025**
Provisions for expenses and unearned deductions	**(13)**	**(13)**
TOTAL DEFERRED ACQUISITION COSTS	**1,062**	**1,012**

6.14 Current and deferred tax assets and liabilities

6.14.1 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

In accordance with IAS 12, deferred tax assets and liabilities are now offset within a same taxable entity.

(in € millions)	31/12/2019	31/12/2018
Current tax	29	72
Deferred tax	36	59
TOTAL CURRENT AND DEFERRED TAX ASSETS	**65**	**131**
Current tax[(1)]	116	54
Deferred tax	425	154
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**541**	**208**

(1) *Reclassification from provision for tax risks in account " Provisions " to the account "Current tax liabilities" at[1] January 2019.*

6.14.2 DEFERRED TAX ASSETS AND LIABILITIES: BREAKDOWN OF DEFERRED TAXES

Net deferred tax assets and liabilities break down as follows:

(in € millions)	31/12/2019	31/12/2018
Temporary timing differences	**174**	**117**
Non-deductible accrued expenses	59	50
Non-deductible provisions	167	110
Other temporary differences	(53)	(43)
Deferred tax on reserves for unrealised gains or losses	**(864)**	**(568)**
Available-for-sale assets	(6,325)	(4,217)
Profit-sharing on AFS reserves	5,700	3,925
Cash flow hedges	(239)	(276)
Actuarial gains and losses on post-employment benefits	-	-
Deferred tax on income and reserves	**300**	**356**
TOTAL DEFERRED TAX	**(390)**	**(95)**

6

6.15 Receivables arising on direct insurance and inward reinsurance operations

	31/12/2019			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Receivables due from policyholders	35	-	3	38
Commission receivables from banking distribution networks	1,555	-	-	1,555
Unrecovered written premiums	5	-	-	5
Unwritten earned premiums	16	-	-	16
Other receivables	401	6	2	409
Receivables for cash deposited at ceding companies	554	-	13	566
TOTAL RECEIVABLES ARISING ON DIRECT INSURANCE AND INWARD REINSURANCE OPERATIONS	**2,566**	**6**	**17**	**2,589**

	31/12/2018			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Receivables due from policyholders	43	-	-	44
Commission receivables from banking distribution networks	1,417	-	-	1,417
Unrecovered written premiums	6	-	-	6
Unwritten earned premiums	13	-	-	13
Other receivables	725	-	1	726
Receivables for cash deposited at ceding companies	31	46	419	496
TOTAL RECEIVABLES ARISING ON DIRECT INSURANCE AND INWARD REINSURANCE OPERATIONS	**2,236**	**46**	**420**	**2,703**

6.16 Receivables arising on ceded reinsurance operations

	31/12/2019			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Current accounts – ceding and retroceding companies	199	-	4	204
TOTAL RECEIVABLES ARISING ON CEDED REINSURANCE OPERATIONS	**199**	**-**	**4**	**204**

	31/12/2018			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Current accounts – ceding and retroceding companies	131	7	-	139
TOTAL RECEIVABLES ARISING ON CEDED REINSURANCE OPERATIONS	**131**	**7**	**-**	**139**

6.17 Other receivables

(in € millions)	31/12/2019	31/12/2018
Employees accounts	1	2
Government, social security bodies	466	373
Accrued income	178	255
Sundry debtors	665	437
Other adjustment accounts	182	208
Securities under repurchase agreements	1,534	2,979
TOTAL	**3,024**	**4,254**

6.18 Cash and cash equivalents

	31/12/2019		31/12/2018	
(in € millions)	Assets	Liabilities	Assets	Liabilities
Cash	-	-	-	-
Central banks	976	243	1,365	851
CARRYING AMOUNT	**976**	**243**	**1,365**	**851**

6.19 Equity

COMPOSITION OF SHARE CAPITAL AT 31 DECEMBER 2019

Equity and voting rights broke down as follows:

Shareholders	Shares outstanding	% of capital	% of voting rights
Crédit Agricole S.A.	149,040,361	99.99	100
Other	6	0.01	-
TOTAL	**149,040,367**	**100.00**	**100**

The par value of shares is €10. These shares have been fully paid up.

MOVEMENTS IN CAPITAL OF CRÉDIT AGRICOLE ASSURANCES

No capital movement was made during 2019.

PREFERRED SHARES

Crédit Agricole Assurances has not issued any preferred shares.

EARNINGS PER SHARE

	31/12/2019	31.12.2018
Net income - Group share (in € million)	1,519	1,331
Weighted average number of ordinary shares outstanding during the period	149,040,367	149,040,367
Earnings per share (€)	10.19	8.93

DIVIDENDS

- On 18 April 2019, the General Meeting approved the payment of a global dividend totaling €1191 million relating to the 2018 financial year, or €7.99 per share.
- On 4 December 2019, Executive Board decided distribute an interim dividend of € 624 milllion meaning €4.19 by share, which, by choice of shareholders, totally paid in cash.

	2019(1)	2018	2017	2016	2015
Net dividend per share (€)	8.89	7.99	8.13	5.54	6.72
Final dividend (in € million)	1,325	1,191	1,212	826	974

(1) *This dividend will be submitted to the Shareholders' Meeting on 29 April 2020.*

DETAIL OF GAINS AND LOSSES RECOGNISED IN EQUITY

The breakdown of income and expenses recognised for the period is presented below:

(in € millions)	31/12/2019	31/12/2018
Other comprehensive income on items that may be reclassified subsequently to profit or loss		
Gains and losses on translation adjustements	**1**	**1**
Revaluation adjustment of the period	-	-
Reclassified to profit or loss	-	-
Other variations	1	1
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit orand loss	**1,070**	**(740)**
Revaluation adjustment of the period	6,478	(4,224)
Reclassified to profit or loss	(64)	(30)
Other variations	41	(3)
Change in deferred participation during the period	(5,384)	3,517
Gains and losses on hedging derivative instruments	**(24)**	**9**
Revaluation adjustment of the period	(144)	54
Reclassified to profit or loss	-	-
Other variations	-	-
Change in deferred participation during the period	120	(45)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	**605**	**(356)**
Revaluation adjustment of the period	4,052	(2,155)
Reclassified to profit or loss	-	-
Other variations	(10)	(64)
Change in deferred participation during the period	(3,608)	1,863
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**1,482**	**(1,086)**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**-**	**-**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**(328)**	**365**
Net other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	**-**	**-**
Other comprehensive income on items that may be reclassified subsequently to profit or loss, net of income tax	**(11)**	**(3)**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	**1,143**	**(724)**
Actuarial gains and losses on post-employment benefits		
Other comprehensive income on financial liabilities attributable to changes in own credit risk	(5)	-
Revaluation adjustment of the period	**(5)**	**(11)**
Transfer in reserves	(5)	(10)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	-	-
Other variations	-	(1)
Revaluation adjustment of the period	-	-
Transfer in reserves	**(10)**	**(11)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**(20)**	**-**
Income tax related to items that will not be reclassified excluding equity-accounted entities	**2**	**3**
Income tax related to items that will not be reclassified on equity-accounted entities	**5**	**(2)**
Net other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities on discontinued operations	**2**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss, net of income tax	**(21)**	**(11)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**1,122**	**(735)**
Of which Group share	*1,122*	*(734)*
Of which non-controlling interests	*-*	*(1)*

DETAIL OF GAINS AND LOSSES RECOGNISED IN EQUITY AND TAX EFFECT

	31/12/2018				
(in € millions)	**Gross**	**Deferred participation**	**Income tax charges**	**Net of income tax**	**Net of income tax of which Group Share**
Other comprehensive income on items that may be reclassified subsequently to profit or loss					
Gains and losses on translation adjustements	(3)	-	-	(3)	(3)
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	13,873	(11,447)	(632)	1,794	1,793
Gains and losses on hedging derivative instruments	1,072	(892)	(47)	134	134
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	1,755	(1,602)	151	304	304
Other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**16,697**	**(13,941)**	**(528)**	**2,229**	**2,228**
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**	**-**	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	**11**	**-**	**(1)**	**11**	**11**
Other comprehensive income on items that may be reclassified subsequently to profit or loss	**16,708**	**(13,941)**	**(529)**	**2,240**	**2,239**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss					
Actuarial gains and losses on post-employment benefits	(17)	-	-	(17)	(17)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	(17)	1	4	(12)	(12)
Other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**(34)**	**1**	**4**	**(29)**	**(29)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**(57)**	**43**	**(16)**	**(30)**	**(30)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities on discontinued operations	**(2)**	**-**	**-**	**(2)**	**(2)**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	**(92)**	**44**	**(12)**	**(60)**	**(60)**
OTHER COMPREHENSIVE INCOME	**16,616**	**(13,898)**	**(539)**	**2,179**	**2,178**

6.20 Provisions for risks and charges

(in € millions)	**31/12/2018**	**01.01.2019**[1]	**Changes in scope**	**Allocation**	**Reversals**	**Utilisation**	**Foreign exchange differences**	**Other changes**	**31/12/2019**
Employee retirement and similar benefits	94	(2)	(3)	9	(9)	(9)	-	6	88
Insurance litigation	18	-	-	3	(3)	-	-	-	17
Other litigations	10	-	-	1	-	-	-	-	10
Other risks	21	-	1	39	(11)	-	-	-	50
TOTAL	**143**	**(2)**	**(2)**	**52**	**(23)**	**(9)**	**-**	**6**	**165**

(1) Reclassification from provision for tax risks in account " Provisions " to the account "Current tax liabilities" at [1] January 2019.

					31/12/2019				
Gross	**Deferred participation**	**Income tax charges**	**Net of income tax**	**Net of income tax of which Group Share**	**Gross**	**Deferred Participation**	**Income tax charges**	**Net of income tax**	**Net of income tax of which Group Share**
0	0	0	0	0	-	-	-	-	-
1	-	1	2	2	(2)	-	1	(1)	(1)
6,455	(5,385)	(270)	800	800	20,328	(16,832)	(902)	2,594	2,593
(144)	120	7	(18)	(18)	928	(772)	(40)	116	116
3,871	(3,437)	(64)	370	370	5,626	(5,039)	87	674	674
10,183	**(8,702)**	**(326)**	**1,153**	**1,154**	**26,880**	**(22,643)**	**(854)**	**3,382**	**3,382**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(11)	**-**	**1**	**(11)**	**(11)**	**-**	**-**	**-**	**-**	**-**
10,172	**(8,702)**	**(325)**	**1,142**	**1,143**	**26,880**	**(22,643)**	**(854)**	**3,382**	**3,382**
0	0	0	0	0	-	-	-	-	-
(5)	-	1	(5)	(5)	(22)	-	1	(22)	(22)
(4)	-	1	(3)	(3)	(21)	1	5	(15)	(15)
(10)	**-**	**2**	**(8)**	**(8)**	**(44)**	**1**	**6**	**(37)**	**(37)**
(53)	**33**	**5**	**(15)**	**(15)**	**(110)**	**76**	**(11)**	**(45)**	**(45)**
2	**-**	**-**	**2**	**2**	**-**	**-**	**-**	**-**	**-**
(62)	**33**	**7**	**(21)**	**(21)**	**(154)**	**77**	**(5)**	**(81)**	**(81)**
10,110	**(8,668)**	**(320)**	**1,122**	**1,122**	**26,726**	**(22,566)**	**(859)**	**3,301**	**3,300**

6.21 Financing debt

6.21.1 SUBORDINATED DEBT

(in € millions)	Currency	31/12/2019	31/12/2018
Fixed-term subordinated debt	EUR	4,678	3,672
Perpetual subordinated debt	EUR	839	840
TOTAL	**EUR**	**5,518**	**4,512**

6.21.2 FINANCING DEBT TO THE COMPANIES OF THE BANKING SECTOR

(in € millions)	31/12/2019	31/12/2018
Accounts and borrowings	2,079	1,979
CARRYING AMOUNT	**2,079**	**1,979**

6.21.3 BREA&KDOWN OF FINANCIAL LIABILITIES BY CONTRACTUAL TERM

	31/12/2019					
(in € millions)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Subordinated debts	25	35	316	4,301	841	5,518
Debt to banking establishments	304	191	1,132	452	1	2,079
TOTAL FINANCIAL LIABILITIES BY MATURITY	**329**	**226**	**1,448**	**4,753**	**842**	**7,597**

	31/12/2018					
(in € millions)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Subordinated debts	25	35	316	3,299	837	4,512
Debt to banking establishments	3	278	1,248	449	1	1,979
TOTAL FINANCIAL LIABILITIES BY MATURITY	**28**	**313**	**1,564**	**3,748**	**838**	**6,491**

6.21.4 FINANCING CHARGES

(in € millions)	31/12/2019	31/12/2018
Redeemable subordinated notes	(138)	(277)
Perpetual subordinated notes	(51)	(118)
Other financing charges	(50)	(34)
FINANCING CHARGES	**(239)**	**(429)**

6.22 Information on the offsetting of financial assets and financial liabilities

OFFSETTING – FINANCIAL ASSETS

31/12/2019	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
Type of transaction				Other amounts that can be offset under given conditions		
(in € millions)	Gross amounts of recognised assets before any offsetting effect (a)	Gross amounts of recognised liabilities set off in the financial statements (b)	Net amounts of financial assets presented in the financial statements (c) = (a)-(b)	Gross amounts of financial liabilities covered under master offsetting agreement	Amounts of other financial instruments received as collateral, including security deposit (d)	Net amount after all offsetting effects (e)=(c) - (d)
Derivatives	1,932	-	1,932	-	1,960	(28)
Reverse repurchase agreements	1,520	-	1,520	-	1,342	178
Securities lent	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**3,452**	**-**	**3,452**	**-**	**3,302**	**150**

31/12/2018	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
Type of transaction				Other amounts that can be offset under given conditions		
(in € millions)	Gross amounts of recognised assets before any offsetting effect (a)	Gross amounts of recognised liabilities set off in the financial statements (b)	Net amounts of financial assets presented in the financial statements (c) = (a)-(b)	Gross amounts of financial liabilities covered under master offsetting agreement	Amounts of other financial instruments received as collateral, including security deposit (d)	Net amount after all offsetting effects (e)=(c) - (d)
Derivatives	1,705	-	1,705	-	1,685	20
Reverse repurchase agreements	2,971	-	2,971	-	2,874	97
Securities lent	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**4,676**	**-**	**4,676**	**-**	**4,559**	**117**

OFFSETTING – FINANCIAL LIABILITIES

31/12/2019	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
Type of transaction				Other amounts that can be offset under given conditions		
(in € millions)	Gross amounts of recognised assets before any offsetting effect (a)	Gross amounts of recognised liabilities set off in the financial statements (b)	Net amounts of financial assets presented in the financial statements (c) = (a)-(b)	Gross amounts of financial liabilities covered under master offsetting agreement	Amounts of other financial instruments received as collateral, including security deposit (d)	Net amount after all offsetting effects (e)=(c) - (d)
Derivatives	32	-	32	-	1	31
Repurchase agreements	23,154	-	23,154	-	22,875	279
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**23,186**	**-**	**23,186**	**-**	**22,876**	**310**

31/12/2018	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
Type of transaction				Other amounts that can be offset under given conditions		
(in € millions)	Gross amounts of recognised assets before any offsetting effect (a)	Gross amounts of recognised liabilities set off in the financial statements (b)	Net amounts of financial assets presented in the financial statements (c) = (a)-(b)	Gross amounts of financial liabilities covered under master offsetting agreement	Amounts of other financial instruments received as collateral, including security deposit (d)	Net amount after all offsetting effects (e)=(c) - (d)
Derivatives	18	-	18	-	-	18
Repurchase agreements	18,181	-	18,181	-	18,074	107
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**18,199**	**-**	**18,199**	**-**	**18,074**	**125**

6.23 Liabilities relating to insurance and financial contracts

TECHNICAL LIABILITIES RELATING TO INSURANCE CONTRACTS

The insurance contracts, whose technical liabilities are presented in the table below, are contracts under which the insurer shoulders a significant insurance risk.

	31/12/2019		
(in € millions)	**Before reinsurance**	**Ceded**	**Net of reinsurance**
Provisions for unearned premiums	2,064	139	1,925
Provisions for claims	4,942	624	4,319
Profit-sharing provisions	-	-	-
Provisions for shortfall in liabilities	-	-	-
Other provisions	2,611	523	2,088
Technical liabilities relating to non-life insurance contracts	**9,617**	**1,285**	**8,332**
Provisions for unearned premiums	1,138	169	969
Mathematical reserves	156,680	561	156,119
Provisions for claims	1,722	66	1,656
Profit-sharing provisions	7,286	-	7,286
Provisions for shortfall in liabilities	6	-	6
Other provisions	347	18	329
Technical liabilities relating to life insurance contracts	**167,178**	**813**	**166,365**
Technical liabilities relating to insurance contracts when financial risk is born by the policyholder	**63,650**	**-**	**63,650**
TOTAL TECHNICAL LIABILITIES RELATING TO INSURANCE CONTRACTS	**240,445**	**2,099**	**238,347**

	31/12/2018		
(in € millions)	**Before reinsurance**	**Ceded**	**Net of reinsurance**
Provisions for unearned premiums	1,928	139	1,789
Provisions for claims	4,303	499	3,804
Profit-sharing provisions	-	-	-
Provisions for shortfall in liabilities	-	-	-
Other provisions	2,184	469	1,715
Technical liabilities relating to non-life insurance contracts	**8,415**	**1,107**	**7,309**
Provisions for unearned premiums	1,053	155	898
Mathematical reserves	145,178	503	144,675
Provisions for claims	1,499	44	1,455
Profit-sharing provisions	6,151	-	6,151
Provisions for shortfall in liabilities	9	-	9
Other provisions	262	13	249
Technical liabilities relating to life insurance contracts	**154,151**	**715**	**153,435**
Technical liabilities relating to insurance contracts when financial risk is born by the policyholder	**54,758**	**-**	**54,758**
TOTAL TECHNICAL LIABILITIES RELATING TO INSURANCE CONTRACTS	**217,324**	**1,822**	**215,503**

At 31 December 2019, provision for increasing risk dependency amounts to €1,045 million compared with €850 million at 31 December 2018.

LOSS RESERVES DEVELOPMENT TABLE – NON-LIFE

(in € millions)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Provisions for initially handled gross claims	2,113	2,283	2,538	2,784	3,011	3,241	3,535	3,903	4,267	4,905
Exchange rate impact at 31 December 2019	-	-	-	-	-	-	-	-		
Impact of change in scope of consolidation on 2019	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
Provisions for initially handled gross claims adjusted for exchange rates and consolidation scope in 2019	**2,113**	**2,283**	**2,538**	**2,784**	**3,011**	**3,241**	**3,535**	**3,903**	**4,267**	**4,905**
Cumulative payments at										
• one year later	735	776	808	893	928	1,010	1,112	-		
• two years later	940	1,002	1,066	1,188	1,275	1,343	-	-		
• three years later	1,069	1,161	1,241	1,377	1,492	-	-	-		
• four years later	1,166	1,279	1,393	1,534	-	-	-	-		
• five years later	1,246	1,385	1,519	-	-	-	-	-		
• six years later	1,319	1,480	-	-	-	-	-	-		
• seven years later	1,384	-	-	-	-	-	-	-		
• eight years later	-	-	-	-	-	-	-	-		
• nine years later	-	-	-	-	-	-	-	-		
• ten years later	-	-	-	-	-	-	-	-		
Re-estimated final cost at										
• one year later	2,061	2,257	2,469	2,734	2,981	3,176	3,628	-		
• two years later	1,935	2,146	2,381	2,637	3,096	3,202	-	-		
• three years later	1,877	2,108	2,334	2,698	2,893	-	-	-		
• four years later	1,862	2,081	2,390	2,621	-	-	-	-		
• five years later	1,855	2,153	2,350	-	-	-	-	-		
• six years later	1,901	2,115	-	-	-	-	-	-		
• seven years later	1,882	-	-	-	-	-	-	-		
• eight years later	-	-	-	-	-	-	-	-		
• nine years later	-	-	-	-	-	-	-	-		
• ten years later	-	-	-	-	-	-	-	-		
INITIAL NET CLAIMS RESERVES IN EXCESS OF RE-ESTIMATED NET CLAIMS RESERVES AS OF 31 DECEMBER 2019	**231**	**168**	**188**	**164**	**119**	**40**	**(93)**	**-**		

The first line "Provisions for initially handled gross claims" represents the amount of provisions (in the financial year during which the claim occurred and all the previous years) handled at the accounting closing date indicated in the columns.

The "cumulative payments" section describes in detail the cumulative amount of payments relating to year Y when the claim occurred and previous years. The second section "re-estimated final cost" describes in detail the Group's commitment for the year in which the claim occurred and previous years. The estimate of the final cost fluctuates in line with the increasing reliability of information about claims still pending.

The surplus or shortfall in initial provisions in comparison with the re-estimated final cost is the difference between the initial provision and the latest estimate of provisions for claims outstanding.

TECHNICAL LIABILITIES RELATING TO FINANCIAL CONTRACTS

Financial contracts, whose technical liabilities are presented in the table below, are contracts that do not expose the insurer to a significant insurance risk. They are governed by IFRS 4 when they include discretionary profit sharing features and by IFRS 9 when they do not.

	31/12/2019		
(in € millions)	**Before reinsurance**	**Ceded**	**Net of reinsurance**
Mathematical reserves	78,145	-	78,145
Provisions for claims	2,062	-	2,062
Profit-sharing provisions	3,598	-	3,598
Provisions for shortfall in liabilities	20	-	20
Other provisions	21	-	21
Technical liabilities relating to financial contracts in euros with discretionary participation features	**83,846**	**-**	**83,846**
Mathematical reserves	22	-	22
Provisions for claims	-	-	-
Other provisions	-	-	-
Technical liabilities relating to financial contracts in euros without discretionary participation features	**22**	**-**	**22**
Technical liabilities relating to investment contracts where financial risk is born by the policyholder, with discretionary participation features	1,599	-	1,599
Technical liabilities relating to investment contracts where financial risk is born by the policyholder, without discretionary participation features	4,091	-	4,091
Technical liabilities on unit-linked financial contracts	**5,690**	**-**	**5,690**
TOTAL TECHNICAL LIABILITIES RELATING TO FINANCIAL CONTRACTS	**89,558**	**-**	**89,558**

	31/12/2018		
(in € millions)	**Before reinsurance**	**Ceded**	**Net of reinsurance**
Mathematical reserves	80,091	-	80,091
Provisions for claims	1,948	-	1,949
Profit-sharing provisions	3,720	-	3,720
Provisions for shortfall in liabilities	14	-	14
Other provisions	20	-	20
Technical liabilities relating to financial contracts in euros with discretionary participation features	**85,793**	**-**	**85,793**
Mathematical reserves	29	-	29
Provisions for claims	-	-	-
Other provisions	-	-	-
Technical liabilities relating to financial contracts in euros without discretionary participation features	**29**	**-**	**29**
Technical liabilities relating to investment contracts where financial risk is born by the policyholder, with discretionary participation features	1,342	-	1,342
Technical liabilities relating to investment contracts where financial risk is born by the policyholder, without discretionary participation features	3,822	-	3,822
Technical liabilities on unit-linked financial contracts	**5,163**	**-**	**5,163**
TOTAL TECHNICAL LIABILITIES RELATING TO FINANCIAL CONTRACTS	**90,985**	**-**	**90,985**

CHANGES IN GROSS LIFE MATHEMATICAL RESERVES

	31/12/2019			
(in € millions)	Life insurance contracts	Financial contracts with discretionary participation features	Financial contracts without discretionary participation features	Total
Mathematical reserves on life contracts at beginning of period	**199,936**	**81,432**	**3,850**	**285,219**
Premiums	24,132	4,288	356	28,776
Claims	(13,666)	(6,800)	(477)	(20,944)
Increase in contract prices	5,838	3,323	159	9,320
Changes in provisions relating to technical and actuarial items	2,895	(1,767)	280	1,409
Transfers	1,091	(689)	(16)	385
Other	104	(44)	(39)	21
Change in scope	-	-	-	-
MATHEMATICAL RESERVES ON LIFE AT END OF PERIOD	**220,329**	**79,744**	**4,113**	**304,185**

	31/12/2018			
(in € millions)	Life insurance contracts	Financial contracts with discretionary participation features	Financial contracts without discretionary participation features	Total
Mathematical reserves on life contracts at beginning of period	**177,597**	**97,111**	**3,901**	**278,609**
Premiums	24,082	2,125	557	26,764
Claims	(12,455)	(7,279)	(390)	(20,123)
Increase in contract prices	(515)	448	(188)	(256)
Changes in provisions relating to technical and actuarial items	1,249	(1,629)	(20)	(400)
Transfers	3,030	(2,241)	(10)	779
Other	6,948	(7,102)	-	(155)
Change in scope	-	-	-	-
MATHEMATICAL RESERVES ON LIFE AT END OF PERIOD	**199,936**	**81,432**	**3,850**	**285,219**

SCHEDULE OF INSURANCE LIABILITIES

The estimated flow of insurance liabilities of Crédit Agricole Assurances is presented in the following table. Insurance contracts and financial contracts are concerned with the exception of passive deferred profit-sharing.

	31/12/2019			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
INSURANCE LIABILITIES	**37,854**	**47,707**	**244,472**	**330,004**

	31/12/2018			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
INSURANCE LIABILITIES	**35,083**	**46,574**	**226,684**	**308,310**

6.24 Net deferred profit-sharing

The net deferred profit-sharing is analyzed as follows:

(in € millions)	31/12/2019 Differed participation benefits in liabilities (in assets when appropriate)	31/12/2018 Differed participation benefits in liabilities (in assets when appropriate)
Deferred participation on revaluation of financial assets at fair value through other comprehensive income and heldging derivatives	**(22,550)**	**(14,627)**
of which deferred participation on revaluation of financial assets at fair value through other comprehensive income	*(23,322)*	*(15,519)*
of which deferred participation hedging derivatives	*772*	*892*
Deferred participation on financial assets at fair value through profit or loss adjustement	**(1,783)**	**479**
Other deferred participation	**(2,254)**	**(2,043)**
TOTAL NET DEFERRED PROFIT-SHARING	**(26,587)**	**(16,191)**

6.25 Payables arising on direct insurance and inward reinsurance

	31/12/2019			
(in € millions)	**Under 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Fees due	1,419	-	-	1,419
Claims outstanding	105	-	4	109
Cash deposits	-	-	-	-
Co-insurers	-	-	-	-
Other payables on insurance transactions	725	-	(1)	725
Expenses charged and unearned deductions	13	-	-	13
TOTAL PAYABLES ARISING ON DIRECT INSURANCE AND INWARD REINSURANCE OPERATIONS	**2,262**	**-**	**3**	**2,266**

	31/12/2018			
(in € millions)	**Under 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total**
Fees due	1,336	5	-	1,341
Claims outstanding	65	-	9	74
Cash deposits	-	-	-	-
Co-insurers	-	-	-	-
Other payables on insurance transactions	1,065	-	21	1,086
Expenses charged and unearned deductions	13	-	-	13
TOTAL PAYABLES ARISING ON DIRECT INSURANCE AND INWARD REINSURANCE OPERATIONS	**2,480**	**5**	**30**	**2,515**

Since 2016, written premiums after 30 November by certain entities of the Group were offset with the corresponding collection, reducing the balance of the items of receivables and payables arising on direct insurance and inward reinsurance operations.

6.26 Payables arising on ceded reinsurance operations

	31/12/2019			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Ceded reinsurance payables	-	-	-	-
Reinsurers' current accounts	333	-	1	333
Ceded deferred acquisition costs	110	-	29	139
Cash deposits	568	48	539	1,155
TOTAL PAYABLES ARISING ON CEDED REINSURANCE OPERATIONS	**1,011**	**48**	**568**	**1,627**

	31/12/2018			
(in € millions)	Under 1 year	Between 1 and 5 years	Over 5 years	Total
Ceded reinsurance payables	-	-	-	-
Reinsurers' current accounts	206	-	-	206
Ceded deferred acquisition costs	118	-	13	131
Cash deposits	56	496	501	1,052
TOTAL PAYABLES ARISING ON CEDED REINSURANCE OPERATIONS	**379**	**496**	**514**	**1,389**

6.27 Other payables

(in € millions)	31/12/2019	31/12/2018
Employee accounts	19	19
Government, social security bodies	266	350
Securities under repurchase agreement	23,154	18,181
Lease liabilities[1]	21	-
Miscellaneous creditors	7,458	6,018
TOTAL OTHER PAYABLES	**30,919**	**24,568**

(1) See note 1 Applicable standards and comparability - IFRS 16 Leases.

NOTE 7 Notes to the income statement

7.1 Breakdown of revenue - Revenue by type of line of business

		31/12/2019		
(in € millions)		France	International	Total
Savings/Retirement	Savings	21,157	6,509	27,666
	Retirement	558	9	568
	Retirement savings plans	269	-	269
Protection of individuals	Creditor insurance	1,869	570	2,439
	Death & disability	1,241	25	1,267
	Group insurance	281	-	281
Property & casualty	Non-life insurance	4,244	150	4,394
	Others (personal services, reinsurance)	81	-	81
Others		-	4	4
TOTAL		**29,700**	**7,268**	**36,968**

		31/12/2018		
(in € millions)		France	International	Total
Savings/Retirement	Savings	19,675	5,179	24,854
	Retirement	429	162	591
	Retirement savings plans	254	-	254
Protection of individuals	Creditor insurance	1,683	529	2,212
	Death & disability	1,174	28	1,202
	Group insurance	263	-	263
Property & casualty	Non-life insurance	3,938	144	4,082
	Others (personal services, reinsurance)	72	-	72
Others		-	4	4
TOTAL		**27,488**	**6,046**	**33,534**

7.2 Investment income net of investment expenses

(in € millions)	31/12/2019	31/12/2018
Investment income	**7,726**	**7,335**
Dividends	**1,023**	**667**
Dividends received on equity instruments at fair value through profit or loss	1,021	665
Dividends received on equity instruments recognized in non-recyclable equity	2	2
Interest products	**6,135**	**5,976**
Interest income on financial assets at amortized cost	215	189
Interest income on financial assets at fair value through equity	4,874	5,029
Accrued and overdue interest on hedging instruments	71	37
other interests and similar products	975	722
Other investment income	**569**	**692**
Investment expenses	**(450)**	**(370)**
Interest expenses	**(7)**	**(6)**
Interest expense on financial liabilities at amortized cost	-	-
Accrued and overdue interest on hedging instruments	-	-
Other interest and similar expenses	(7)	(6)
Commission expenses	**(377)**	**(315)**
Other expenses of investments	**(66)**	**(49)**
Capital gains and losses on disposal of investments net of reversals of depreciation and amortization	72	41
Net capital gains and losses on financial assets at amortized cost	**-**	**-**
Gains from derecognition of financial assets at amortized cost	-	-
Losses from derecognition of financial assets at amortized cost	-	-
Net gains and losses on debt instruments recognized in recyclable equity	**72**	**41**
Net gains and losses on the sale of hedging instruments	**-**	**-**
Net capital gains and losses on investment properties	**-**	**-**
Fair value change in investments recognized at fair value through profit or loss	**12,405**	**(6,702)**
Fair value change in financial assets held for trading	**-**	**-**
Fair value change in equity instruments	**3,370**	**(1,451)**
Fair value change of debt instruments that do not meet SPPI criteria	**1,871**	**(1,607)**
Fair value change in assets representing unit-linked contracts	**6,835**	**(3,609)**
Fair value change in financial assets at fair value through option income	**-**	**-**
Fair value change of transaction derivative instruments	**328**	**(34)**
Result of hedge accounting	**-**	**-**
Change in impairments on investments	**(39)**	**(8)**
Change in impairments on healthy assets (*Bucket 1* and *Bucket* 2)	**(38)**	**(7)**
Bucket 1: Losses estimated at the amount of credit losses expected for the next 12 months	(30)	(18)
Debt instruments recognized at fair value through recyclable equity	(31)	(18)
Debt instruments carried at amortized cost	1	-
commitments	-	-
Bucket 2: Losses Measured at the Expected Lifetime Credit Losses	(8)	11
Debt instruments recognized at fair value through recyclable equity	(8)	11
Debt instruments carried at amortized cost	-	-
commitments	-	-

(in € millions)	31/12/2019	31/12/2018
Change in impairments on impaired assets (Bucket 3)	**-**	**-**
Debt instruments recognized at fair value through recyclable equity	-	-
Debt instruments carried at amortized cost	-	-
Commitments	-	-
Changes in depreciation on investment properties	**(1)**	**(1)**
Changes in impairments on other assets	**-**	**-**
Amount reclassified as gains and losses recognized directly in equity under the overlay approach	**(4,052)**	**2,157**
TOTAL INVESTMENT INCOME NET OF EXPENSES	**15,662**	**2,453**

7.3 Information to be provided about the overlay approach

CARRYING AMOUNT OF FINANCIAL ASSETS DESIGNATED TO THE OVERLAY APPROACH BY FINANCIAL ASSET CATEGORIES

(in € millions)	31/12/2019	31/12/2018
Equity instruments	18,903	17,012
Debt instruments that do not meet the conditions of the “SPPI” test	20,514	17,738
TOTAL FINANCIAL ASSETS DESIGNATED TO THE OVERLAY APPROACH	**39,417**	**34,750**

EXPLANATION OF THE TOTAL AMOUNT RECLASSIFIED BETWEEN PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR DESIGNATED FINANCIAL ASSETS

	31/12/2019			31/12/2018		
(in € millions)	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach
Investment income	1,029	1,025	(4)	929	926	(3)
Investment expenses	(7)	(6)	1	(10)	(9)	1
Gains (losses) on disposals of investments net of impairment and amortisation reversals	71	174	103	25	405	379
Change in fair value of investments at fair value through profit or loss	4,041	-	(4,041)	(1,828)	-	1,828
Change in impairment on investments	-	(112)	(112)	-	(49)	(49)
Investment income net of expenses	**5,134**	**1,082**	**(4,052)**	**(884)**	**1,272**	**2,157**
Claims paid			**3,608**	-	-	**(1,866)**
Operating income			**(445)**	-	-	**291**
Income tax charge			51	-	-	(147)
NET INCOME GROUP SHARE			**(393)**	-	-	**143**

6

EFFECT OF THE RECLASSIFICATION ON THE NET INCOME

(in € millions)	31/12/2019			31/12/2018		
	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach
Investment income	7,726	(4)	7,722	7,335	(3)	7,332
Investment expenses	(450)	1	(449)	(370)	1	(369)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	72	103	175	41	379	420
Change in fair value of investments at fair value through profit or loss	12,405	(4,041)	8,364	(6,702)	1,828	(4,874)
Change in impairment on investments	(39)	(112)	(151)	(8)	(49)	(57)
Investment income net of expenses	**19,714**	**(4,052)**	**15,662**	**296**	**2,157**	**2,453**
Claims paid	**(49,154)**	**3,608**	**(45,546)**	**(27,685)**	**(1,866)**	**(29,551)**
Operating income	**2,844**	**(445)**	**2,399**	**2,005**	**291**	**2,296**
Income tax charge	(698)	51	(647)	(376)	(147)	(523)
NET INCOME GROUP SHARE	**1,911**	**(393)**	**1,518**	**1,188**	**143**	**1,331**

Counterparts in the consolidated balance sheet of deferred profit-sharing's expense and deferred tax charge on designated assets stand respectively in the items of deferred participation on revaluation of financial assets at fair value through other comprehensive income and deferred tax on gains and losses recognized directly in equity.

7.4 Claims expense

(in € millions)	31/12/2019				
	Life insurance contracts	Financial contracts related to IFRS 4	Total life insurance	Non-life insurance contracts	Total
Claims expense	(11,741)	(8,004)	(19,746)	(3,373)	(23,119)
Change in insurance provisions	(20,521)	1,731	(18,791)	(639)	(19,429)
Change in provisions for profit-sharing	(828)	(197)	(1,025)	-	(1,025)
Change in provisions for deferred profit-sharing	(1,455)	-	(1,455)	-	(1,455)
Change in provisions for shortfall in liabilities	3	(6)	(2)	-	(2)
Change in other technical reserves	(88)	-	(88)	(427)	(515)
CLAIMS EXPENSE	**(34,630)**	**(6,477)**	**(41,107)**	**(4,440)**	**(45,546)**

The change in provisions for deferred profit-sharing is not broken down between life insurance contracts and financial contracts related to IFRS 4.

(in € millions)	31/12/2018				
	Life insurance contracts	Financial contracts related to IFRS 4	Total life insurance	Non-life insurance contracts	Total
Claims expense	(10,348)	(8,943)	(19,291)	(3,223)	(22,514)
Change in insurance provisions	(10,131)	3,322	(6,809)	(402)	(7,211)
Change in provisions for profit-sharing	(582)	(338)	(920)	-	(920)
Change in provisions for deferred profit-sharing	1,329	-	1,329	-	1,329
Change in provisions for shortfall in liabilities	3	(1)	2	-	2
Change in other technical reserves	(70)	-	(70)	(167)	(237)
CLAIMS EXPENSE	**(19,799)**	**(5,960)**	**(25,759)**	**(3,792)**	**(29,551)**

The change in provisions for deferred profit-sharing is not broken down between life insurance contracts and financial contracts related to IFRS 4.

7.5 Management expenses

BREAKDOWN BY DESTINATION

(in € millions)	31/12/2019 Life	Non-life	International	Creditor Insurance	Other	Total
Acquisition costs or similar[1]	(538)	(632)	(272)	(630)	-	(2,072)
Claim management expenses[2]	(10)	(280)	(10)	(7)	-	(308)
Investment management expenses[3]	(32)	(6)	(95)	(5)	-	(136)
Administration expenses	(1,403)	(344)	(94)	(15)	-	(1,856)
Other technical expenses[4]	(47)	(59)	(8)	(5)	-	(118)
Other non-technical expenses[4]	3	1	(5)	(9)	(322)	(333)
TOTAL MANAGEMENT EXPENSES	**(2,027)**	**(1,317)**	**(484)**	**(671)**	**(323)**	**(4,824)**

(1) *excluding the change in deferred acquisition costs totalling €51 million*
(2) *presented in the income statement in the "Claims expense" line*
(3) *presented in the income statement in the "Investment expenses" line*
(4) *presented in the income statement in the "Other current operating income and expenses" line.*

(in € millions)	31/12/2018 Life	Non-life	International	Creditor Insurance	Other	Total
Acquisition costs or similar[1]	(574)	(614)	(244)	(676)	-	(2,108)
Claim management expenses[2]	(4)	(318)	(9)	(8)	-	(340)
Investment management expenses[3]	(25)	(5)	(73)	(4)	-	(107)
Administration expenses	(1,346)	(233)	(72)	(12)	-	(1,663)
Other technical expenses[4]	(33)	(58)	(4)	(4)	-	(98)
Other non-technical expenses[4]	2	3	(2)	(10)	(277)	(284)
TOTAL MANAGEMENT EXPENSES	**(1,980)**	**(1,224)**	**(404)**	**(715)**	**(277)**	**(4,601)**

(1) *excluding the change in deferred acquisition costs totalling €53 million.*
(2) *presented in the income statement in the "Claims expense" line.*
(3) *presented in the income statement in the "Investment expenses" line.*
(4) *presented in the income statement in the "Other current operating income and expenses" line.*

BREAKDOWN BY NATURE

(in € millions)	31/12/2019 Life	Non-life	International	Creditor Insurance	Other	Total
Staff expenses	(4)	(65)	(35)	(9)	(196)	(309)
Fees	(1,880)	(1,154)	(389)	(650)	-	(4,074)
Taxes	(77)	(24)	(6)	(5)	(32)	(143)
Other	(66)	(74)	(52)	(6)	(93)	(291)
TOTAL MANAGEMENT EXPENSES	**(2,027)**	**(1,317)**	**(482)**	**(670)**	**(321)**	**(4,817)**

(in € millions)	31/12/2018 Life	Non-life	International	Creditor Insurance	Other	Total
Staff expenses	(6)	(62)	(29)	(9)	(202)	(308)
Fees	(1,798)	(1,072)	(325)	(678)	-	(3,873)
Taxes	(85)	(23)	(5)	(5)	(9)	(128)
Other	(90)	(67)	(44)	(24)	(66)	(291)
TOTAL MANAGEMENT EXPENSES	**(1,979)**	**(1,224)**	**(404)**	**(715)**	**(277)**	**(4,600)**

7.6 Fees paid to statutory auditors

The distribution by firm and by type of mission of these fees recognized in result 2019 is given below:

College of Auditors of Crédit Agricole Assurances S.A.

(in € million excluding taxes)	Ernst & Young[1] 2019	Ernst & Young[1] 2018	PWC[1] 2019	PWC[1] 2018	Total 2019
Independant audit, certification, review of parent company and consolidated financial statements	**1.6**	**1.5**	**3.5**	**2.7**	**5.1**
Crédit Agricole Assurances S.A.	*0.4*	*0.4*	*0.4*	*0.4*	*0.8*
Fully consolidated subsidiaries	*1.2*	*1.1*	*3.1*	*2.3*	*4.3*
Non audit services	**0.7**	**0.8**	**0.7**	**0.7**	**1.4**
Crédit Agricole Assurances S.A.	*0.4*	*0.1*	*0.1*	*0.1*	*0.5*
Fully consolidated subsidiaries	*0.2*	*0.7*	*0.6*	*0.6*	*0.8*
TOTAL	**2.3**	**2.3**	**4.2**	**3.4**	**6.5**

(1) *Statutory auditors of consolidating entity CAA.*

Total fees of Ernst & Young et Autres, as recorded within the consolidated income statement as of 31 December 2019 and for the year then ended, are €2.3 million, including €1.6 million for the audit of the financial statements of Crédit Agricole Assurances and its French subsidiaries, and €0.4 million for non-audit services (comfort letters, report on the distribution of interim dividends, and work related to the first time application of IFRS 16).

Total fees of PricewaterhouseCoopers Audit, as recorded within the consolidated income statement as of 31 December 2019 and for the year then ended, are €3.2 million, including €2.5 million for the audit of the financial statements of Crédit Agricole Assurances and its French subsidiaries, and €0.7 million for non-audit services.

7.7 Expenses or Income Net of ceded reinsurance

(in € millions)	31/12/2019 Life	Non-life	International	Creditor Insurance	Other	Total
Premiums ceded and unearned premiums ceded	(233)	(219)	(169)	(114)	-	(735)
Claims ceded	154	197	49	33	-	433
Other technical reserves ceded	58	-	-	-	-	58
Commissions received from reinsurers	49	15	75	62	-	201
EXPENSES OR INCOME NET OF CEDED REINSURANCE	**28**	**(7)**	**(45)**	**(19)**	**-**	**(43)**

(in € millions)	31/12/2018 Life	Non-life	International	Creditor Insurance	Other	Total
Premiums ceded and unearned premiums ceded	(176)	(205)	(155)	(127)	-	(662)
Claims ceded	120	164	38	30	-	352
Other technical reserves ceded	38	-	-	-	-	38
Commissions received from reinsurers	24	11	78	70	-	183
EXPENSES OR INCOME NET OF CEDED REINSURANCE	**6**	**(30)**	**(39)**	**(27)**	**-**	**(89)**

7.8 Tax charge

7.8.1 BREAKDOWN OF TOTAL TAX EXPENSE BETWEEN CURRENT AND DEFERRED TAX

(in € millions)	31/12/2019	31/12/2018
Current tax charge	(664)	(539)
Deferred tax charge	(34)	163
Reclassification of current tax charge (income) related to overlay approach	51	(148)
TOTAL TAX CHARGE	**(647)**	**(523)**

Predica, after an accounting audit covering the 2015 and 2016 financial years, was subject to an additional adjustment of € 22 million as part of a second rectification proposal received in April 2019. A provision is recognized at the level of the estimated risk.

7.8.2 TAX PROOF

(in € millions)	31/12/2019	31/12/2018
Pre-tax income, goodwill impairment and share of net income of associates and joint ventures	**1,912**	**1,640**
Theoretical tax rate[1]	34,43%	34,43%
Theoretical tax charge	**(658)**	**(565)**
Impact of permanent differences	(59)	(45)
Impact of different tax rates on foreign subsidiaries	27	34
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences	31	(4)
Impact of reduced tax rate	116	51
Impact of other items	(103)	4
Effective tax charge	**(647)**	**(524)**
EFFECTIVE TAX RATE (%)	**33.84%**	**31.95%**

(1) The theoretical tax rate is the tax rate applicable under ordinary law (including the additional social contribution) profits taxable in France at 31 December 2019.

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NOTE 8 Leases

8.1 Leases under which the Group is a lessee

The item "Property, plant and equipment" in the balance sheet consists of own and leased assets that do not meet the definition of investment properties.

(in € millions)	31/12/2019
Owned property, plant & equipment	214
Right-of-use on lease contracts	21
TOTAL PROPERTY, PLANT & EQUIPMENT USED IN OPERATIONS	**235**

Crédit Agricole Assurances is also a lessee under lease agreements for IT equipment (photocopiers, computers, etc.) with terms of 1 to 3 years. These are low-value and/or short-term leases. Crédit Agricole Group has opted to apply the exemptions provided for in IFRS 16 and not to recognise the right-of-use asset and the lease liability for these leases in the balance sheet.

RIGHT-OF-USE ASSETS: VARIATION (LESSEE)

Crédit Agricole Assurances is the taker of many assets including [offices, agencies and computer equipment].

Information relating to the contracts of which Crédit Agricole Group is a taker is presented below:

(in € millions)	31/12/2018	01.01.2019	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2019
Property/Real estate	-	-	-	-	-	-	-	-
Gross amount	-	31	-	7	(15)	-	-	23
Depreciation and impairment	-	-	-	(5)	-	-	-	(5)
Total Property/Real estate	**-**	**31**	**-**	**2**	**(15)**	**-**	**-**	**18**
Equipment	-	-	-	-	-	-	-	-
Gross amount	-	3	-	3	(2)	-	-	4
Depreciation and impairment	-	-	-	(1)	-	-	-	(1)
Total Equipment	**-**	**3**	**-**	**2**	**(2)**	**-**	**-**	**3**
TOTAL RIGHT-OF-USE	**-**	**34**	**-**	**4**	**(17)**	**-**	**-**	**21**

MATURITY ANALYSIS OF LEASE LIABILITIES

	31/12/2019			
(in € millions)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	**4**	**6**	**11**	**21**

DETAILS OF EXPENSES AND INCOME ON LEASE CONTRACTS

(in € millions)	31/12/2019
Interest expense on lease liabilities	-
Total Interest and similar expenses	**-**
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	(3)
Expense relating to variable lease payments not included in the measurement of lease liabilities	(5)
Income from subleasing right-of-use assets	-
Gains or losses arising from leaseback transactions	-
Gains or losses arising from lease modifications	-
Total Operating expenses	**(8)**
Depreciation for right-of-use	(7)
Total Depreciation and amortisation of property, plant & equipment	**(7)**
TOTAL EXPENSE AND INCOME ON LEASE CONTRACTS	**(15)**

CASH FLOW AMOUNTS FOR THE PERIOD

(in € millions)	31/12/2019
TOTAL CASH OUTFLOW FOR LEASES	**(13)**

NOTE 9 Employee benefits and other compensation

9.1 Headcount of the period

Average number of employees	31/12/2019	31/12/2018
France	2,500	2,543
International	520	456
TOTAL	**3,020**	**2,999**

9.2 Post-employment benefits, defined contribution plans

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Accordingly, Crédit Agricole Assurances Group companies have no liability in this respect other than their contributions payable.

Within the Group, there are several compulsory defined contribution pension plans, the main ones being Agirc/Arrco, which are French supplementary retirement plans, and some supplementary plans:

		Number of employees covered[(1)]	
Entities	**Compulsory supplementary pension plans**	**Estimate at 31/12/2019**	**Estimate at 31/12/2018**
CAAS/Pacifica/La Médicale	Agricultural sector plan	2,679	2,673
CAAS/Pacifica/La Médicale	"Article 83" (of the French Tax Code) plan	68	62

(1) *Number of employees on the payroll.*

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9.3 Post employment benefits, defined benefit plans

CHANGE IN ACTUARIAL LIABILITY

(in € millions)	31/12/2019	31/12/2018
Actuarial liability at beginning of period	**68**	**65**
Foreign exchange differences	-	-
Current service cost during the period	5	5
Financial cost	1	1
Employee contributions	-	-
Benefit plan changes, withdrawals and settlement	(6)	-
Change in scope	(1)	(1)
Benefits paid	-	(2)
Taxes, administrative expenses and bonuses	-	-
Actuarial gains or losses arising from changes in demographic assumptions	-	-
Actuarial gains or losses arising from changes in financial assumptions	3	-
ACTUARIAL LIABILITY AT END OF PERIOD	**70**	**68**

BREAKDOWN OF CHARGE RECOGNISED IN THE INCOME STATEMENT

(in € millions)	31/12/2019	31/12/2018
Service cost	(1)	5
Net interest income (expense)	-	-
IMPACT IN PROFIT AND LOSS	**(1)**	**5**

BREAKDOWN OF CHARGE RECOGNISED IN OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS

(in € millions)	31/12/2019	31/12/2018
Revaluation from net liabilities (from net assets)	-	-
Total amount of cumulative actuarial differences in other comprehensive income items that will not be reclassified to profit and loss	2	2
Foreign exchange differences	-	-
Actuarial gains or losses on assets	-	-
Actuarial gains or losses arising from changes in demographic assumptions(1)	-	-
Actuarial gains or losses arising from changes in financial assumptions(1)	5	-
Adjustments in impact of restriction on assets	-	-
TOTAL ITEMS RECOGNISED IMMEDIATELY IN OTHER COMPREHENSIVE INCOME ITEMS	**7**	**2**

(1) o/w actuarial gains/losses related to experience adjustment.

NET FINANCIAL POSITION

(in € millions)	31/12/2019	31/12/2018
Actuarial liability at end of period	71	68
Impact of asset restriction	-	-
Fair value of plan assets	(1)	(1)
NET FINANCIAL POSITION AT END OF PERIOD	**70**	**67**

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

(in € millions)	31/12/2019	31/12/2018
Discount rate[1]	0,56%-0,98%	1%-1,42%
Actual return on plan assets and on reimbursement rights	0,56%-0,98%	1%-1,42%
Expected salary increase rates[2]	1,75%-2%	1,5%-2%
Rate of change in medical costs	-	-

(1) Discount rates are determined as a function of the average duration of the commitment that is the arithmetic average of durations calculated between the assessment date and the payment date weighted by assumptions of staff turnover.

(2) Depending on the types of employee concerned (management or non-management grade).

INFORMATION OF PLAN ASSETS – ASSETS ALLOCATION

	31/12/2019		
	Eurozone		
(in € millions)	%	Amount	o/w listed
Equities	10.3%	3	3
Bonds	76.4%	28	28
Real estate	6.9%	2	-
Other assets	6.4%	2	-

9.4 Other employee benefits

Among the various collective variable compensation plans within the Group, the Rémunération variable collective (RVC), is a global plan encompassing the discretionary incentive scheme and the compulsory profit-sharing scheme. The amount is calculated based on the company's performance, measured through the net income Group share of Crédit Agricole Assurances

A given level of net income Group share allows determination of a percentage of the total payroll to be distributed.

The amount of the profit-sharing component is calculated in accordance with the standard legal formula and is deducted from the total RVC to obtain the amount of the discretionary incentive entitlement.

Other employee benefits: in France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements.

9.5 Senior executive compensation

Senior executives include all members of the Executive Committee of Crédit Agricole Assurances: the Chief Executive Officer of Crédit Agricole Assurances and the Chief Executive Officers of the main subsidiaries and the heads of the Group's core business activities.

Compensation and benefits paid by Crédit Agricole Assurances Group to the members of the Executive Committee in 2019 were as follows:

- short-term benefits: €8.034 million with respect to fixed and variable compensation components including social security expenses and benefits in kind;
- post-employment benefits: no end-of-career benefits were paid but €0.19 million was paid under the supplementary pension plan for Group Senior Executive Officers;
- other long-term benefits: not applicable;
- termination benefits: not applicable;
- share-based payments: not applicable.

The members of the Board of Directors of Crédit Agricole Assurances perceived in 2019 a total of 112,000 euros in attendance fees under their mandate to Crédit Agricole Assurances.

NOTE 10 Commitments given and received

(in € millions)	31/12/2019	31/12/2018
COMMITMENTS RECEIVED	**1,955**	**914**
Financing commitments	**-**	**-**
Guarantee commitments	**144**	**142**
Securities commitments	**1,812**	**772**
Securities to be delivered	1,812	772
COMMITMENTS GIVEN	**391**	**1,372**
Financing commitments	**-**	**-**
Guarantee commitments	**-**	**1,000**
Securities commitments	**391**	**372**
Securities to be received	391	372

Commitments given mainly consist of pledges of securities given to ceding companies. These pledges are aimed at covering the theoretical commitments accepted by Crédit Agricole Assurances under existing reinsurance treaties.

NOTE 11 Consolidation scope

Restrictions on controlled entities

Regulatory, legal or contractual provisions can limit the ability of Crédit Agricole Assurances to access the assets of its subsidiaries and to settle liabilities of Crédit Agricole Assurances.

REGULATORY CONSTRAINTS

The subsidiaries of Crédit Agricole Assurances Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to Crédit Agricole Assurances Group.

LEGAL CONSTRAINTS

The subsidiaries of Crédit Agricole Assurances Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In most cases, these are less restrictive than the regulatory limitations mentioned above.

RESTRICTION ON ASSETS BACKING UNIT-LINKED CONTRACTS

Assets of the insurance subsidiaries are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

Financial support provided to controlled structured entities

Crédit Agricole Assurances provided no financial support for any structured entities consolidated as of 31 December 2019.

Non-controlling interests

No subsidiary has been identified with significant amount of non-controlling interests in relation to the total equity of the Group or of the sub-group level or of which the total balance sheet held by non-controlling interests is significant.

Scope of consolidation evolution

As of 31 December 2019, the Group's scope of consolidation included 557 entities.

The companies Vaugirard Infra SLU, Predica Infrastructure SA, Alta Vai Holdco and Vaugirard Autovia SLU have entered the scope of consolidation by global integration.

Among the 557 entities, 341 funds are consolidated including 77 entries, representing €9,121 million of non-controlling interests recognised in the item line "Liabilities towards holders of units in consolidated mutual funds" in the balance sheet liabilities.

These new entries are broken down as follows:

- 21 funds which should have been consolidated as of 31 December 2018 (including 2 funds sold during the second half of 2019). The impact on "financial investments" is € 1,166 million as of 31 December 2019 and would have been € 1,272 million as of 31 December 2018. The impact on "liabilities towards holders of consolidated mutual funds" is €1,166 million as of 31 December 2019 and would have been €1,272 million as of 31 December 2018;
- following additional works regarding the consolidation scope, 58 funds were included in the scope through global integration method in 2019, representing €1,241 million of non-controlling interests as of 31 December 2019.

Breakdown of consolidation scope

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
Parent company						
CREDIT AGRICOLE ASSURANCES	France	Full	100%	100%	100%	100%
Holdings						
CREDIT AGRICOLE CREDITOR INSURANCE	France	Full	100%	100%	100%	100%
SPACE HOLDING	Ireland	Full	100%	100%	100%	100%
SPACE LUX	Luxembourg	Full	100%	100%	100%	100%
Insurance companies						
PREDICA	France	Full	100%	100%	100%	100%
LA MEDICALE DE FRANCE	France	Full	100%	100%	100%	100%
PACIFICA	France	Full	100%	100%	100%	100%
CALIE	Luxembourg	Full	94%	94%	94%	94%
SPIRICA	France	Full	100%	100%	100%	100%
GNB SEGUROS (Anciennement BES SEGUROS)	Portugal	Full	75%	75%	75%	75%
CA VITA	Italy	Full	100%	100%	100%	100%
FINAREF RISQUES DIVERS	France	Full	100%	100%	100%	100%
FINAREF VIE	France	Full	100%	100%	100%	100%
CACI LIFE	Ireland	Full	100%	100%	100%	100%
CACI NON LIFE	Ireland	Full	100%	100%	100%	100%
CA LIFE JAPAN	Japan	Full	100%	100%	100%	100%
CA ASSICURAZIONI	Italy	Full	100%	100%	100%	100%
CA LIFE GREECE	Greece	Full	100%	100%	100%	100%
ASSUR&ME	France	Full	100%	100%	100%	100%
Reinsurance companies						
CACI REINSURANCE	Ireland	Full	100%	100%	100%	100%
Services companies						
VIAVITA	France	Full	100%	100%	100%	100%
RAMSAY - GENERALE DE SANTE	France	Equity method	40%	40%	38%	38%
INFRA FOCH TOPCO	France	Equity method	37%	37%	49%	49%
ALTAREA	France	Equity method	25%	25%	25%	25%
KORIAN	France	Equity method	24%	24%	23%	23%
FREY	France	Equity method	19%	19%	19%	19%
FONCIERE HYPERSUD	France	Equity method	51%	51%	51%	51%
CREDIT AGRICOLE ASSURANCES SOLUTIONS	France	Full	100%	100%	100%	100%
ICADE	France	Equity method	19%	19%	18%	18%
PATRIMOINE ET COMMERCE	France	Equity method	20%	20%	20%	20%
PREDIPARK	France	Full	100%	100%	100%	100%
SA RESICO	France	Full	100%	100%	100%	100%
EMI1 (EUROPEAN MOTORWAY INVESTMENTS 1)	Luxembourg	Not consolidated	0%	0%	60%	60%
IRIS HOLDING FRANCE	France	Full	80%	80%	80%	80%
SH PREDICA ENERGIES DURABLES SAS	France	Full	100%	100%	100%	100%
B IMMOBILIER	France	Full	100%	100%	100%	100%
HOLDING EUROMARSEILLE	France	Full	100%	100%	100%	100%
SAS PARHOLDING	France	Equity method	50%	50%	50%	50%
PREDICA ENERGIE DURABLE	France	Full	100%	100%	100%	100%
SAS CRISTAL	France	Equity method	46%	46%	46%	46%

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Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
ARCAPARK SAS	France	Equity method	50%	50%	50%	50%
PREDIRUNGIS	France	Full	85%	85%	85%	85%
PRED INFR SA	France	Full	100%	100%	0%	0%
VAUGIRARD INFRA SLU	Luxembourg	Full	100%	100%	0%	0%
ALTA VAI	Luxembourg	Full	100%	100%	0%	0%
VAUGIRARD AUTOVIA SLU	Luxembourg	Full	100%	100%	0%	0%
UCITS						
FEDERVAL FCP	France	Full	98%	98%	100%	100%
GRD 2 FCP	France	Full	100%	100%	100%	100%
GRD 3 FCP	France	Full	100%	100%	100%	100%
GRD 5 FCP	France	Full	100%	100%	100%	100%
GRD 7 FCP	France	Full	100%	100%	100%	100%
GRD 10 FCP	France	Full	100%	100%	100%	100%
GRD 12 FCP	France	Full	100%	100%	100%	100%
GRD 14 FCP	France	Full	98%	98%	100%	100%
GRD 17 FCP	France	Full	100%	100%	100%	100%
GRD 18 FCP	France	Full	100%	100%	100%	100%
GRD 19 FCP	France	Full	100%	100%	100%	100%
GRD 20 FCP	France	Full	100%	100%	100%	100%
GRD 11 FCP	France	Full	100%	100%	100%	100%
PREDIQUANT A1 FCP	France	Full	100%	100%	100%	100%
PREDIQUANT A2 FCP	France	Full	100%	100%	100%	100%
PREDIQUANT A3 FCP	France	Full	100%	100%	100%	100%
BFT OPPORTUNITES FCP	France	Full	100%	100%	100%	100%
CA-EDRAM OPPORTUNITES FCP 3DEC	France	Full	100%	100%	100%	100%
FCPR PREDICA 2005 PART A	France	Full	100%	100%	100%	100%
FCPR PREDICA 2006 PART A	France	Full	100%	100%	100%	100%
FCPR PREDICA 2007 A 3DEC	France	Full	100%	100%	100%	100%
FCPR PREDICA 2007 C2	France	Full	100%	100%	100%	100%
FCPR PREDICA 2008 A1	France	Full	100%	100%	100%	100%
FCPR PREDICA 2008 COMP BIS A2	France	Full	100%	100%	100%	100%
FCPR PREDICA 2008 COMPAR TER A3	France	Full	100%	100%	100%	100%
FCPR ROOSEVELT INVESTISSEMENT PARTS A	France	Not consolidated	0%	0%	100%	100%
GRD 8 FCP	France	Full	100%	100%	100%	100%
GRD 9 FCP	France	Full	100%	100%	100%	100%
FCPR PREDICA 2010 A1	France	Full	100%	100%	100%	100%
FCPR PREDICA 2010 A2	France	Full	100%	100%	100%	100%
FCPR PREDICA 2010 A3	France	Full	100%	100%	100%	100%
FCPR PREDICA INFR 2006-2007 A	France	Full	100%	100%	100%	100%
FCPR PREDICA SECONDAIRE I PART A	France	Full	100%	100%	100%	100%
FCPR PREDICA SECONDAIRE I PART B	France	Full	100%	100%	100%	100%
PREDIQUANT OPPORTUNITES	France	Full	100%	100%	100%	100%
FCPR CAA COMPARTIMENT 1 PART A1	France	Full	100%	100%	100%	100%
FCPR CAA COMPART BIS PART A2	France	Full	100%	100%	100%	100%
FCPR CAA COMP TER PART A3	France	Full	100%	100%	100%	100%
FCPR PREDICA SECONDAIRES II A	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
FCPR PREDICA SECONDAIRES II B	France	Full	100%	100%	100%	100%
FCPR UI CAP SANTE A	France	Full	100%	100%	100%	100%
CAA FRANCE CROISSANCE 2 A FCPR	France	Full	100%	100%	100%	100%
CAA PRIV. FINANC. COMP. 1 A1 FIC	France	Full	100%	100%	100%	100%
CAA PRIV. FINANC. COMP. 2 A2 FIC	France	Full	100%	100%	100%	100%
FCPR UI CAP AGRO	France	Full	100%	100%	100%	100%
FCPR CAA 2013	France	Full	100%	100%	100%	100%
FCPR PREDICA SECONDAIRE III A	France	Full	100%	100%	100%	100%
OBJECTIF LONG TERME	France	Full	100%	100%	100%	100%
CAA 2013 FCPR B1	France	Full	100%	100%	100%	100%
CAA 2013 FCPR C1	France	Full	100%	100%	100%	100%
CAA 2013 FCPR D1	France	Full	100%	100%	100%	100%
CAA 2013 COMPARTIMENT 5 A5	France	Full	100%	100%	100%	100%
CAA 2013-3	France	Full	100%	100%	100%	100%
LRP - CPT JANVIER 2013 0.30 13-21 11/01A	Luxembourg	Full	84%	84%	84%	84%
AMUNDI GRD 22 FCP	France	Full	100%	100%	100%	100%
GRD 13 FCP	France	Full	100%	100%	100%	100%
GRD 21 FCP	France	Full	100%	100%	100%	100%
CAA 2013-2	France	Full	100%	100%	100%	100%
CAA 2014 COMPARTIMENT 1 PART A1	France	Full	100%	100%	100%	100%
CAA 2014 INVESTISSMENT PART A3	France	Full	100%	100%	100%	100%
FCT MID CAP 2 05/12/22	France	Full	100%	100%	100%	100%
FCT CAREPTA - COMPARTIMENT 2014-1	France	Full	100%	100%	100%	100%
FCT CAREPTA - COMPARTIMENT 2014-2	France	Full	100%	100%	100%	100%
CNP ACP OBLIG	France	Not consolidated	0%	0%	45%	45%
CNP ACP 10 FCP	France	Full	100%	100%	57%	57%
CORSAIR 1.5255% 25/04/35	Ireland	Full	100%	100%	100%	100%
AGRICOLE RIVAGE DETTE	France	Full	100%	100%	100%	100%
PREMIUM GREEN 1.24% 25/04/35	Ireland	Full	100%	100%	100%	100%
CAA 2015 CPT 1	France	Full	100%	100%	100%	100%
CAA 2015 CPT 2	France	Full	100%	100%	100%	100%
CAREPTA RE-2015 -1	France	Full	100%	100%	100%	100%
ARTEMID	France	Full	100%	100%	100%	100%
F CORE EU CR 19 MM	France	Full	44%	44%	44%	44%
CA VITA PRIVATE EQUITY CHOISE PARTS PART A	France	Full	100%	100%	100%	100%
CA VITA INFRASTRUCTURE CHOISE FIPS c.l. A	France	Full	100%	100%	100%	100%
IAA CROISSANCE INTERNATIONALE	France	Full	100%	100%	100%	100%
CAREPTA 2016	France	Full	100%	100%	100%	100%
CAA 2016	France	Full	100%	100%	100%	100%
CAA INFRASTRUCTURE	France	Full	100%	100%	100%	100%
CA VITA PRIVATE DEBT CHOICE FIPS cl.A	France	Full	100%	100%	100%	100%
CAA SECONDAIRE IV	France	Full	100%	100%	100%	100%
FCT BRIDGE 2016-1	France	Full	100%	100%	100%	100%
CAREPTA R 2016	France	Full	100%	100%	100%	100%
FCT CAREPTA 2-2016	France	Full	100%	100%	100%	100%
PREDIQUANT EUROCROISSANCE A2	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
FPCI COGENERATION FRANCE I	France	Full	100%	100%	100%	100%
CORS FIN 1.52 10-38	Ireland	Full	100%	100%	100%	100%
PURPLE PR 1.36 10-38	Luxembourg	Full	100%	100%	100%	100%
CORS FIN 251038	Luxembourg	Full	100%	100%	100%	100%
CORS FINA FLR 1038 serie 145	Ireland	Full	100%	100%	100%	100%
CORS FINA FLR 1038 serie 146	Ireland	Full	100%	100%	100%	100%
PURP PR 1.093 10-38	Luxembourg	Full	100%	100%	100%	100%
CAA INFRASTRUCTURE 2017	France	Full	100%	100%	100%	100%
CAA PE 2017 (CAA PRIVATE EQUITY 2017)	France	Full	100%	100%	100%	100%
CAA PE 2017 BIS (CAA PRIVATE EQUITY 2017 BIS)	France	Full	100%	100%	100%	100%
CAA PE 2017 France INVESTISSEMENT (CAA PRIVATE EQUITY 2017 MEZZANINE)	France	Full	100%	100%	100%	100%
CAA PE 2017 MEZZANINE (CAA PRIVATE EQUITY 2017 MEZZANINE)	France	Full	100%	100%	100%	100%
CAA PE 2017 TER CONSO (CAA PRIVATE EQUITY 2017 TER)	France	Full	100%	100%	100%	100%
GRD 44	France	Full	100%	100%	100%	100%
GRD 44 N2	France	Full	100%	100%	100%	100%
GRD 54	France	Full	100%	100%	100%	100%
UI CAP SANTE 2	France	Full	100%	100%	100%	100%
CAA PR FI II C1 A1	France	Full	100%	100%	100%	100%
EFFITHERMIE	France	Full	100%	100%	89%	89%
FCT CAA 2017-1	France	Full	100%	100%	100%	100%
PREDIQUANT PREMIUM	France	Full	100%	100%	100%	100%
GRD44 n°3	France	Full	100%	100%	100%	100%
CAA INFRASTRUCTURE 2018 - COMPARTIMENT 1	France	Full	100%	100%	100%	100%
COMPARTIMENT DS3 - IMMOBILIER VAUGIRARD	France	Full	100%	100%	100%	100%
CAA PRIVATE EQUITY 2018 - COMPARTIMENT FRANCE INVESTISSEMENT	France	Full	100%	100%	100%	100%
COMPARTIMENT DS3 - VAUGIRARD	France	Full	100%	100%	100%	100%
CAA PRIVATE EQUITY 2018 - COMPARTIMENT 1	France	Full	100%	100%	100%	100%
AM DESE FIII DS3IMDI	France	Full	100%	100%	100%	100%
BFT VALUE PREM OP CD	France	Full	100%	100%	100%	100%
Unit-linked funds						
ACTICCIA VIE	France	Full	99%	99%	99%	99%
OPTALIME FCP 3DEC	France	Full	100%	100%	99%	99%
CA MASTER PATRIM.3D	France	Full	98%	98%	98%	98%
CA MASTER EUROPE 3D	France	Full	47%	47%	47%	47%
VENDOME INVEST.3DEC	France	Full	91%	91%	90%	90%
GRD IFC 97 3D	France	Full	100%	100%	100%	100%
GRD FCR 99 3DEC	France	Full	100%	100%	100%	100%
OBJECTIF PRUDENCE	France	Full	80%	80%	81%	81%
OBJECTIF DYNAMISME	France	Full	98%	98%	99%	99%
GRD CAR 39	France	Full	100%	100%	100%	100%
OBJECTIF MEDIAN	France	Full	100%	100%	100%	100%
ANTINEA	France	Full	55%	55%	52%	52%
MDF 89	France	Full	100%	100%	100%	100%
AM.PULSACTIONS 3D	France	Full	58%	58%	58%	58%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
LCL ALLOC.DYNAM.3D	France	Full	95%	95%	95%	95%
ATOUT FRANCE-C-3DEC	France	Full	42%	42%	42%	42%
ATOUT EUROPE -C-3D	France	Full	82%	82%	82%	82%
CPR CONSOM ACT P 3D	France	Full	52%	52%	52%	52%
RSD 2006 3DEC	France	Full	100%	100%	100%	100%
LCL MG.FL.0-100 3D	France	Full	92%	92%	80%	80%
LCL MGEST 60 3 DEC	France	Full	88%	88%	85%	85%
INVEST RESP S3 3D	France	Full	74%	74%	70%	70%
ATOUT PREM'S ACT.3D	France	Full	100%	100%	99%	99%
AM.AFD AV.D.P1 3D	France	Full	78%	78%	79%	79%
RAVIE	France	Full	100%	100%	100%	100%
ECOFI MULTI OPP.3D	France	Full	83%	83%	84%	84%
LCL FLEX 30	France	Full	46%	46%	51%	51%
AXA EUR.SM.CAP E 3D	France	Full	82%	82%	71%	71%
CPR SILVER AGE P 3D	France	Full	53%	53%	50%	50%
CPR REFL SOLID P 3D	France	Full	86%	86%	86%	86%
CPR REFL SOLID 3D	France	Full	97%	97%	97%	97%
SONANCE VIE 3DEC	France	Full	100%	100%	100%	100%
LCL FSF.AV(F.11)3D	France	Not consolidated	0%	0%	100%	100%
IND.CAP EMERG.-C-3D	France	Full	81%	81%	81%	81%
LCL F.S.F.AV.11 3D	France	Full	100%	100%	100%	100%
SONANCE VIE 2 3D	France	Full	100%	100%	100%	100%
SONANCE VIE 3 3D	France	Full	100%	100%	100%	100%
OPCIMMO -PREM O.-5D	France	Full	95%	95%	93%	93%
OPCIMMO -LCL OP.-5D	France	Full	97%	97%	94%	94%
CPR RE.S.0-100 P 3D	France	Full	100%	100%	100%	100%
CPR R.ST.0-100E.0-1	France	Full	100%	100%	100%	100%
SONANCE VIE 4 3D	France	Full	100%	100%	100%	100%
AMUNDI PATRIMOINE C	France	Full	85%	85%	84%	84%
SONANCE VIE 5 3D	France	Full	100%	100%	100%	100%
SONANCE VIE 6 3D	France	Full	100%	100%	100%	100%
SOLIDARITE IN SANTE	France	Full	82%	82%	85%	85%
SONANCE VIE 7 3D	France	Full	97%	97%	97%	97%
SONANCE VIE N8 3D	France	Full	99%	99%	99%	99%
AM GLOB. M MUL ASS P	France	Full	70%	70%	68%	68%
SONANCE VIE N9 C 3D	France	Full	98%	98%	98%	98%
AMUNDI EQ E IN AHEC	Luxembourg	Full	37%	37%	29%	29%
UNIPIERRE ASSURANCE (SCPI)	France	Full	100%	100%	100%	100%
SCI VICQ D'AZIR VELL	France	Full	100%	100%	100%	100%
ATOUT VERT HOR.3DEC	France	Full	35%	35%	35%	35%
LCL DEVELOPPEM.PME C	France	Full	68%	68%	69%	69%
ACTICCIA VIE N2 C	France	Full	99%	99%	99%	99%
AF INDEX EQ USA A4E	Luxembourg	Full	70%	70%	91%	91%
AF INDEX EQ JAPAN AE CAP	Luxembourg	Full	18%	18%	21%	21%
LCL ACT.USA ISR 3D	France	Full	86%	86%	53%	53%
ARC FLEXIBOND-D	France	Full	50%	50%	53%	53%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
ACTIONS 50 3DEC	France	Full	100%	100%	100%	100%
LCL ACT.IMMOBI.3D	France	Full	49%	49%	49%	49%
LCL AC.DEV.DU.EURO	France	Full	71%	71%	69%	69%
LCL AC.EMERGENTS 3D	France	Full	54%	54%	55%	55%
LCL DOUBLE HORIZON AV (NOV.2014)	France	Not consolidated	0%	0%	100%	100%
ACTICCIA VIE 3	France	Full	99%	99%	99%	99%
LCL PREM VIE 2/4 C	France	Not consolidated	0%	0%	95%	95%
AMUN.TRES.EONIA ISR E FCP 3DEC	France	Full	85%	85%	61%	61%
AMUNDI TRANSM PAT C	France	Full	98%	98%	98%	98%
TRIANANCE 6 ANS	France	Full	62%	62%	62%	62%
ACTICCIA VIE N4	France	Full	100%	100%	100%	100%
AMUNDI ACTIONS FRANCE C 3DEC	France	Full	57%	57%	68%	68%
LCL TRIPLE TEMPO AV (FEV.2015)	France	Full	100%	100%	100%	100%
AMUNDI VALEURS DURAB	France	Full	68%	68%	71%	71%
CPR OBLIG 12 M.P 3D	France	Full	91%	91%	89%	89%
AMUNDI HORIZON 3D	France	Full	66%	66%	66%	66%
ACTICCIA VIE 90 C	France	Full	100%	100%	100%	100%
LCL ACTIONS EURO C	France	Full	64%	64%	82%	82%
LCL PREMIUM VIE 2015	France	Full	98%	98%	95%	95%
AF EQUI.GLOB.AHE CAP	Luxembourg	Not consolidated	0%	0%	52%	52%
LCL ACT.E-U ISR 3D	France	Full	56%	56%	55%	55%
AMUNDI OBLIG EURO C	France	Full	48%	48%	48%	48%
CPR RENAI.JAP.-P-3D	France	Full	66%	66%	59%	59%
AM AC FR ISR PC 3D	France	Full	58%	58%	63%	63%
BNP PAR.CRED.ERSC	France	Full	61%	61%	67%	67%
LCL 6 HORIZ. AV 0615	France	Full	100%	100%	100%	100%
INDOS.EURO.PAT.PD 3D	France	Full	43%	43%	44%	44%
CPR CROIS.REA.-P	France	Full	39%	39%	38%	38%
AM.AC.MINER.-P-3D	France	Full	74%	74%	50%	50%
FONDS AV ECHUS FIA A	France	Full	0%	0%	0%	0%
ACTICCIA VIE 90 N2	France	Full	100%	100%	100%	100%
ACTICCIA VIE 90 N3 C	France	Full	100%	100%	100%	100%
LCL INVEST.EQ C	France	Full	93%	93%	92%	92%
LCL INVEST.PRUD.3D	France	Full	92%	92%	91%	91%
CPR GLO SILVER AGE P	France	Full	97%	97%	98%	98%
ACTICCIA VIE 90 N4	France	Full	100%	100%	100%	100%
LCL L.GR.B.AV 17 C	France	Full	100%	100%	100%	100%
LCL TRP HOZ AV 0117	France	Full	100%	100%	100%	100%
ACTICCIA VIE 90 N6 C	France	Full	100%	100%	100%	100%
LCL 3 TEMPO AV 11/16	France	Full	100%	100%	100%	100%
AMUN TRESO CT PC 3D	France	Full	86%	86%	65%	65%
LCL TRIPLE TE AV OC	France	Full	100%	100%	100%	100%
INDOSUEZ ALLOCATION	France	Full	82%	82%	100%	100%
LCL OPTIM II VIE 17	France	Full	97%	97%	95%	95%
LCL AUTOCALL VIE 17	France	Full	97%	97%	90%	90%
LCL DOUBLE HORIZON A	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
TRIANANCE 6 ANS N 4	France	Full	75%	75%	75%	75%
LCL AC MONDE	France	Full	52%	52%	42%	42%
AMUN.ACT.REST.P-C	France	Full	71%	71%	53%	53%
AMUNDI KBI ACTIONS C	France	Full	25%	25%	86%	51%
LCL ACT RES NATUREL	France	Full	45%	45%	39%	39%
SOLIDARITE AMUNDI P	France	Full	69%	69%	62%	62%
INDO ALLOC MANDAT C	France	Full	2%	2%	94%	94%
LCL TRI ESC AV 0118	France	Full	100%	100%	100%	100%
TRIANANCE 6 ANS 5 C	France	Full	79%	79%	79%	79%
A FD EQ E CON AE(C)	France	Full	58%	58%	54%	54%
A FD EQ E FOC AE (C)	France	Full	76%	76%	61%	61%
AMU-AB RET MS-EEUR	France	Not consolidated	0%	0%	59%	59%
AMUNDI ALLOCATION C	France	Full	98%	98%	100%	100%
PORTF DET FI EUR AC	France	Full	100%	100%	100%	100%
BFT SEL RDT 23 PC	France	Full	100%	100%	100%	100%
LCL BDP MONET. A C	France	Not consolidated	0%	0%	99%	99%
BFT STATERE P (C)	France	Full	44%	44%	48%	48%
CPR FOCUS INF.-P-3D	France	Full	20%	20%	63%	63%
EXAN.PLEI.FD P	France	Full	4%	4%	62%	62%
AMUNDIOBLIGMONDEP	France	Full	68%	68%	50%	50%
AMUNDI KBI ACTION PC	France	Full	87%	87%	87%	87%
LCL BDP MONETARISES	France	Not consolidated	0%	0%	99%	99%
AMUNDI-CSH IN-PC	France	Full	76%	76%	96%	96%
BFT FRAN FUT-C SI.3D	France	Full	49%	49%	48%	48%
AM.AC.USA ISR P 3D	France	Full	54%	54%	0%	0%
AM.ACT.EMER.-P-3D	France	Full	43%	43%	0%	0%
AM.RDT PLUS -P-3D	France	Full	41%	41%	0%	0%
TRIANANCE 6 ANS N3	France	Full	71%	71%	0%	0%
RETAH PART C	France	Full	100%	100%	0%	0%
TRIANANCE 6 ANS N6	France	Full	85%	85%	0%	0%
TRIANANCE 6 ANS N7 C	France	Full	82%	82%	0%	0%
AM FD II EUEQV AC	Luxembourg	Full	0%	0%	0%	0%
AF BD GLO EM LOC CUR	Luxembourg	Full	0%	0%	0%	0%
AMUNDI B GL AGG AEC	Luxembourg	Full	55%	55%	0%	0%
AFCPRGLLIFEAEC	Luxembourg	Full	47%	47%	0%	0%
AIMSCIWOAE	Luxembourg	Full	31%	31%	0%	0%
AMUNDI BGEB AEC	Luxembourg	Full	44%	44%	0%	0%
INDOSUEZ EURO DIV G	Luxembourg	Full	76%	76%	0%	0%
LCL AC.MDE HS EU.3D	France	Full	41%	41%	0%	0%
LCL ACTIONS EURO FUT	France	Full	74%	74%	0%	0%
FONDS AV ECHUS FIA B	France	Full	100%	100%	0%	0%
TRIANANCE 6 ANS N2 C	France	Full	75%	75%	0%	0%
EPARINTER EURO BD	France	Full	45%	45%	0%	0%
PORT.METAUX PREC.A-C	France	Full	100%	100%	0%	0%
TRIANANCE 6 ANS N8 C	France	Full	87%	87%	0%	0%
TRIANANCE 6 ANS N 9	France	Full	80%	80%	0%	0%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
JPM US SEL EQ PLS-CA EUR HD	Luxembourg	Full	57%	57%	0%	0%
INDO-FII EUR CP-IEUR	Luxembourg	Full	52%	52%	0%	0%
CPRGLODISOPARAC	Luxembourg	Full	47%	47%	0%	0%
CPR-CLIM ACT-AEURA	Luxembourg	Full	53%	53%	0%	0%
CPR I-SM B C-AEURA	Luxembourg	Full	61%	61%	0%	0%
SCPI LFP MULTIMMO	France	Full	100%	100%	0%	0%
INDOSUEZ NAVIGATOR G	Luxembourg	Full	41%	41%	0%	0%
INDO-GBL TR-PE	Luxembourg	Full	41%	41%	0%	0%
CPR EUR.HI.DIV.P 3D	France	Full	43%	43%	0%	0%
JPMORGAN F-US GROWTH-C AHD	Luxembourg	Full	49%	49%	0%	0%
78752 AEURHC	Luxembourg	Full	40%	40%	0%	0%
JPMORGAN F-JPM US VALUE-CEHA	Luxembourg	Full	59%	59%	0%	0%
FRANKLIN DIVER-DYN-I ACC EU	Luxembourg	Full	50%	50%	0%	0%
BA-FII EUR EQ O-GEUR	Luxembourg	Full	51%	51%	0%	0%
HYMNOS P 3D	France	Full	46%	46%	0%	0%
AMUNDI GLO M/A CONS-M2 EUR C	Luxembourg	Full	66%	66%	0%	0%
CHORELIA N5 PART C	France	Full	78%	78%	0%	0%
AMUNDI GLB MUL-ASSET-M2EURC	Luxembourg	Full	68%	68%	0%	0%
LCL OBL.CREDIT EURO	France	Full	81%	81%	0%	0%
AMUNDI-VOLATILITY WRLD-OUSDC	Luxembourg	Full	64%	64%	0%	0%
CHORELIA PART C	France	Full	85%	85%	0%	0%
LCF CREDIT ERSC 3D	France	Full	55%	55%	0%	0%
AM.AC.EU.ISR-P-3D	France	Full	44%	44%	0%	0%
FE AMUNDI INC BLDR-IHE C	Luxembourg	Full	78%	78%	0%	0%
INDOSUEZSWZOPG	Luxembourg	Full	51%	51%	0%	0%
CHORELIA N3 PART C	France	Full	86%	86%	0%	0%
LCL ACT.OR MONDE	France	Full	47%	47%	0%	0%
TRIAN 6 ANS N10 C	France	Full	63%	63%	0%	0%
JPM US EQY ALL CAP-C HDG	Luxembourg	Full	89%	89%	0%	0%
CHORELIA N2 PART C	France	Full	88%	88%	0%	0%
HASTINGS PATRIM AC	France	Full	41%	41%	0%	0%
FRANKLIN GLB MLT-AS IN-IAEUR	Luxembourg	Full	75%	75%	0%	0%
AMUNDI-EUR EQ GREEN IM-IEURC	Luxembourg	Full	80%	80%	0%	0%
CHORELIA N4 PART C	France	Full	89%	89%	0%	0%
CADEISDA 2DEC	France	Full	40%	40%	0%	0%
0057514 AUC	Luxembourg	Full	58%	58%	0%	0%
AMUNDI-VOLATILITY WRLD-IUSDC	Luxembourg	Full	70%	70%	0%	0%
5922 AEURHC	Luxembourg	Full	52%	52%	0%	0%
AMUNDI-GL INFLAT BD-MEURC	Luxembourg	Full	60%	60%	0%	0%
CHORELIA N6 PART C	France	Full	59%	59%	0%	0%
EXANE 1 OVERDR CC	Luxembourg	Full	64%	64%	0%	0%
IGSF-GBL GOLD FD-I C	Luxembourg	Full	46%	46%	0%	0%
AMUNDI AC.FONC.PC 3D	France	Full	56%	56%	0%	0%
PREDIQUANT A5	France	Full	100%	100%	0%	0%
FDC A3 P	France	Full	100%	100%	0%	0%
FDA 18 -O-3D	France	Full	100%	100%	0%	0%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
OPCI GHD	France	Full	90%	90%	0%	0%
BFT CREDIT OPPORTUNITES -I-C	France	Full	100%	100%	0%	0%
GRD 44 N4 PART CD	France	Full	100%	100%	0%	0%
CAA PE 2019 CPT 1 A1	France	Full	100%	100%	0%	0%
CAA PE 19 CPT BIS A2	France	Full	100%	100%	0%	0%
CAA PE 19 CPT TER A3	France	Full	100%	100%	0%	0%
CAA INFRASTRU.2019 A	France	Full	100%	100%	0%	0%
APLEGROSENIEUHD	Luxembourg	Full	51%	51%	0%	0%
LF PRE ZCP 12 99 LIB	France	Full	100%	100%	0%	0%
GRD 44 N5	France	Full	100%	100%	0%	0%
OPCI						
NEXUS1	Italy	Full	99%	99%	100%	100%
OPCI Predica Bureau	France	Full	100%	100%	100%	100%
OPCI PREDICA HABITATION	France	Full	100%	100%	100%	100%
OPCI PREDICA COMMERCES	France	Full	100%	100%	100%	100%
OPCI CAMP INVEST	France	Full	80%	80%	100%	100%
OPCI IRIS INVEST 2010	France	Full	80%	80%	100%	100%
OPCI MESSIDOR	France	Full	100%	100%	100%	100%
OPCI eco campus	France	Full	100%	100%	100%	100%
OPCI MASSY BUREAUX	France	Full	100%	100%	100%	100%
Property investment companies						
SCI PORTE DES LILAS - FRERES FLAVIEN	France	Full	100%	100%	100%	100%
SCI LE VILLAGE VICTOR HUGO	France	Full	100%	100%	100%	100%
SCI BMEDIC HABITATION	France	Full	100%	100%	100%	100%
SCI FEDERALE VILLIERS	France	Full	100%	100%	100%	100%
SCI FEDERLOG	France	Full	100%	100%	100%	100%
SCI FEDERLONDRES	France	Full	100%	100%	100%	100%
SCI FEDERPIERRE	France	Full	100%	100%	100%	100%
SCI GRENIER VELLEF	France	Full	100%	100%	100%	100%
SCI IMEFA 1	France	Full	100%	100%	100%	100%
SCI IMEFA 100	France	Full	100%	100%	100%	100%
SCI IMEFA 101	France	Full	100%	100%	100%	100%
SCI IMEFA 3	France	Full	100%	100%	100%	100%
SCI IMEFA 12	France	Full	100%	100%	100%	100%
SCI IMEFA 81	France	Full	100%	100%	100%	100%
SCI IMEFA 148	France	Full	100%	100%	100%	100%
SCI IMEFA 102	France	Full	100%	100%	100%	100%
SCI IMEFA 103	France	Full	100%	100%	100%	100%
SCI IMEFA 104	France	Full	100%	100%	100%	100%
SCI IMEFA 105	France	Full	100%	100%	100%	100%
SCI IMEFA 107	France	Full	100%	100%	100%	100%
SCI IMEFA 108	France	Full	100%	100%	100%	100%
SCI IMEFA 109	France	Full	100%	100%	100%	100%
SCI IMEFA 11	France	Full	100%	100%	100%	100%
SCI IMEFA 110	France	Full	100%	100%	100%	100%
SCI IMEFA 112	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
SCI IMEFA 113	France	Full	100%	100%	100%	100%
SCI IMEFA 115	France	Full	100%	100%	100%	100%
SCI IMEFA 116	France	Full	100%	100%	100%	100%
SCI IMEFA 117	France	Full	100%	100%	100%	100%
SCI IMEFA 118	France	Full	100%	100%	100%	100%
SCI IMEFA 120	France	Full	100%	100%	100%	100%
SCI IMEFA 121	France	Full	100%	100%	100%	100%
SCI IMEFA 122	France	Full	100%	100%	100%	100%
SCI IMEFA 123	France	Full	100%	100%	100%	100%
SCI IMEFA 126	France	Full	100%	100%	100%	100%
SCI IMEFA 128	France	Full	100%	100%	100%	100%
SCI IMEFA 129	France	Full	100%	100%	100%	100%
SCI IMEFA 13	France	Full	100%	100%	100%	100%
SCI IMEFA 131	France	Full	100%	100%	100%	100%
SCI IMEFA 17	France	Full	100%	100%	100%	100%
SCI IMEFA 18	France	Full	100%	100%	100%	100%
SCI IMEFA 20	France	Full	100%	100%	100%	100%
SCI IMEFA 32	France	Full	100%	100%	100%	100%
SCI IMEFA 33	France	Full	100%	100%	100%	100%
SCI IMEFA 34	France	Full	100%	100%	100%	100%
SCI IMEFA 35	France	Full	100%	100%	100%	100%
SCI IMEFA 36	France	Full	100%	100%	100%	100%
SCI IMEFA 37	France	Full	100%	100%	100%	100%
SCI IMEFA 38	France	Full	100%	100%	100%	100%
SCI IMEFA 39	France	Full	100%	100%	100%	100%
SCI IMEFA 4	France	Full	100%	100%	100%	100%
SCI IMEFA 42	France	Full	100%	100%	100%	100%
SCI IMEFA 43	France	Full	100%	100%	100%	100%
SCI IMEFA 44	France	Full	100%	100%	100%	100%
SCI IMEFA 47	France	Full	100%	100%	100%	100%
SCI IMEFA 48	France	Full	100%	100%	100%	100%
SCI IMEFA 5	France	Full	100%	100%	100%	100%
SCI IMEFA 51	France	Full	100%	100%	100%	100%
SCI IMEFA 52	France	Full	100%	100%	100%	100%
SCI IMEFA 54	France	Full	100%	100%	100%	100%
SCI IMEFA 57	France	Full	100%	100%	100%	100%
SCI IMEFA 58	France	Full	100%	100%	100%	100%
SCI IMEFA 6	France	Full	100%	100%	100%	100%
SCI IMEFA 60	France	Full	100%	100%	100%	100%
SCI IMEFA 61	France	Full	100%	100%	100%	100%
SCI IMEFA 62	France	Full	100%	100%	100%	100%
SCI IMEFA 63	France	Full	100%	100%	100%	100%
SCI IMEFA 64	France	Full	100%	100%	100%	100%
SCI IMEFA 67	France	Full	100%	100%	100%	100%
SCI IMEFA 68	France	Full	100%	100%	100%	100%
SCI IMEFA 69	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
SCI IMEFA 72	France	Full	100%	100%	100%	100%
SCI IMEFA 73	France	Full	100%	100%	100%	100%
SCI IMEFA 74	France	Full	100%	100%	100%	100%
SCI IMEFA 76	France	Full	100%	100%	100%	100%
SCI IMEFA 77	France	Full	100%	100%	100%	100%
SCI IMEFA 78	France	Full	100%	100%	100%	100%
SCI IMEFA 79	France	Full	100%	100%	100%	100%
SCI IMEFA 80	France	Full	100%	100%	100%	100%
SCI IMEFA 82	France	Full	100%	100%	100%	100%
SCI IMEFA 84	France	Full	100%	100%	100%	100%
SCI IMEFA 85	France	Full	100%	100%	100%	100%
SCI IMEFA 89	France	Full	100%	100%	100%	100%
SCI IMEFA 91	France	Full	100%	100%	100%	100%
SCI IMEFA 92	France	Full	100%	100%	100%	100%
SCI IMEFA 96	France	Full	100%	100%	100%	100%
SCI MEDI BUREAUX	France	Full	100%	100%	100%	100%
SCI PACIFICA HUGO	France	Full	100%	100%	100%	100%
SCI FEDERALE PEREIRE VICTOIRE	France	Full	99%	99%	99%	99%
SCI VAL HUBERT (SCPI)	France	Full	100%	100%	100%	100%
SCI IMEFA 132	France	Full	100%	100%	100%	100%
SCI IMEFA 22	France	Full	100%	100%	100%	100%
SCI IMEFA 83	France	Full	100%	100%	100%	100%
SCI IMEFA 25	France	Full	100%	100%	100%	100%
SCI IMEFA 140	France	Full	100%	100%	100%	100%
SCI IMEFA 8	France	Full	100%	100%	100%	100%
SCI IMEFA 16	France	Full	100%	100%	100%	100%
SCI CAMPUS MEDICIS ST DENIS	France	Full	70%	70%	70%	70%
SCI CAMPUS RIMBAUD ST DENIS	France	Full	70%	70%	70%	70%
SCI IMEFA 156	France	Full	90%	90%	90%	90%
SCI IMEFA 150	France	Full	100%	100%	100%	100%
SCI IMEFA 155	France	Full	100%	100%	100%	100%
SCI IMEFA 158	France	Full	100%	100%	100%	100%
SCI IMEFA 159	France	Full	100%	100%	100%	100%
SCI IMEFA 164	France	Full	100%	100%	100%	100%
SCI IMEFA 171	France	Full	100%	100%	100%	100%
SCI IMEFA 170	France	Full	100%	100%	100%	100%
SCI IMEFA 169	France	Full	100%	100%	100%	100%
SCI IMEFA 168	France	Full	95%	95%	95%	95%
SCI IMEFA 166	France	Full	95%	95%	95%	95%
SCI IMEFA 157	France	Full	90%	90%	90%	90%
SCI IMEFA 167	France	Full	95%	95%	95%	95%
SCI IMEFA 172	France	Full	100%	100%	100%	100%
SCI IMEFA 10	France	Full	100%	100%	100%	100%
SCI IMEFA 9	France	Full	100%	100%	100%	100%
SCI IMEFA 2	France	Full	100%	100%	100%	100%
SCI IMEFA 173	France	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
SCI IMEFA 174	France	Full	100%	100%	100%	100%
SCI IMEFA 175	France	Full	100%	100%	100%	100%
SCI IMEFA 149	France	Full	100%	100%	100%	100%
SCI IMEFA 176	France	Full	100%	100%	100%	100%
IMEFA 177	France	Full	100%	100%	100%	100%
IMEFA 178	France	Full	100%	100%	100%	100%
IMEFA 179	France	Full	100%	100%	100%	100%
SCI Holding Dahlia	France	Full	100%	100%	100%	100%
DS Campus	France	Full	100%	100%	100%	100%
Issy Pont	France	Full	75%	75%	75%	75%
SCI CARGO PROP HOLD	France	Not consolidated	0%	0%	28%	28%
SCI Vaugirard 36-44	France	Full	100%	100%	100%	100%
SCI 1 TERRASSE BELLINI	France	Equity method	33%	33%	33%	33%
SCI WASHINGTON	France	Equity method	34%	34%	34%	34%
SOCIETE CIVILE FONDIS	France	Equity method	25%	25%	25%	25%
SCI RUE DU BAC	France	Equity method	50%	50%	50%	50%
SCI TOUR MERLE	France	Equity method	50%	50%	50%	50%
SCI CARPE DIEM	France	Equity method	50%	50%	50%	50%
SCI WAGRAM 22/30	France	Equity method	50%	50%	50%	50%
SCI EUROMARSEILLE 1	France	Equity method	50%	50%	50%	50%
SCI EUROMARSEILLE 2	France	Equity method	50%	50%	50%	50%
SCI ILOT 13	France	Equity method	50%	50%	50%	50%
SCI FREY RETAIL VILLEBON	France	Equity method	48%	48%	48%	48%
SCI HEART OF LA DEFENSE	France	Equity method	33%	33%	33%	33%
Premium Green						
PREMIUM GREEN 4.72%12-250927	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV2027	Ireland	Full	100%	100%	100%	100%
PREMIUM GR 0% 28	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4,56%/06-21	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4,52%/06-21 EMTN	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV 06/22	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV/23/052022 EMTN	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN PLC 4.30%2021	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4.33%06-29/10/21	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4.7% EMTN 08/08/21	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4 .54% 06-13.06.21	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 4.5575%21EMTN	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV 22	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV07/22	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV 26/07/22	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN TV 07/22	Ireland	Full	100%	100%	100%	100%
PREM GRE 1.53 04-35	Ireland	Full	100%	100%	100%	100%
PREM GRE 1.55 07-40	Ireland	Full	100%	100%	100%	100%
PREM GRE 0.51 10-38	Ireland	Full	100%	100%	100%	100%
PREGREEN 0.63 10/25/38 Corp	Ireland	Full	100%	100%	100%	100%
PREGREEN 1.095 10/25/38 Corp	Ireland	Full	100%	100%	100%	100%
PREMIUM GREEN 1.24% 25/04/35	Ireland	Full	100%	100%	100%	100%

Consolidation scope of Crédit Agricole Assurances Group	Country	Consolidation Method	31/12/2019		31/12/2018	
			Control	Interest	Control	Interest
Branch offices						
CALIE EUROPE succursale France	France	Full	100%	100%	100%	100%
CALIE EUROPE succursale Pologne	Poland	Full	100%	100%	100%	100%
CACI VIE succursale CACI LIFE	France	Full	100%	100%	100%	100%
CACI NON VIE succursale CACI NON LIFE	France	Full	100%	100%	100%	100%
CACI VITA succursale CACI LIFE	Italy	Full	100%	100%	100%	100%
CACI DANNI succursale CACI NON LIFE	Italy	Full	100%	100%	100%	100%
PREDICA-PREVOYANCE DIALOGUE DU CREDIT AGRICOLE succursale en Espagne	Spain	Full	100%	100%	100%	100%

NOTE 12 Non-consolidated equity holdings and structured entities

12.1 Non-consolidated equity holdings

12.1.1 NON-CONSOLIDATED HOLDINGS ENTITIES

Entities under exclusive control, under joint control and under influence that have been excluded from the scope of consolidation, are presented in the table below:

Non-consolidated entities	Registered office	Interest% 31/12/2019	Reasons of exclusion from consolidation scope
SA FANCIMMO HOTELS	FRANCE	100%	Significance thresholds
UAF LIFE PATRIMOINE	FRANCE	100%	Significance thresholds
PREDICARE SARL	LUXEMBOURG	100%	Entity in run-off management
SCI NEW VELIZY	FRANCE	100%	Significance thresholds
OPTISANTIS SAS	FRANCE	77%	Significance thresholds
DIAPRE	FRANCE	100%	Significance thresholds
CSSE LOC.AS.M.CORS	FRANCE	60%	Significance thresholds
ASSERCAR	FRANCE	51%	Significance thresholds
SAS VIAREN	FRANCE	100%	Significance thresholds
CAA RESIDENCES SENIORS	FRANCE	100%	Significance thresholds
ISR COURTAGE	FRANCE	100%	Significance thresholds
SAS SPECIFICA	FRANCE	51%	Significance thresholds
PREVISEO OBSEQUES (EX-FEDER 02)	FRANCE	100%	Significance thresholds
SCI IMEFA 161	FRANCE	100%	Significance thresholds
SCI IMEFA 162	FRANCE	99%	Significance thresholds
SCI IMEFA 163	FRANCE	100%	Significance thresholds
SCI IMEFA 165	FRANCE	100%	Significance thresholds
SCI IMEFA 45	FRANCE	100%	Significance thresholds
SCI IMEFA 49	FRANCE	100%	Significance thresholds
SCI IMEFA 50	FRANCE	100%	Significance thresholds
SCI IMEFA 53	FRANCE	100%	Significance thresholds
SCI IMEFA 66	FRANCE	100%	Significance thresholds
SCI IMEFA VELIZY	FRANCE	56%	Significance thresholds
SCI ALLIANCE PARC A1	FRANCE	50%	Significance thresholds
CARI	LUXEMBOURG	100%	Significance thresholds
CDT AGRI. TU SA	POLAND	100%	Significance thresholds
SCI HOLDING STRATEGE	FRANCE	78%	Significance thresholds
SAS GHD OPCO HOTEL	FRANCE	90%	Significance thresholds
SCI IMEFA 180	FRANCE	100%	Significance thresholds
PACIFICA GRESILLONS	FRANCE	100%	Significance thresholds
LA MEDICALE COURTAGE	FRANCE	100%	Significance thresholds
SCI IMEFA 181	FRANCE	100%	Significance thresholds
SCI IMEFA 182	FRANCE	100%	Significance thresholds
SCI IMEFA 183	FRANCE	100%	Significance thresholds
SCI IMEFA 184	FRANCE	100%	Significance thresholds
SNC MARSEILLE MICHELET	FRANCE	100%	Significance thresholds
SCI IMEFA 186	FRANCE	99%	Significance thresholds
SCI IMEFA 187	FRANCE	99%	Significance thresholds

Non-consolidated entities	Registered office	Interest% 31/12/2019	Reasons of exclusion from consolidation scope
SCI IMEFA 188	FRANCE	99%	Significance thresholds
SCI IMEFA 189	FRANCE	99%	Significance thresholds
SCI IMEFA 190	FRANCE	99%	Significance thresholds
SAS OFELIA	FRANCE	33%	Significance thresholds
SCI FEDERIMMO	FRANCE	40%	Significance thresholds
CREDIT AGRICOLE PROTECTION & SECURITE	FRANCE	20%	Significance thresholds
SCI 11 PLACE DE L'EUROPE	FRANCE	50%	Significance thresholds
SAS DEFENSE CB3	FRANCE	25%	Significance thresholds
SCI SEGUR 2	FRANCE	24%	Significance thresholds
SOCIETE SOPRESA	FRANCE	50%	Significance thresholds
SCI SEGUR	FRANCE	36%	Significance thresholds
SCI DISTRIPOLE PORTE	FRANCE	33%	Significance thresholds
SAS VILLE DU BOIS INVEST	FRANCE	49%	Significance thresholds
SCI FUTURE WAY	FRANCE	45%	Significance thresholds
F I VENTURE FCPR	FRANCE	45%	Significance thresholds
STOCKLY	FRANCE	25%	Significance thresholds
LITHOS O	FRANCE	100%	Significance thresholds
GRD ACT.ZONE EURO	FRANCE	100%	Significance thresholds
PREDICA ISR EUR.3D	FRANCE	100%	Significance thresholds
PREDICA ISR MDE 3D	FRANCE	100%	Significance thresholds
FCPR PREDICA CO-INVE	FRANCE	100%	Significance thresholds
FDC A2 -P-3D	FRANCE	100%	Significance thresholds
FDC A1 -O-3D	FRANCE	100%	Significance thresholds
FDC PREDIQ.OPP.O 3D	FRANCE	100%	Significance thresholds
FDA 14 PART O	FRANCE	100%	Significance thresholds
FDA 2 3D	FRANCE	100%	Significance thresholds
FDA RE -O-3D	FRANCE	100%	Significance thresholds
INVEST LATIT MDE I	FRANCE	44%	Significance thresholds
FDA 17 O	FRANCE	100%	Significance thresholds
OPCI RIVER OUEST	FRANCE	40%	Entity in run-off management
FDA 21 -O-3D	FRANCE	100%	Significance thresholds
FDA 7 O 3D	FRANCE	100%	Significance thresholds
CAA COMMERCES 2	FRANCE	100%	Significance thresholds
OPCI LAPILLUS I	FRANCE	50%	Entity in run-off management
ECHIQUIER VALUE FCP 3DEC	FRANCE	92%	Significance thresholds
F CORE EU CRED 19 S	FRANCE	47%	Significance thresholds
PREDIREC FILO	FRANCE	50%	Significance thresholds
CAA PR FIN-CPT 3A3	FRANCE	100%	Significance thresholds
BEST BUS MODELS ID	FRANCE	49%	Significance thresholds
FDC T1 FCP 3 DEC	FRANCE	100%	Significance thresholds
FDC SILVER AGE C/D	FRANCE	100%	Significance thresholds
FDC PREMIUM	FRANCE	100%	Significance thresholds
CAA P.EQ.18 CPBIS A2	FRANCE	100%	Significance thresholds
CAA SECONDAIRE V A	FRANCE	100%	Significance thresholds
AMUNDI CON GL IED	LUXEMBOURG	100%	Significance thresholds
GEMS P LOW VOL R	LUXEMBOURG	86%	Significance thresholds

Non-consolidated entities	Registered office	Interest% 31/12/2019	Reasons of exclusion from consolidation scope
AF BD EURO CORPORATE	LUXEMBOURG	100%	Significance thresholds
OPCIMMO -OPC.VIE-5D	FRANCE	100%	Significance thresholds
AMUN PROT SOLID 3D	FRANCE	96%	Significance thresholds
AMUNDI TRANSM. IMMO.	FRANCE	91%	Significance thresholds
AMUNDI ACT. OR P C	FRANCE	65%	Significance thresholds
AMUNDI EDR SELECTION	FRANCE	99%	Significance thresholds
ACTICCIA VIE 90 N5	FRANCE	100%	Significance thresholds
AMUNDI KBI AQUA C	FRANCE	94%	Significance thresholds
ACTICCIA VIE 90 N7 C	FRANCE	100%	Significance thresholds
LCL PREM VIE T 2017	FRANCE	98%	Significance thresholds
ACTICCIA VIE 90 N 8	FRANCE	100%	Significance thresholds
AMUNDI EQ JA T AEC	LUXEMBOURG	68%	Significance thresholds
EDRF-EURSYN-R-EUR	LUXEMBOURG	68%	Significance thresholds
STELVIO	ITALY	100%	Significance thresholds
TULIPE HOLDING BELGIQUE SA	BELGIUM	80%	Significance thresholds
NARCISSE HOLDING BELGIQUE SA	BELGIUM	80%	Significance thresholds
FONCIERE BRUGGE STATION	BELGIUM	80%	Significance thresholds
FONCIERE BRUXELLES AEROPORT	BELGIUM	80%	Significance thresholds
FONCIERE BRUXELLES GARE CENTRALE	BELGIUM	80%	Significance thresholds
FONCIERE BRUXELLES SUD	BELGIUM	80%	Significance thresholds
FONCIERE BRUXELLES TOUR NOIRE	BELGIUM	80%	Significance thresholds
IRIS TREFONDS	BELGIUM	80%	Significance thresholds
FONCIERE LIEGE	BELGIUM	80%	Significance thresholds
FONCIERE LOUVAIN CENTRE	BELGIUM	80%	Significance thresholds
FONCIERE LOUVAIN	BELGIUM	80%	Significance thresholds
FONCIERE MALINES	BELGIUM	80%	Significance thresholds
FONCIERE NAMUR	BELGIUM	80%	Significance thresholds
BRANCH INVESTMENTS INTERNATIONAL INC.	BAHAMAS	94%	Entity in run-off management
IRIS INVESTOR HOLDING GmbH	GERMANY	80%	Significance thresholds
METEORE ALCALA SL	SPAIN	51%	Significance thresholds
LOUVOIS PLACEMENT	FRANCE	70%	Significance thresholds
CARIDOR	FRANCE	98%	Significance thresholds
FEDERPIERRE CAPUCINES	FRANCE	100%	Significance thresholds
FEDERPIERRE CAULAINCOURT	FRANCE	99%	Significance thresholds
FEDERPIERRE MICHAL	FRANCE	100%	Significance thresholds
FEDERPIERRE UNIVERSITE	FRANCE	99%	Significance thresholds
LONGCHAMP MONTEVIDEO	FRANCE	100%	Significance thresholds
VICQ NEUILLY	FRANCE	100%	Significance thresholds
SCI MONTPARNASSE COTENTIN	FRANCE	100%	Significance thresholds
SCI 3-5 BIS BOULEVARD DIDEROT	FRANCE	99%	Significance thresholds
DE VRIES	FRANCE	67%	Significance thresholds
ARM (SAS)	FRANCE	100%	Significance thresholds
MIRABAUD CONV BD EUR	FRANCE	64%	Significance thresholds
SABLES D'OLONNE	FRANCE	100%	Significance thresholds
SCI IMEFA 151	FRANCE	90%	Significance thresholds
SCI IMEFA 152	FRANCE	90%	Significance thresholds

Non-consolidated entities	Registered office	Interest% 31/12/2019	Reasons of exclusion from consolidation scope
SCI IMEFA 153	FRANCE	90%	Significance thresholds
FEDERATION INDEPENDANTE DU PATRIMOINE	FRANCE	55%	Significance thresholds
EFFITHERMIE FINANCE	FRANCE	100%	Significance thresholds
BOLETUS FINANCE	FRANCE	100%	Significance thresholds
FR0013231008 LCL BDP MONETAR B C	FRANCE	100%	Significance thresholds
HAAS EPAR PATR I	FRANCE	66%	Significance thresholds
CAA PRIVATE EQUITY 208 - COMPARTIMENT TER	FRANCE	100%	Significance thresholds
BC 44	FRANCE	100%	Significance thresholds
DS3 - MILAN	FRANCE	100%	Significance thresholds
AMUNDI PRIVATE DEBT FUNDS	FRANCE	44%	Significance thresholds
PREDIWATT	FRANCE	100%	Significance thresholds
TANGRAM	FRANCE	100%	Significance thresholds
LCL PME EX N3 B FCPR	FRANCE	100%	Significance thresholds
BFT FRANCE FUTUR Z-C	FRANCE	99%	Significance thresholds
EDR SICAV-EQ EUR SOL O-EUR	FRANCE	100%	Significance thresholds
METEORE GREECE SA	GREECE	51%	Significance thresholds
MUZINICH SHDUR-HIYLD-HD-EU-I	IRELAND	85%	Significance thresholds
METEORE ITALY SRL	ITALY	51%	Significance thresholds
SCHRODER ISF ALT RSK PR-EHCA	LUXEMBOURG	100%	Significance thresholds
FTIF-FRKN EUR DVD-IACCE	LUXEMBOURG	86%	Significance thresholds
AMUNDI-GLOBAL PRSP-M EUR C	LUXEMBOURG	99%	Significance thresholds
JPMF INV-JAPAN ST VAL-CH EUR	LUXEMBOURG	100%	Significance thresholds
AMUNDI-M/A CONS-M EUR C	LUXEMBOURG	100%	Significance thresholds
CPR INVEST DEFENSIVE-R CAP	LUXEMBOURG	99%	Significance thresholds
CPR INVEST REACTIVE-RACC	LUXEMBOURG	100%	Significance thresholds
NORDEA 1 US CORP BND-HAI EUR	LUXEMBOURG	99%	Significance thresholds
AMUNDI-BD EURO INFLATION-XEC	LUXEMBOURG	99%	Significance thresholds
UBS LUX BND-C EUROPE EUR-A1I	LUXEMBOURG	41%	Significance thresholds
LU0211301337 AXA IM FIIS-US CO INT B-AHED	LUXEMBOURG	100%	Significance thresholds
ARCHMORE-IN.DE.PL.II-S-F III EUR DIS	LUXEMBOURG	100%	Significance thresholds
ARCHMORE SCSP-IN.DE.PL.II-S-F IV EUR	LUXEMBOURG	100%	Significance thresholds
AFCASHUSD J2	LUXEMBOURG	98%	Significance thresholds
AMUNDI-EM MKT HRD CR B-IEURA	LUXEMBOURG	86%	Significance thresholds
AMUNDI-EMER MKT BL BD-MEURC	LUXEMBOURG	94%	Significance thresholds
AMUNDI-EUR EQ GREEN IM-MEURC	LUXEMBOURG	100%	Significance thresholds
AMUNDI-EURO H/Y S/T BD-IEADD	LUXEMBOURG	100%	Significance thresholds
AMUNDI-GL AGG BND-I EUR HADD	LUXEMBOURG	53%	Significance thresholds
HSBC GLOBAL-INFLAT LK BD-IHE	LUXEMBOURG	55%	Significance thresholds
MFS MER-EMERG MARK DB-IH2EUR	LUXEMBOURG	93%	Significance thresholds
PICTET EUR SHRTRM HI YD-IIE	LUXEMBOURG	59%	Significance thresholds
CYCLINVOPRTBEUR	LUXEMBOURG	100%	Significance thresholds
CYCLOPE INVES.OPP.	LUXEMBOURG	100%	Significance thresholds
NEXT ESTATE INC.FD III S.C.S.SIC.-FIS-A	LUXEMBOURG	100%	Significance thresholds
IDP II CAA Sub-Fund III-IV	LUXEMBOURG	86%	Significance thresholds
CPR INVEST MEGATRENDS-R ACC	LUXEMBOURG	100%	Significance thresholds
CPR INVEST-DYNAMIC-R ACC	LUXEMBOURG	95%	Significance thresholds

Non-consolidated entities	Registered office	Interest% 31/12/2019	Reasons of exclusion from consolidation scope
EDMOND DE ROTH-EUR CON-O EUR	LUXEMBOURG	56%	Significance thresholds
MAN CG I EUR C	LUXEMBOURG	41%	Significance thresholds
SCHRODER INTL EURPN L/C-CAC	LUXEMBOURG	91%	Significance thresholds
SCI ACADEMIE MONTROUGE	FRANCE	50%	Significance thresholds
SAS LOUVRESSES DEVELOPMENT	FRANCE	21%	Significance thresholds
SCI ALTA CARRE DE SOIE	FRANCE	50%	Significance thresholds
HUB@LUXEMBOURG	LUXEMBOURG	19%	Significance thresholds

12.1.2 NON-CONSOLIDATED SIGNIFICANT EQUITY HOLDINGS

Equity securities representing a fraction of the capital greater than or equal to 10% that do not fall within the scope of consolidation are presented in the table below:

Non-consolidated equitiy securities *(in € millions)*	Registered office	Interest% 31/12/2019	Equity value	Net income/(loss) for previous year
FONCIERE LYONNAISE	FRANCE	13%	4,485	590
COVIVIO HOTELS (ex FONCIERE DES MURS)	FRANCE	17%	3,032	108
GECINA NOMINATIVE	FRANCE	14%	12,012	807
LOGISTIS LUXEMBOURG S.A	LUXEMBOURG	15%	273	17
COVIVIO IMMOBILIEN (ex FDM MANAGEMENT SAS)	ALLEMAGNE	12%	262	91
TIGF HOLDING	FRANCE	10%	1,165	84
FDS STR PART - CP 1	FRANCE	25%	407	-
CPT PARTICIPAT 2 3D	FRANCE	24%	484	-
CPT PARTICIPATION 3	FRANCE	21%	273	3
CPT PARTICIPATION 4	FRANCE	25%	358	21
EFFI INVEST II	FRANCE	30%	157	11
SAS PREIM HEALTHCARE	FRANCE	21%	341	36
ADL PARTICIPATIONS	FRANCE	25%	397	14
CA GRANDS CRUS	FRANCE	22%	195	3
CENTRAL SICAF	FRANCE	25%	789	74
MACQUARIE STRATEGIC STORAGE FACILITIES HOLDINGS	FRANCE	40%	88	55
SEMMARIS	FRANCE	33%	113	15
FUTURE ENGERGIE INVESTMENT HOLDING	FRANCE	50%	78	34
FUTURE ENGERGIE INVESTMENT HOLDING 2	FRANCE	80%	ND	ND
EUROPEAN MOTORWAY INVESTMENTS 1	LUXEMBOURG	60%	23	2
CAVOUR AERO SA	LUXEMBOURG	40%	369	18
SOCIETE IMMOBILIERE DE LA SEINE	FRANCE	18%	3	-
FLUXDUNE	BELGIQUE	25%	1,056	-
TUNELS DE BARCELONA	ESPAGNE	50%	77	21
ALTA BLUE	FRANCE	33%	551	(1)
CASSINI SAS	FRANCE	49%	97	(33)
ARGAN	FRANCE	17%	796	157
LUXEMBOURG INVESTMENT COMPANY 296 SARL	LUXEMBOURG	50%	ND	ND

12.1.3 FINANCIAL INFORMATION OF NON CONSOLIDATED JOINT VENTURES AND NON CONSOLIDATED ASSOCIATES

Crédit Agricole Assurances implemented the simplified option permitted by IAS 28 for the accounting of 3 traditional entities (European Motorway Investments 1, Luxembourg Investment Company 296 sarl, Tunels de Barcelona) on which it has joint control and for 9 traditional entities (Central Sicaf, Macquarie Strategic Storage Facilities Holdings, Semmaris, Futures Energies Investissements Holding, Futures Energies Investissements Holding 2, Cavour Aero SA, Fluxdune, Alta Blue, Cassini SAS) on which it has a significant influence. These entities are measured at fair value through result in accordance with IFRS 9. The main financial information are presented in the table below:

	31/12/2019				
(in € millions)	Interest%	Net asset value	Balance sheet total	Equity value	Result
European Motorway Investments 1	60%	269	59	23	2
Luxembourg Investment Company 296 sarl	50%	43	ND	ND	ND
Tunels de Barcelona	50%	171	485	77	21
Central Sicaf	25%	152	1,440	789	74
Macquarie Strategic Storage Facilities Holdings	40%	245	546	(182)	11
Semmaris	33%	180	656	112	15
Futures Energies Investissements Holding	50%	390	1,314	78	34
Futures Energies Investissements Holding 2	80%	ND	ND	ND	ND
Cavour Aero SA	40%	190	369	369	18
Fluxdune	25%	234	1,057	1,056	-
Alta Blue	33%	308	618	551	(1)
Cassini SAS	50%	369	1,211	97	(33)

12.2 Information about non-consolidated structured entities

In accordance with IFRS 12, a structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual arrangements.

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2019, Crédit Agricole Assurances has an interest in certain non-consolidated structured entities, whose main features based on their type of business are presented below.

Crédit Agricole Assurances invests in funds created for cash management purposes in response to investor demand, on the one hand and, on the other, for the purpose of investing insurance premiums received from insurance company customers in compliance with the regulatory provisions set out in the French Insurance Code (Code des Assurances). Insurance company investments are used to fulfil commitments to policyholders throughout the insurance contracts' lifetime. Their value and returns are correlated with these commitments.

In this regard, Crédit Agricole Assurances invests in three types of vehicles:

UCITS

This category covers standard investment funds, whether or not listed, such as FCPs, SICAVs, FCPRs or similar foreign funds.

Real estate

The following are included in the category of non-consolidated structured entities: funds whose underlying assets are in real estate and especially OPCIs, SCPIs or foreign funds of the same nature, etc.

Other

This category covers so-called securitisation funds such as FCCs, FCTs or similar foreign funds, etc.

Sponsored entities

Crédit Agricole Assurances sponsors structured entities in the following instances:

- Crédit Agricole Assurances is involved in establishing the entity and that involvement, which is remunerated, is deemed essential for ensuring the proper completion of transactions;
- structuring takes place at the request of Crédit Agricole Assurances and it is the main user thereof;
- Crédit Agricole Assurances transfered its own assets to the structured entity;
- Crédit Agricole Assurances is the manager;
- the name of a subsidiary or of the parent company of Crédit Agricole Assurances is linked to the name of the structured entity or to the financial instruments issued by it.

Crédit Agricole Assurances has sponsored non-consolidated structured entities in which it no longer hosts interests at 31 December 2019.

Gross income of sponsored entities in which Crédit Agricole Assurances no longer holds interests after the end of the period amounts to € 18 million at 31 December 2019.

INFORMATION ON THE RISKS ASSOCIATED WITH INTERESTS HELD

Financial support provided to structured entities

No financial support was provided nor is planned with regard to non-consolidated structured entities for the 2019 financial year.

Interests held in non-consolidated structured entities by type of business

Non-sponsored structured entities generate no specific risk related to the nature of the entity. Disclosures concerning these exposures are set out in Note 6.5 “Fair value of financial assets and liabilities”. These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

At 31 December 2019 and 31 December 2018, the involvement of Crédit Agricole Assurances in non-consolidated sponsored structured entities is shown for all groups of structured entities that are material to Crédit Agricole Assurances in the tables below:

	31/12/2019				31/12/2018			
	Investment Funds				Investment Funds			
		Maximum loss				Maximum loss		
(€ million)	Carrying amount in balance sheet	Maximum exposure to loss	Guarantees received and other credit enhancements	Net exposure	Carrying amount in balance sheet	Maximum exposure to loss	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	45,583			45,583	32,021			32,021
Financial assets at fair value through equity	1	-	-	1	1	-	-	1
Financial assets at amortized cost	-			-	-			-
TOTAL ASSETS RECOGNIZED AGAINST UNCONSOLIDATED STRUCTURED ENTITIES	**45,584**	**45,584**	**-**	**45,584**	**32,021**	**32,021**	**-**	**32,021**
Equity instruments	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-
Liability	-	-	-	-	-	-	-	-
TOTAL LIABILITIES RECOGNIZED FOR UNCONSOLIDATED STRUCTURED ENTITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Commitments given		-	-	-		-	-	-
Financing commitments		-	-	-		-	-	-
Warranty commitments		-	-	-		-	-	-
Other		-	-	-		-	-	-
Provisions for execution risk - Commitments by signature		-	-	-		-	-	-
TOTAL OFF-BALANCE SHEET COMMITMENTS NET OF PROVISIONS AGAINST UNCONSOLIDATED STRUCTURED ENTITIES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL BALANCE SHEET OF NON-CONSOLIDATED STRUCTURED ENTITIES	**258,113**	**-**	**-**	**-**	**229,853**	**-**	**-**	**-**

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(For the year ended December 31, 2019)

Crédit Agricole Assurances

50-56, rue de la Procession

75015 Paris, France

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying consolidated financial statements of Crédit Agricole Assurances for the year ended December 31, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Accounts Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2019 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of reserve for increasing risks – Long-term care

As regards the long-term care risk, the reserve for increasing risks amounted to €1,045 million at December 31, 2019. It is recognized under technical liabilities relating to insurance policies, which amounted to €240.4 billion at December 31, 2019.

See Notes 1 and 6.23 to the consolidated financial statements.

Risk identified	How our audit addressed this risk
In respect of health and disability cover, a reserve for increasing risks is recorded when the present value of the insurer's commitments (payment of benefits) is higher than the projected contributions of policyholders. This reserve is determined prospectively, over the lifetime of the contract, which involves a large number of assumptions such as the remaining years of independent living, the likelihood of a state of partial or total dependence, the duration of the state of dependence and the discount rate of the cash flows. The long duration of the commitments in question makes calculating this reserve sensitive to changes in the financial markets when determining the discount rate used, especially in a context of very low or even negative interest rates. In light of the significant degree of judgment exercised by management when determining the assumptions used to make these estimates, we deemed the measurement of the reserve for increasing risks to be a key audit matter.	Assisted by our actuarial experts, we performed the following procedures: ▶ assessing the relevance of the methodology used; ▶ gaining an understanding of the results of the controls implemented by Crédit Agricole Assurances to verify the accuracy of the management data underlying the calculation of the reserve; ▶ assessing the assumptions regarding future premiums, life expectancy, the likelihood of a state of dependence, and the duration of the state of dependence; ▶ assessing the reasonableness of the discount rate used in light of the estimated projected average yield on assets; ▶ verifying that these assumptions were correctly taken into account in the calculation of the reserve and assessing the consistency of the results; ▶ assessing the disclosures provided in the notes to the consolidated financial statements.

Liability adequacy test

Crédit Agricole Assurances has implemented a test for ensuring that, at December 31, 2019, the technical liabilities of life insurance contracts and financial contracts with discretionary participation features are adequate in relation to their estimated future cash flows.

See Notes 1 and 6.23 to the consolidated financial statements.

Risk identified	How our audit addressed this risk
As required by IFRS 4, Crédit Agricole Assurances verifies at each reporting date that the liabilities recognized in respect of life insurance contracts and financial contracts with discretionary participation features are adequate to cover future commitments to policyholders. This takes the form of a test performed as part of the preparation of the consolidated financial statements, to ensure the adequacy of the reserves set aside. For this purpose, at the level of Predica, the Group's largest consolidated subsidiary, future commitments to policyholders are estimated in respect of life insurance contracts and financial contracts with discretionary participation features by using a stochastic approach to project future cash flows based on the probabilities of certain scenarios occurring. These scenarios are based on assumptions concerning changes in the economic and financial environment, policyholder behavior and the insurer's management decisions. Any change in the assumptions used, particularly those used by management as regards discount rates, will have an impact on the estimate of the future cash flows against which the recognized technical reserves, net of deferred acquisition costs and portfolio values, are compared. In the event of inadequacy, Crédit Agricole Assurances should recognize an additional reserve, which would have a direct impact on the Group's net income. In light of the significant degree of judgment required to assess the scenarios used and the duration of the projections, we deemed the liability adequacy test performed on Predica, the Group's main life insurance subsidiary, to be a key audit matter.	We performed the following procedures: ▶ familiarizing ourselves with the methodology used by Crédit Agricole Assurances; ▶ assessing the consistency of the economic and financial assumptions used with market data, particularly in a low interest rate environment; ▶ examining the controls implemented in relation to the integration of asset and liability data and financial and non-financial assumptions into the calculation model; ▶ comparing data produced by the projection model with the future cash flows presented in the Predica liability adequacy test; ▶ analyzing changes in discounted future cash flows and recognized reserves when compared with the same captions at December 31, 2018; ▶ examining the sensitivity of the test result to changes in the main financial assumptions (rates and shares) and the portfolio (redemption rate) in order to verify that the reserves remained adequate in these different scenarios; ▶ assessing the disclosures provided in the notes to the consolidated financial statements.

Measurement of reserves for late claims (IBNRs) on long-tail lines

Claims reserves, before reinsurance, relating to non-life insurance contracts amounted to €4.9 billion at the year-end. They are composed mainly of reserves for claims on a caseby-case basis and claims incurred but not reported (IBNRs).

See Notes 1 and 6.23 to the consolidated financial statements.

Risk identified	How our audit addressed this risk
Technical reserves for non-life insurance contracts include claims reserves, covering the total cost of claims incurred but not yet settled. Of these reserves, reserves for late claims correspond to an estimate of the cost of claims that occurred during the year but have not yet been reported and, where applicable, to an additional measurement of the claim in question, determined on a case-by-case basis, in accordance with the accounting policies on prudence and adequate technical reserves. Claims reserves are determined by applying deterministic statistical methods based on historical data and using actuarial assumptions requiring expert judgment. In the insurance sector, these calculation methods are not uniform, and differ depending on the nature of the risks covered. Changes in the inputs used can significantly affect the value of these reserves at the end of the reporting period, particularly for long-tail insurance sectors, for which the inherent uncertainty of the attainment of forecasts is generally higher. These sectors correspond to motor, general, medical and life accident insurance. We deemed the measurement of these reserves to be a key audit matter given their materiality to the consolidated financial statements, the degree of expert judgment required and the variety and complexity of the actuarial methods implemented to measure the reserves for these sectors.	Assisted by our actuarial experts, we performed the following procedures: ▶ gaining an understanding of the control environment relating to the reserve calculation process, the claims management process, which determines the measurement of reserves recognized on a case-by-case basis, and the information systems used in processing technical data and inputting said data into the accounting systems; ▶ testing the key controls set up by management, which we deemed to be the most relevant in the reserve calculation process; ▶ reconciling the accounting data with the historical data underlying the estimates; ▶ analyzing significant changes in order to identify their origin and circumstances, and examining the outcome of the previous year's accounting estimates; ▶ examining the statistical methods and the actuarial inputs used as well as the consistency of the assumptions used with regard to market practices, Crédit Agricole Assurances' specific economic and financial environment and our audit experience; ▶ independently estimating reserves for late claims on long-tail lines and assessing the reasonableness of the amount of the related reserves recognized; ▶ examining the adequacy of the disclosures provided in the notes to the consolidated financial statements.

Determination of the consolidation scope

Investments in entities accounted for using the equity method amounted to €4 billion at December 31, 2019. Amounts owed to holders of units of fully-consolidated UCITS amounted to €9.1 billion at December 31, 2019.

See Note 11.1, "Consolidation scope" and Note 1.12, "Investments and non-consolidated structured entities" to the consolidated financial statements.

Risk identified	How our audit addressed this risk
Crédit Agricole Assurances' financial investment portfolio amounted to €414 billion at December 31, 2019, compared with €369 billion at December 31, 2018. At December 31, 2019, the Group consolidated numerous different types of structures: insurance companies, real estate investment companies, unit-linked funds, UCITS , REIFs, etc. Following additional work performed on the process of determining the consolidation scope at December 31, 2019, Crédit Agricole Assurances consolidated 77 new funds. Within the consolidation scope excluding funds, the Group consolidated four new entities using the full consolidation method and opted to apply the valuation exceptions provided for in paragraph 18 of IAS 28 to 12 entities. At December 31, 2019, the Group consolidates 557 entities, including 341 funds. In light of the volume of the financial asset portfolio and the diversity of Crédit Agricole Assurances Group's investment vehicles, we deemed the process of identifying, analyzing and accounting for the scope of consolidation to be a key audit matter.	We performed the following procedures: ▶ assessing compliance of the methodology used to apply IAS 28, IFRS 10 and IFRS 11; ▶ updating our knowledge of the internal control process and environment related to determining the consolidation scope; ▶ assessing controls set up by management, which we deemed to be the most relevant; ▶ examining entities that were newly-consolidated, excluded and derecognized from the consolidation scope; ▶ assessing the disclosures provided in the notes to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on other legal and regulatory requirements

APPOINTMENT OF THE STATUTORY AUDITORS

PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were appointed Statutory Auditors of Crédit Agricole Assurances by the annual general meeting held on May 5, 2008.

At December 31, 2019, our two firms were in the twelfth consecutive year of their engagement and the sixth year since the Company's debt securities were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Accounts Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;

- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

REPORT TO THE AUDIT AND ACCOUNTS COMMITTEE

We submit a report to the Audit and Accounts Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Accounts Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Accounts Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Accounts Committee.

Neuilly-sur-Seine and Paris-La Défense, March 19, 2020

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres
Anik Chaumartin Frédéric	Trouillard-Mignen	Olivier Drion

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CRÉDIT AGRICOLE ASSURANCES INDIVIDUAL STATEMENTS AT 31 DECEMBER 2019

FINANCIAL STATEMENTS OF CRÉDIT AGRICOLE ASSURANCES S.A.

BALANCE SHEET – ASSET

		31/12/2019			31/12/2018
(in € millions)	Notes	Gross	Depreciation, amortisation and provisions	Net	Net
Intangible assets		**18**	**(16)**	**1**	**3**
Property, plant and equipment		**-**	**-**	**-**	**-**
Equity investments		10,192	(194)	9,998	9,668
Receivables relating to equity investments		7,444	-	7,444	6,376
Other long term financial investments					
Long-term financial investments	**Note 4.1**	**17,637**	**(194)**	**17,443**	**16,044**
Non-current assets		**17,655**	**(211)**	**17,444**	**16,047**
Trade notes and accounts receivables	Note 4.2	-	-	-	-
Other receivables	Note 4.2	26	-	26	89
Marketable securities	Note 4.3	814	(2)	812	1,190
Cash and cash equivalents		7	-	7	-
Current assets		**847**	**(2)**	**845**	**1,278**
Accruals and prepaid expenses		**17**	**-**	**17**	**19**
TOTAL ASSETS		**18,519**	**(213)**	**18,306**	**17,344**

BALANCE SHEET – EQUITY AND LIABILITIES

(in € millions)	Notes	31/12/2019	31/12/2018
Share capital		1,490	1,490
Premiums on share issues, mergers, asset contributions		7,374	7,374
Statutory reserve		149	149
Other reserve		1	1
Retained earnings		490	89
Net income/(loss) for the year		1,325	1,592
Interim dividend (current year)		(624)	(569)
Equity	**Note 4.6**	**10,205**	**10,126**
Undated deeply subordinated notes		1,745	1,745
Other shareholders' equity	**Note 4.7**	**1,745**	**1,745**
Perpetual subordinated debt		5,094	4,089
Financing debts	**Note 4.2**	**5,094**	**4,089**
Contingency and loss provisions	**Note 4.4**	**1**	**2**
Borrowings from and amounts due to financial institutions		1,182	1,267
Trade notes and accounts payables		(5)	67
Tax, employment and social benefit liabilities		3	4
Liabilities related to non-current assets and related accounts		16	20
Other liabilities		66	26
Payables	**Note 4.2**	**1,262**	**1,383**
Accruals and prepaid income		**-**	**-**
TOTAL EQUITY AND LIABILITIES		**18,306**	**17,344**

INCOME STATEMENT

(in € millions)	Notes	31/12/2019	31/12/2018
Operating revenue (I)	**Note 5.1**	**1**	**5**
Other purchases and external expenses		(59)	(61)
Taxes, duties and similar payments		(2)	(1)
Wages and salaries		1	2
Payroll taxes		-	-
Additions to depreciation, amortisation and provisions on non-current assets		(2)	(2)
Additions to contingency and loss provisions		(1)	(2)
Operating expenses (II)		**(63)**	**(64)**
Operating income (I + II)		**(62)**	**(59)**
Financial income from equity investments		1,355	1,734
Income from other securities and receivables related to non-current assets		340	355
Other interest and similar income		16	20
Releases of provisions and expense transfers		7	1
Net proceeds from disposals of marketable securities		4	2
Financial income (V)		1,723	2,112
Additions to depreciation, amortisation and provisions on financial assets		(4)	(17)
Interest and similar expenses		(293)	(494)
Foreign exchange losses		(1)	-
Net expense on disposals of marketable securities		(5)	(4)
Financial expenses (VI)		**(303)**	**(515)**
Net financial income/(expenses) (V + VI)	**Note 5.2**	**1,419**	**1,596**
Recurring pre-tax income (I + II + III + V + VI)		**1,357**	**1,537**
Net non-recurring income/(expenses) (VII + VIII)	**Note 5.3**	**(5)**	**19**
Income tax (X)	Note 5.3	(27)	36
TOTAL INCOME (I + III + V + VII)		**1,726**	**2,137**
TOTAL EXPENSES (II + VI + VIII + IX + X)		**(401)**	**(544)**
PROFIT OR LOSS		**1,325**	**1,592**

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

Detailed Contents

Crédit Agricole Assurances S.A.'s purpose consists of acquiring equity interests in any form, administrating, managing, controlling and maximising the value of those equity interests, carrying out investment transactions, studies and more generally all financial, industrial, commercial transactions and transactions involving movable or immovable property, directly or indirectly related to the company's purpose.

The accounting period covers a 12 month period, from 1 January to 31 December 2019.

NOTE 1 Major structural transactions and material events during the period

Crédit Agricole Assurances and the ABANCA banking group have entered into a partnership to create a non-life insurance joint venture in Spain called Abanca Generales de Seguros y Reaseguros S.A.

NOTE 2 Material subsequent events

No significant post-balance sheet events.

NOTE 3 Accounting policies and principles

3.1 General principles

The annual financial statements for the financial year ended 31 December 2019 were prepared and presented in accordance with the accounting rules and methods of the 2014 French Chart of Accounts (regulation AC n°2014-03 of 5 June 2014 modified by the regulation ANC n°2015-06, n°2016-07, n°2017-01, n°2018-01, n°2018-02, n°2018-07 and n°2019-06) French Chart of Accounts in line with the principle of prudence and in accordance with the following basis assumptions:

- going concern;
- consistency of accounting methods between financial years;
- independence of financial years;
- and in accordance with the general rules for preparing and presenting annual accounts.

The basis method used to value items recognized in the accounts is the historic cost method.

Moreover, Crédit Agricole Assurances S.A. has applied Regulation no. 2015-05 on forward financial instruments and hedging transactions since 1 January 2017.

3.2 Intangible assets

Intangible assets are recognised at their cost of production less depreciation and amortisation since their date of completion.

The straight-line method of amortisation is applied over a useful economic life of 3-5 years.

3.3 Property, plant and equipment

Property, plant and equipment is shown at the acquisition cost less depreciation and amortisation since the date of acquisition. The straight-line method of amortization is applied over a useful economic life of 3 years for IT equipment and 7 years for office equipment.

3.4 Long-term financial investments

The "long-term financial investments" heading includes:

- equity investments acquired or contributed (at their net book value) These securities are recognised at acquisition cost, including expenses;
- accounts receivables linked to equity investments relating to loans granted to subsidiaries.

The impairments recorded on financial assets are due to the comparison of the value in use and the entry cost of these assets.

Unrealised capital losses are subject to depreciation and are not offset against unrealised capital gains.

3.5 Receivables and debts

Loans, other long-term receivables and debts are valued at their nominal value. Long-term receivables are, where applicable, depreciated in order to reflect their current value at the end of the financial year.

3.6 Marketable securities

Marketable securities are shown at their acquisition cost, at the end of the financial year, the cost of acquisition of marketable securities is compared with the book value (net asset value) in the case of SICAV and FCP and with the average market price of the last month of the financial year for other securities.

If there is an unrealised capital loss, a depreciation of the securities is recognised for the full amount of the capital loss.

3.7 Exchange difference

Accounts receivable and debts denominated in foreign currencies are translated into euro on the basis of the last exchange rate prior to the end of the financial year.

The differences resulting from this valuation are recorded as an exchange difference under assets (when the difference is an unrealised loss) or under liabilities (when the difference in an unrealised gain).

These accounts do not form part of the profit and loss.

A currency loss reserve must be created to mitigate unrealised losses, except when transactions executed in foreign currencies are paired with a symmetrical transaction intended to hedge against exchange rate variations, *i.e.* a forex hedge. Where this is the case, the currency loss reserve need only cover the unhedged risk.

3.8 Other equity capital

This includes debt with special terms attached, presented on the liabilities side of the balance sheet in an intermediate section named "Other equity capital".

These loans are valued at historical cost. The coupons represent financial expenses (the accrued coupons are recognised whether payment is deferred or not).

Issue expenses are spread out under P&L by amortisation up until the first date for exercising the redemption option.

The issue premium for such loans is not recognised, due to the perpetual nature of the issue. These debts are therefore recorded at their issue price.

Notwithstanding the PCG, which does not require the amortisation of the issue premium for this type of loan, the premium is amortised over a period starting from the issue date until the first optional redemption date.

3.9 Financing debts

The securities for which there is no contractual obligation to submit cash or another financial asset are as considered financing debts. These are perpetual subordinated securities and super-subordinated to securities.

3.10 Financial income and expenses

Financial income and expenses principally include:

- interests on loans taken out (expenses) and loans granted to subsidiaries (income); these interests being calculated in accordance with the contractual conditions of these;
- dividends and interim dividends received;
- coupons received (income) and, where applicable, realised capital gains and losses on the disposal of marketable securities (income or expenses).

3.11 Taxation

The company became part of the tax consolidation mechanism of Crédit Agricole S.A. on 1 January 2007.

According to the tax consolidation agreement between Crédit Agricole S.A. and Crédit Agricole Assurances S.A., the tax charge incurred by Crédit Agricole Assurances S.A. in respect of each consolidation period is the same as it would have been if it had been taxed separately.

NOTE 4 Balance sheet items

4.1 Long-term financial investments

GROSS VALUE OF LONG-TERM FINANCIAL INVESTMENTS

(in € millions)	Gross, 31/12/2018	Purchases and increases	Disposals and redemptions	Gross, 31/12/2019
Equity securities	9,854	403	(64)	10,192
Receivables connected with equity investments	5,996	1,012	(60)	6,948
Loans	380	142	(26)	496
Receivables relating to equity investments	6,376	1,155	(86)	7,444
Other financial assets	-	-	-	-
LONG-TERM FINANCIAL INVESTMENTS	**16,230**	**1,557**	**(150)**	**17,637**

Receivables from equity interests stand at EUR 7.444 billion versus EUR 6.376 million at the end of 2018. This increase was primarily due to EUR 960 million in new loans to subsidiaries.

ASSETS IMPAIRMENT

(in € millions)	Provisions 31/12/2018	Additions	Releases, used	Releases, not used	Provisions 31/12/2019
Equity securities	186	14	(7)	-	194
Marketable securities	17	-	(15)	-	2
TOTAL IMPAIRMENT	**203**	**14**	**(21)**	**-**	**196**

The net book values shown at 1 January 2019 have been subject to impairment tests based on the increase in the value-in-use of the CAA Group insurance companies. The value-in-use is determined on the basis of the discounting of estimated future cash flows of cash-generating units as determined in the medium-term plans established for the Group's piloting needs.

The following assumptions were applied:

- estimated future cash flows: preliminary data mainly covering a three to five-year period established under the Group's medium-term plan;
- the equity capital allocated to insurance activities at 31 December 2019 complies with solvency requirements, taking into account the economic position of each entity in terms of subordinated debt;
- growth rate to infinity: 2%;
- discount rate: interest rates by geographical area are between 7.3% and 12.32%.

An impairment of EUR 14 million on equity securities was recorded over the 2019 financial year.

For other shares, the net book values of the equity securities are the same at the end of 2019.

4.2 Receivables and payables by maturity

RECEIVABLES BY MATURITY

(in € millions)	Gross, 31/12/2019				Gross, 31/12/2018
	1 year or less	more than 1 year and less than 5 years	more than 5 years	Total	
Receivables connected with equity investments	97	933	6,414	7,444	6,376
Trade notes and accounts receivable	-	-	-	-	-
Other receivables	26	-	-	26	89
Prepaid expenses	-	-	-	-	-
TOTAL RECEIVABLES	**123**	**933**	**6,414**	**7,470**	**6,465**

Receivables connected with equity investments relate to purchases of subordinated debt issued by subsidiaries.

PAYABLES BY MATURITY

	Gross, 31/12/2019				
(in € millions)	1 year or less	more than 1 year and less than 5 years	more than 5 years	Total	Gross, 31/12/2018
Redeemable subordinated debt	61	-	4,300	4,361	3,357
Perpetual subordinated debt	2	-	730	732	732
Borrowings from and amounts due to financial institutions	371	573	238	1,182	1,267
Trade notes and accounts payables	(5)	-	-	(5)	67
Tax, employment and social benefit liabilities	3	-	-	3	4
Other debt	53	13	-	66	26
TOTAL PAYABLES	**485**	**586**	**5,268**	**6,339**	**5,452**

4.3 Book value of marketable securities by type

	31/12/2019		31/12/2018	
(in € millions)	Carrying amount	Fair value	Carrying amount	Fair value
Shares	30	40	51	48
Bonds	497	510	700	702
UCITS	278	284	444	437
Real Estate Investment trusts	5	6	5	7
TOTAL	**810**	**840**	**1,199**	**1,193**

4.4 Contingency and loss provisions

(in € millions)	Provisions 31/12/2018	Additions	Releases, used	Releases, not used	Provisions 31/12/2019
Provisions for litigation	1	-	-	-	1
Provisions for foreign exchange losses	-	-	-	-	-
Provisions for pensions	1	-	-	-	-
Provisions for tax	-	-	-	-	-
TOTAL CONTINGENCY AND LOSS PROVISIONS	**2**	**-**	**-**	**-**	**1**

4.5 Charges to be spread

(in € millions)	Gross, 31 December 2019	31 December 2018 Amortized amount	Addition and increase of exercise	31 December 2019 Net value
Issue expenses of perpetual bonds	8	3	1	4
Issue expenses relating to other bond loans	8	-	-	7
TOTAL CHARGES TO BE SPREAD	**16**	**4**	**1**	**12**

Issue expenses of perpetual bonds are spread out under P&L by amortisation up until the first date for exercising the redemption option.

Issue expenses relating to other bond loans are spread out under P&L by amortisation throughout the term of the loan.

4.6 Equity

COMPOSITION OF THE SHARE CAPITAL

At 31 December 2019, Crédit Agricole Assurances S.A.'s share capital was made up of 149,040,367 ordinary shares with par value of €10 each. It was 99.99%-owned by Crédit Agricole S.A.

Crédit Agricole Assurances S.A. does not hold its own shares.

CHANGES IN EQUITY

(in € millions)	Share capital	Share premium	Statutory reserve	Other reserve	Retained earnings	Net income/ (loss) for the year	Total equity
31 DECEMBER 2017	**1,491**	**7,375**	**149**	**1**	**571**	**730**	**10,316**
Capital increase	-	-	-	-	-	-	-
Appropriation of income and dividend payments	-	-	-	-	(482)	(730)	(1,212)
2017 income	-	-	-	-	-	1,592	1,592
Interim dividend (year 2017)	-	-	-	-	-	(569)	(569)
31 DECEMBER 2017	**1,491**	**7,375**	**149**	**1**	**89**	**1,023**	**10,127**
Capital increase	-	-	-	-	-	-	-
Appropriation of income and dividend payments	-	-	-	-	401	(1,023)	(621)
2019 income	-	-	-	-	-	1,325	1,325
Interim dividend (year 2018)	-	-	-	-	-	(624)	(624)
31 DECEMBER 2018	**1,491**	**7,375**	**149**	**1**	**490**	**701**	**10,206**

After noting that the net profit for the 2018 financial year was EUR 1.592 billion and that the profit carried forward was EUR 89 million, the general meeting held on 18 April 2019 decided to allocate the total sum of EUR 1.681 billion as follows: EUR 569 million to account for the interim dividend paid in December 2018 and EUR 490 million to be carried forward. The final dividend was distributed in cash.

On 4 December 2019, the Board of Directors also decided to pay out an interim dividend for the 2019 financial year of EUR 624 million, which was paid in cash.

The payment of the final dividend due in respect of the 2019 financial year will be proposed to the shareholders in cash at the general meeting on 29 April 2020.

4.7 Other shareholders' equity

(in € millions)	Value as of 31/12/2018	Issues	Accrued interests	Value as of 31/12/2019
Perpetual subordinated debt	1,745	-	-	1,745
TOTAL	**1,745**	**-**	**-**	**1,745**

NOTE 5 Income statement

5.1 Breakdown of revenue

The revenue of Crédit Agricole Assurances S.A. for 2019 is EUR 0,2 million; this reflects re-invoicing of charges.

5.2 Net financial income

Net financial income was EUR 1.419 billion in 2019 compared with EUR 1.596 billion in 2018. It is primarily made up of dividends received from the subsidiaries of Crédit Agricole Assurances S.A.

5.3 Tax charge

(in € millions)	Pre-tax income	Tax due	Net income
Recurring income	1,351	(27)	1,324
Non-recurring short-term income	1	-	1
Reported income	**1,352**	**(27)**	**1,325**

The profit on ordinary operations of Crédit Agricole Assurances S.A. is taxed at a rate of 34.43%.

5.4 Executive compensation

Crédit Agricole Assurances S.A. paid €134,4 thousand in compensation to members of executive bodies.

During the financial year, no advances or loans were granted to members of the administrative or management bodies, and no commitment was made on their behalf serving as a guarantee of any sort.

5.5 Auditors' fees

The amount of statutory audit fees paid in 2019 is included in the "other purchases and external expenses" item in the income statement. The net amount recognised in Crédit Agricole Assurances S.A.'s financial statements with respect to 2019 is presented in Credit Agricole Assurances' consolidated financial statements.

NOTE 6 Off-balance sheet items

Crédit Agricole Assurances S.A. granted two guarantees. The first was to New Reinsurance and the second was to RGA Americas Réinsurance to cover the possible collapse of CA life Japan. These off-balance-sheet commitments amount to AUD 230 million, *i.e.* EUR 144 million at 31 December 2019.

NOTE 7 Other information

7.1 Workforce

Crédit Agricole Assurances S.A. has no staff.

7.2 Subsidiaries and shareholdings at 31/12/2019

	(in € millions)	*(%)*		*(in € millions)*	
Name and address	**Capital Equity**	**% owned Dividends received**	**Gross value of securities Net value of securities**	**Loans Security**	**Revenue Income**
PREDICA	1,030	100%	6,950	5,918	24,207
50-56 rue de la procession -75015 Paris	8,565	1,141	6,950	-	1,035
RCS Paris 334 028 123					
CALI EUROPE	77	94%	125	44	3,553
16 av Pasteur - L2310 Luxembourg	118	12	125	-	16
PACIFICA	399	100%	580	571	3,761
8-10 bd de Vaugirard -75015 Paris	731	181	580	-	127
RCS Paris 352 358 865					
SPIRICA	231	100%	268	157	1,392
50-56 rue de la procession -75015 Paris	306	-	260	-	12
RCS Paris 487 739 963					
GNB SEGUROS	15	75%	54	-	64
Av. C.Bordalo Pinheiro-1070-061 Lisbonne - Portugal	33	5	54	-	7
CA VITA	236	100%	776	383	3,983
Via universita1 -43100 Parme - Italie	622	-	776	-	21
CA ASSICURAZIONI	10	100%	55	-	88
Via universita1 -43100 Parme - Italie	28	-	30	-	1
CACI	84	100%	634	162	-
50-56 rue de la procession -75015 Paris	588	12	597	-	19
RCS Paris 385 254 297					
CALI JAPAN	47	100%	63	-	148
1-9-2 Higashi shimbashi, Minato- ku, Tokyo 105-0021 - Japon	68	-	63	-	(8)
CA LIFE	-	100%	131	-	-
45 rue Mistropolos&Pandrosou -10656 Athènes - Grèce	-	-	21	-	-
LA MEDICALE DE FRANCE	5	100%	305	147	439
50-56 rue de la procession -75015 Paris	108	2	305	-	(43)
RCS Paris 582 068 698					
CREDIT AGRICOLE TU SA	17	100%	18	-	11
ul. Tęczowa 11 lok. 13, 53 – 601 Wrocław - Poland	10	-	18	-	(1)
CARI	12	100%	12	6	11
74 rue du Merl - L2146 Luxembourg	13	-	12	-	2
CREDIT AGRICOLE ASSURANCES SOLUTIONS	26	98%	26	-	512
16/18 bd de Vaugirard -75015 PARIS	11	-	26	-	(6)
RCS Paris 451 751 564					
OPTISANTIS	-	77%	4	-	1
33 rue de Bellissen 69340 Francheville	1	-	4	-	-
RCS Lyon 792 722 241					
Stelvio Agenzia Assicurativa S.p.A	-	100%	82	-	-
Via Feltre 75 - CAP 20134 Milano - Italie	11	1	82	-	4
FI Venture FCPR	101	40%	20	-	-
47 rue Ponthieu 75008 Paris	96	-	20	-	(1)
RCS Paris 825 398 027					
Crédit Agricole Innovations et Territoires	10	10%	5	-	-
25 rue Leblanc 75015 Paris	8	-	5	-	(1)
RCS Paris 830 825 048					
CREDITO VALTELLINESE	1,917	5%	39	-	-
Piazza Quadrivio, 8 -23100 Sondrio - Italie	1,566	-	25	-	24
ABANCA GENERALES	9	50%	47	-	-
Avenida Linares Rivas -30-3a Planta - Coruna - Espana	5	-	47	-	-

The information on capital, equity capital, revenue and profits for subsidiaries is based on the data at 31/12/2019, except for Creditto Valtellinese (30/06/2019), CA life Japan (30/09/2019), Abanca Generales (30/11/2019), Optisantis, CA Innovations et Territoires and FI Venture FCPR (31/12/2018).

7.3 Consolidation

The accounts of Crédit Agricole Assurances S.A. and its subsidiaries are included in the consolidated accounts of Crédit Agricole Assurances Group. They are also included in the consolidated accounts of the Crédit Agricole S.A. Group, Crédit Agricole S.A being the parent company of Crédit Agricole Assurances S.A.

7.4 Deposit of the accounts

The financial statements of Crédit Agricole Assurances S.A. are filed with the Clerk of the Commercial Court of Paris.

7.5 Linked parties

Information on linked parties is provided in the Group's consolidated notes.

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(For the year ended December 31, 2019)

To the Shareholders,

Crédit Agricole Assurances

50-56, rue de la Procession

75015 PARIS

Opinion

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying financial statements of Crédit Agricole Assurances for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Accounts Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2019 to the date of our report, and, in particular, we did not provide any non audit services prohibited by Article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we are required to inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

We determined that there were no key audit matters to discuss in our report.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D.441-4 of the French Commercial Code.

Information with respect to corporate governance

We attest that the section of the Board of Directors' report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were appointed Statutory Auditors of Crédit Agricole Assurances by the annual general meeting held on May 5, 2008.

At December 31, 2019, our two firms were in the twelfth consecutive year of their engagement and the sixth year since the Company's debt securities were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Accounts Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Accounts Committee

We submit a report to the Audit and Accounts Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Accounts Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Accounts Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Accounts Committee.

Neuilly-sur-Seine and Paris-La Défense, March 19, 2020

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres
Anik Chaumartin	Frédéric Trouillard-Mignen	Olivier Drion

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GENERAL INFORMATION

MEMORANDUM AND ARTICLES OF ASSOCIATION

CRÉDIT AGRICOLE ASSURANCES

A French public limited company (*société anonyme*) with share capital of €1,490,403,670 registered with the Paris Trade and Company Register under number 451 746 077.

Registered office:

50-56, rue de la Procession, 75015 Paris – France

Telephone: (33) 1 43 23 03 33

Website : www.ca-assurances.com

Legal Entity Identifier : 969500K2MUPS157XK083

ARTICLES OF ASSOCIATION

The articles of association of Crédit Agricole Assurances, amended on 10 September 2018, are reproduced in full below.

Article 1 – Form

The company was set up in the form of a simplified joint-stock company (*société par actions simplifiée*) under the terms of a private deed dated 15 January 2004.

It was converted into a public company (*société anonyme*) by unanimous decision of the Extraordinary General Meeting of Shareholders of 5 May 2008.

The company continues to exist for owners of existing shares and for shares created subsequently.

It is governed by the legislative and regulatory provisions in force and by these articles of association.

Article 2 – Purpose

The company's purpose in France and abroad is:

- to take minority and/or controlling shares, mainly in any insurance or reinsurance companies, to carry out research and analysis and to make any investments;
- to manage these holdings and investments;

and to:

- forge and manage significant and long-lasting links of financial solidarity with mutual insurance and reinsurance companies.

All the above directly or indirectly in any form, notably through the creation of companies, new groupings, contributions, mergers, alliances, subscription, purchase or exchange of shares and other rights in any company, undertaking or legal entity already in existence or to be created.

The purpose of the company is also to:

- provide capital advances to ensure the development of companies in which it has a holding;
- provide any services of an administrative, financial or commercial nature and any technical assistance to any insurance or reinsurance company in which the company has a direct or indirect holding;

and, generally, any financial, commercial, industrial, property and capital transactions directly or indirectly attached, in full or in part, to the above purpose or to similar or related purpose in order to promote its expansion or development.

Article 3 – Name

The company's name is: "CRÉDIT AGRICOLE ASSURANCES".

Article 4 – Registered office

The registered office is situated 50-56 rue de la Procession, 75015 PARIS.

It may be transferred to any other location in the same area department or a neighbouring area department by decision of the Board of Directors. This decision is subject to ratification by the next Ordinary General Meeting of Shareholders. The Board of Directors is thus authorized to amend the articles of association accordingly.

It may be transferred to any other location by virtue of a decision of an Extraordinary General Meeting of Shareholders.

Article 5 – Term

The term of the company remains 99 years from the date of its registration with the Trade and Company Register, except in the case of early dissolution or extension.

Article 6 – Contributions

- Following the Extraordinary General Meeting of Shareholders of 18 December 2008, the share capital was increased by €108,454,030, in compensation for the contribution of the shares of the following companies: BES VIDA, BES Seguros, CAAIH, CARE, CARI, EMPORIKI Insurance and CALI Serbie. This contribution was remunerated by the allocation of 10,845,403 shares, each with a par value of €10 and a total issue premium of €650,724,180.
- Following the decision of the General Meeting of June 2010 offering shareholders the option of receiving their dividends in shares, and the recognition by the Board of Directors on 7 October 2010 of the final completion of the capital increase,

the share capital was increased to €1,162,542,980.00 through the issue of 6,099,377 new shares of the same category, each with a par value of €10.

- Following the decision of the General Meeting of 19 June 2013 offering shareholders the option of receiving their dividends in shares, and the recognition by the Board of Directors on 1 August 2013 of the final completion of the capital increase, the share capital was increased to €1,240,569.500.00 through the issue of 7,802,652 new shares of the same category, each with a par value of €10.
- Following the Extraordinary General Meeting of Shareholders of 29 December 2014, the share capital was increased by €208,185,200 through a cash contribution of €1,542,027,776.40. This contribution was remunerated by the allocation of 20,818,520 new shares, each with a par value of €10 and a total issue premium of €1,333,842,576.40.
- Following the decision of the General Meeting of Shareholders on 28 April 2016 giving shareholders the option of receiving their dividends in shares, and the recognition by the Board of Directors on 27 July 2016 of the final completion of the capital increase, the share capital was increased to €1,490,403,670.00 through the issue of 4,164,897 new shares of the same category, each with a par value of €10.

Article 7 – Share capital

Share capital is currently set at €1,490,403,670 divided into 149,040,367 fully paid up shares of the same category, each with a par value of €10.

Article 8 – Form of shares

The shares are in registered form. The materiality of the shares results from their registration in the name of their holder or holders in accounts held for this purpose by the company under the terms and conditions provided by law.

At the shareholder's request, a certificate of registration shall be issued by the company.

Article 9 – Rights and obligations

1. Subject to the rights that may be granted to shares of different categories where created, each share entitles the holder to a portion of the profits and corporate assets in proportion to the portion of share capital it represents. It also entitles the holder to vote and to be represented at General Meetings, under the terms and conditions provided by law and the articles of association.

2. Shareholders shall only be held liable for company's losses up to the amount of their contributions. The rights and obligations attached to the share follow ownership of the share. Ownership of a share automatically entails adherence to the articles of association and to the decisions of the General Meeting.

3. Whenever it is necessary to hold several shares to exercise a given right, such as in the case of an exchange, consolidation or allocation of shares, or as a result of an increase or reduction in the share capital, or in the case of a merger or other corporate transaction, the holders of individual shares, or those who do not own the required number of shares, may exercise such rights only if they personally arrange for the consolidation of the shares and purchase or sell the required number of shares where necessary.

Article 10 – Disposal and transfer of shares

- I -

Securities entered in account shall be transmitted *via* transfer between accounts under the terms and conditions provided by law and subject, where applicable, to the provisions listed below.

- II -

Except in the case of transfer to a person appointed as director, any disposal in favor of a non-shareholder relating to full legal title, bare ownership or beneficial interest of shares, subscription and allocation rights must be submitted to the Board of Directors for approval in accordance with the terms and conditions set out below:

<u>II – 1.</u> In the event of planned disposal, the assignor must notify the company by extra-judicial document or registered letter with acknowledgement of receipt, indicating the first name, surname and domicile of the assignee, or the company's name and registered office in the case of a company, the number of shares it is planned to dispose of and the price offered.

The Board of Directors is bound to notify the assignor within three months whether it accepts or turns down the planned disposal. Failing notification within three months, it shall be deemed to have accepted.

The decision to accept must be taken by a majority of votes of the directors present or represented, with the assignor, if he/she is a director, abstaining from the vote. In accordance with the law and with these articles of association, at least half of the directors in office must be present.

No reasons need be given for the decision and, if turned down, it may not give rise to any form of claim.

The assignor must be notified by registered letter within ten days of the decision. Where the bid is turned down, the assignor shall have eight days to notify the Board whether he/she intends to proceed with the disposal.

<u>II – 2.</u> Where the assignor decides to proceed with the disposal, the Board of Directors shall be bound to have the shares acquired by shareholders or third parties, or by the company with a view to effecting a capital reduction within three months of the assignor notifying his/her decision to proceed with the disposal.

To this end, the Board of Directors shall notify the shareholders by registered letter of the planned disposal, inviting them to indicate the number of shares they wish to acquire.

Bids must be sent by the shareholders to the Board of Directors by registered letter with acknowledgement of receipt within fifteen days of receiving the notification. The Board of Directors shall distribute the shares offered between the shareholders in proportion to their equity interest and within the amount of their bids. Where applicable, undistributed shares shall be allocated by the drawing of lots-carried out by the Board of Directors in the presence of bidding shareholders or those duly called to attend-among as many shareholders as there remain shares to allocate.

<u>II – 3.</u> Where no bid is sent to the Board of Directors within the above-mentioned deadline, or where the bids do not encompass all of the shares offered, the Board of Directors may have the available shares purchased by a third party, with the Board of Directors responsible for ensuring that said third party is subject to the approval procedure specified in these articles of association.

II – 4. The shares may also be purchased by the company.

In this case, the Board shall convene an Extraordinary General Meeting of Shareholders to approve the repurchasing of shares by the company and the corresponding reduction in share capital. This meeting notice must be sent out sufficiently early to ensure compliance with the three-month deadline indicated below.

In all the above cases of purchase or repurchase, the price of the shares is set as indicated below.

II – 5. Where not all the shares have been purchased or repurchased within the three-month deadline following the notification of refusal to authorize the disposal, the assignor may make the sale in favor of the original assignee for those shares that he/she is free to sell, subject to any partial bids made as set out above.

This three-month deadline may be extended by order of the Presiding Judge of the Commercial Court ruling in summary proceedings to which the assignor and assignee have been duly called. This order is not open to appeal.

II – 6. Where the shares offered are acquired by shareholders or by third parties, the Board of Directors shall notify the assignor of the first name, surname and domicile of the purchaser(s).

The disposal price for the shares and the terms under which the sale of said shares is completed are set at the price offered by the assignee whose bid was turned down in line with the approval application received by the company. Failing agreement on the price, this shall be determined by an expert, in accordance with the provisions of Article 1843-4 of the French Civil Code.

The expertise fees shall be borne equally by the assignor and the purchaser(s).

The company shall send the assignor or unapproved subscriber, by registered letter with acknowledgement of receipt, the documentation necessary to register the transfer of shares and their registration in the name of the purchasers appointed by the Board of Directors.

Where the interested parties fail to return this documentation to the company within 15 days from the sending, the transfer of shares in the name of the beneficiaries appointed by the Board of Directors shall be automatically registered through the signature of the Chairman of the Board of Directors or by a Chief Executive Officer and by the beneficiary, where applicable. The shareholder's signature is not required. The shareholder shall be advised within eight days of the shares being registered in the name of the purchaser and requested to contact the registered office to receive payment, which shall not accrue interest.

Where, after six months, the shareholder has not withdrawn payment to which he is entitled, the company has the option to transfer the amount to the Caisse des Dépôts et Consignations, after which it shall be discharged of its responsibility in this regard.

II – 7. The provisions of this Article shall apply in all cases of disposal, either *inter vivos* or as a result of inheritance, liquidation of a marital estate, either free of charge or against payment, including in cases of disposal by public tender pursuant to a court ruling. These provisions shall also apply in cases of capital contributions, partial contributions of assets, mergers or splits.

II – 8. In the case of a capital increase in cash, the Board of Directors may decide, in order to facilitate the transactions, to exercise its right of approval on the issue of new shares to the non-shareholding subscriber rather than on the disposal of subscription rights.

The non-shareholding subscriber is not required to lodge an approval application; this shall be made implicitly upon receipt by the company of the subscription form. However, he/she must, where applicable, enclose with the form any and all supporting documentation for his/her acquisition of subscription rights.

The time frame prescribed by law and by the articles of association relative to the exercise by the Board of Directors of its right of approval shall run from the date of final completion of the capital increase.

Where approval is refused, the new shares subscribed by the unapproved third party must be repurchased under the above terms and conditions and time frame, at a price equal to the value of the new shares being repurchased, set at the issue price or, failing agreement on the price, by an expert under the terms and conditions provided by law.

II – 9. In the event of an allocation of this company's shares following the partition of a third-party company which hold shares in its portfolio, allocations to persons who are not already shareholders shall be subject to the approval set out in this article.

The plan to allocate shares to persons other than shareholders must therefore be submitted for approval by the company's liquidator under the terms and conditions set out in this article.

Where the Board of Directors fails to notify the liquidator within three months following the approval application, such approval shall be deemed to have been given.

Where the beneficiaries or a number thereof are refused approval, the liquidator may, within thirty days of the notification of refusal, change the allocations made in order to submit only approved beneficiaries.

Where no beneficiaries are approved, or where the liquidator has not changed his/her planned partition within the deadline stated above, shares allocated to unapproved shareholders must be purchased or repurchased from the company in liquidation under the terms and conditions set out above.

Where not all shares for which approval has been refused have been purchased or repurchased within the deadline stipulated above, the partition may be completed in accordance with the plan presented.

Article 11 – Board of Directors

The company is managed by a Board of Directors which has at least three members and at most eighteen members, subject to the exemptions provided by law.

The age limit for directors is 65. When a director reaches the age of 65, he/she will be deemed to have resigned at the end of the next Ordinary General Meeting of Shareholders.

During the existence of the company, directors are appointed or reappointed by the Ordinary General Meeting of Shareholders; however, in the event of a merger or split, they may be appointed by an Extraordinary General Meeting of Shareholders.

Where one or more directorships become vacant between two General Meetings as a result of death, removal or resignation, the Board of Directors may appoint one or more directors temporarily under the terms and conditions provided by law.

Directors may be removed at any time by the Ordinary General Meeting of Shareholders.

Their term of office is three years maximum and is renewable.

However, a director appointed to replace another director whose term of office has not yet expired shall remain in office only for the balance of his predecessor's term.

Directors may not be elected to more than four consecutive terms.

A director's duties shall terminate at the end of the Ordinary General Meeting of Shareholders called to consider the accounts for the previous financial year that is held during the year in which such director's term expires.

One third of the seats of the directors appointed by the General Meeting of Shareholders (or the nearest whole number, with the last group adjusted as necessary) shall turn over each year at the Annual Ordinary General Meeting of Shareholders so that all seats turn over every three years.

Outgoing directors shall be selected by the drawing of lots for the first and second period of three years and then by order of seniority as director.

If the number of elected directors is increased, lots shall be drawn (if necessary and prior to the first Ordinary General Meeting following the date on which said directors assume their seats) to determine the order in which said seats will turn over. The partial term of the directors selected by the drawing of lots due to the increase in the number of seats to be filled shall be disregarded when determining whether they have reached the four-term limit.

The Annual Ordinary General Meeting of Shareholders may pay the Board of Directors a fixed annual amount for attendance fees, which is posted under operating expenses. The Board shall distribute these attendance fees between its members as it sees fit.

The Board of Directors may also pay exceptional compensation to directors under the terms and conditions provided by law.

Article 12 – Non-voting directors

Upon recommendation from the Chairman, the Board of Directors may appoint one or more non-voting directors.

Non-voting directors shall be notified of and participate at meetings of the Board of Directors in an advisory capacity.

They are appointed for a term of three years and may not be reappointed for more than four terms. They may be dismissed by the Board at any time.

In consideration of services rendered, they may be remunerated as determined by the Board of Directors.

Article 13 – Deliberations of the Board of Directors

The Board of Directors shall meet as often as the interests of the company so require, upon notice by its Chairman, by any person authorized for that purpose by the Board of Directors, or by at least one-third of its members to address a specific agenda if the last meeting was held more than two months previously.

The Chief Executive Officer may request the Chairman to call a meeting of the Board of Directors to address a specific agenda. The Chairman is bound by requests addressed to him.

Meetings may be held at the registered office or at any other place specified in the meeting notice.

They may be convened by any means, in principle, at least three days in advance. Meeting notices shall indicate precisely which items shall be addressed, it being stipulated that once the Board of Directors' meeting has started the Board is free to discuss any point not explicitly listed on the agenda, in accordance with the law. If all of the directors so agree, notice may be given orally and need not be in advance.

The Board can only validly deliberate if at least half of its members are present.

Decisions are adopted on the basis of a majority vote of the members present or represented. The Chairman of the meeting shall have the casting vote.

Any director may grant a proxy, by letter, telegram, fax or email, to another director (or to the permanent representative of a director that is a legal entity) to represent him/her at a Board Meeting.

Each director may only avail of one such proxy vote per meeting.

In accordance with the legal and regulatory provisions, the Rules of Procedure may provide, for decisions under its remit, that for the purposes of determining a quorum and majority, the shareholders that attend a Board by video conference or by telecommunications media permitting their identification and effective participation shall be counted as present at the meeting.

The Chief Executive Officer shall attend the meetings of the Board of Directors.

At the Chairman's request, employees in positions of responsibility in Crédit Agricole Assurances Group may attend Board meetings.

The directors and any individuals requested to attend Board meetings must exercise discretion with respect to any confidential information described as such by the Chairman of the Board of Directors.

An attendance sheet is kept and signed by all directors taking part in the Board Meeting.

Minutes must be drawn up and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

Article 14 – Powers of the Board of Directors

The Board of Directors determines and ensures compliance with the business focus of the company.

Except for the powers expressly reserved to the General Meeting of Shareholders and within the limits established in the company's purpose, the Board of Directors is responsible for all issues related to the company's operations and business.

In its relations with third parties, the company may be bound by the acts of the Board of Directors which fall outside the company's purpose unless the company can prove that the said third party knew that the act was *ultra vires* or that it could not have been unaware, in light of the circumstances, that the act was *ultra vires*. The publication of the articles of association shall not constitute proof thereof.

The Board of Directors carries out such controls and verifications as it sees fit.

Each director shall receive the information necessary to accomplish the Board's duties and may obtain all the documents from Executive management that he/she considers necessary.

The Board may decide to set up various Committees to examine issues raised by itself or its Chairman and render an opinion.

The Board shall be responsible for determining the composition and powers of Committees which do their work under its authority.

Article 15 – Chairmanship of the Board of Directors

The Board of Directors appoints one of its members as Chairman, for whom it determines the length of office and compensation. The Chairman must be a natural person and his/her term of office cannot exceed his/her term of office as a director.

The Board of Directors may elect one or more Deputy Chairmen from among its members, whose term shall also be established by the Board, but which may not exceed his/her (their) term of office as a director. It may also appoint a secretary, who may or may not be a director.

The Board of Directors may dismiss the Chairman at any time. Any clause to the contrary shall be deemed not to have been written.

In the event of the Chairman's death or temporary inability to attend, the Board of Directors may appoint a director to act as Chairman.

In the event of a temporary inability to attend, this appointment is made for a limited period and is renewable. In the event of death, it shall continue to be valid until such time as a new Chairman is elected.

The Chairman of the Board of Directors represents the Board of Directors. He/she organizes and directs the activities thereof and reports to the General Meeting of Shareholders on its activities. He/she is responsible for the proper operation of the company's bodies, and, in particular, ensures that directors are able to fulfil their duties.

When the Chairman reaches the age limit, he/she is deemed to have automatically resigned following the next meeting of the Board of Directors.

Article 16 – Executive management

The company's executive management may be placed under the responsibility of either the Chairman of the Board of Directors or another person appointed by the Board who holds the title of Chief Executive Officer.

The choice between these two methods of exercising executive management is made by the Board of Directors, which must notify shareholders and third parties in accordance with the regulatory conditions.

Decisions of the Board of Directors regarding the choice of method of exercising executive management shall be made by the majority of those directors present or represented. The option retained by the Board of Directors is valid for the period determined in the decision. After this period, the Board of Directors must discuss the methods of exercising general management.

Chief Executive Officer

The Chief Executive Officer may or may not be appointed from among the directors.

Where the Board of Directors opts to separate the functions of Chairman and Chief Executive Officer, it appoints the Chief Executive Officer, sets his/her term of office, determines his/her compensation and, where applicable, the limitations of his/her powers.

No one over the age of 65 may be appointed Chief Executive Officer. Furthermore, if a Chief Executive Officer reaches this age limit, he/she is deemed to have automatically resigned following the next meeting of the Board of Directors.

The Chief Executive Officer may be dismissed at any time by the Board of Directors. Where the Chief Executive Officer does not take on the functions of Chairman of the Board of Directors, his/ her dismissal may give rise to the payment of damages, if the decision to do so is taken without sufficient grounds.

The Chief Executive Officer and Deputy Chief Executive Officers may be re-elected.

The Chief Executive Officer shall enjoy the broadest powers to act in all cases on behalf of the company. He/she exercises his/her authority within the limits of the company's purpose and subject to that authority assigned by law to Meetings of Shareholders and to the Board of Directors.

As part of the internal company organization, these powers may be limited by the Board of Directors. However, decisions of the Board of Directors that limit the Chief Executive Officer's powers are not binding on third parties.

The Chief Executive Officer represents the company in its relations with third parties. The company shall be bound by those actions of the Chief Executive Officer which are *ultra vires* unless the company can prove that the said third party knew that the act was *ultra vires* or that it could not have been unaware, in light of the circumstances, that the act was *ultra vires*. Publication of the articles of association shall not constitute proof thereof.

Deputy Chief Executive Officers

On a proposal from the Chief Executive Officer, the Board of Directors may appoint one or more persons responsible for assisting the Chief Executive Officer, who shall have the title "Deputy Chief Executive Officer" (Directeur général délégué). The number of Deputy Chief Executive Officers may not exceed five. The Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors On a proposal from the Chief Executive Officer.

The age limit applicable to the Chief Executive Officer also applies to Deputy Chief Executive Officers.

Where the Chief Executive Officer steps down from office or is unable to carry out his/her duties, the Deputy Chief Executive Officers shall retain their duties and powers until a new Chief Executive Officer is appointed, unless otherwise decided by the Board.

The Board of Directors determines the compensation of the Chief Executive Officer and of the Deputy Chief Executive Officers.

With the consent of the Chief Executive Officer, the Board of Directors shall determine the scope and term of the authority granted to the Deputy Chief Executive Officers. Deputy Chief Executive Officers shall have the same authority as the Chief Executive Officer with respect to third parties.

The Chief Executive Officer or Deputy Chief Executive Officers may, within the limits set by the legislation in force, delegate such powers as they see fit for one or more specific purposes to any agents, even outside the company, taken individually or grouped together in Committees or commissions. These powers may be permanent or temporary and may or may not include the possibility of substitution. The delegations thus granted shall remain in full effect despite the expiry of the term of office of the person who granted them.

Article 17 – Statutory auditors

Audits of the accounts shall be exercised in accordance with the law by two statutory auditors appointed by the Ordinary General Meeting of Shareholders.

The term of office of the statutory auditors shall be six financial years.

Statutory auditors whose term of office expires may be reappointed.

The statutory auditors may act jointly or separately, but must submit a joint report on the company's accounts. They must submit their report to the Annual Ordinary General Meeting of Shareholders.

Article 18 – General meetings of shareholders

General Meetings of Shareholders are convened and held under the terms and conditions provided by law.

These meetings are held at the registered office or at any other venue as indicated in the meeting notice.

Except in the cases expressly provided by law, any shareholder has the right to attend general meetings and to take part in deliberations, personally or by proxy, regardless of the number of shares held.

Holders of shares registered as provided for by law for at least three working days prior to the date of the General Meeting may attend or be represented at the meeting with no prior formality, by providing proof of their identity.

This period may be shortened by decision of the Board of Directors.

Any shareholder may also cast a vote remotely in accordance with the legal and regulatory provisions.

The General Meeting shall be chaired by the Chairman of the Board of Directors or, in his/her absence, by the Deputy Chairman, where applicable, or by a director delegated by the Board of Directors; failing this, by a person appointed by the General Meeting. Where the meeting has not been convened by the Board of Directors, the meeting shall be chaired by the person or one of the persons who convened it.

Ordinary and Extraordinary General Meetings of Shareholders acting in accordance with the quorum and majority requirements provided by law, exercise the powers granted to them by the legislation in force.

Minutes of meetings shall be drawn up and copies thereof shall be certified and issued in accordance with the law.

Article 19 – Financial statements – Determination, allocation and distribution of profit

The financial year begins on 1 January and ends on 31 December.

At the close of each financial year, the financial statements and notes are approved and drawn up in accordance with the legal and regulatory provisions in force.

Earnings for the financial year include income for the financial year as recorded on the balance sheet, less general expenses, wages and salaries, reserves and provisions of any nature prescribed by legislation regarding insurance, depreciation of the company's assets and any provisions for risks.

An amount shall be taken from the distributable earnings as determined in accordance with the law and recorded by the Annual Ordinary General Meeting of Shareholders after approval of the financial statements, to be carried forward or allocated to any general or special reserve fund, as decided by the Ordinary General Meeting of Shareholders.

Where there is any balance, this shall be paid out in proportion to the shares held.

The meeting may also take any amount from the reserve funds at its disposal to make distributions to shareholders, unless the items from which such amount may be taken is expressly indicated. However, dividends are taken as a matter of priority from the distributable earnings for the financial year.

Excluding the case of a capital reduction, no distribution shall be made to shareholders where equity falls or would fall as a result of such distribution below the amount of equity plus any reserves the distribution of which is prohibited by law.

The Ordinary General Meeting of Shareholders may grant each shareholder the option to take payment of all or part of a dividend or to take an interim dividend in cash or shares in accordance with the law.

Article 20 – Dissolution – Liquidation

The company is in liquidation from the moment of its dissolution on any grounds whatsoever, excluding a merger or split.

The meeting shall determine the liquidation procedures and shall appoint one or more liquidators whose powers it shall determine and who shall exercise their powers in accordance with the law.

Any equity remaining after the par value of shares has been reimbursed shall be distributed among the shareholders in the same proportions as their holding in the share capital.

Article 21 – Disputes

Any disputes arising during the term of the company or during its liquidation, either between the company and its shareholders or between the shareholders themselves, shall be subject to the jurisdiction of the competent courts.

INFORMATION ON THE COMPANY

ACQUISITIONS MADE BY CRÉDIT AGRICOLE ASSURANCES OVER THE PAST THREE YEARS

Completed acquisitions

No major acquisitions were made during 2017.

Acquisitions in progress

No new acquisitions were announced after the end of 2019 for which the management bodies have already made firm commitments.

Date	Investment	Financing
26/07/2018	Finalisation of the acquisition of 5% of the capital of Credito Valtellinese S.p.A.	
20/12/2018	Finalisation of the acquisition of Global Assicurazioni S.p.A.	These acquisitions were financed from our own resources.
21/12/2018	Finalisation of the acquisition of 25% of GNB Seguros, bringing the total ownership of Crédit Agricole Assurances to 75%.	
20/11/2019	Finalisation of the acquisition of 50% of Abanca Generales de Seguros y Reaseguros S.A.	

NEW PRODUCTS AND SERVICES

The entities of Crédit Agricole Group regularly offer new products and services to customers. Information is available on Crédit Agricole Group websites, especially through press releases on the website www.ca-assurances.com.

MATERIAL CONTRACTS

Neither Crédit Agricole Assurances nor its subsidiaries have entered into any material contracts with third parties, other than those entered into in the normal course of business, which could give rise, for the Group as a whole, comprising Crédit Agricole Assurances and its subsidiaries, to a right or commitment with a significant impact on the issuer's ability to fulfil the obligations arising from the securities issued towards the securities' holders.

However, there are major agreements binding Crédit Agricole Assurances, its subsidiaries and Crédit Agricole Group in terms of their business relations. These agreements are set out under related-party disclosures in the consolidated financial statements.

SIGNIFICANT CHANGES

The financial statements at 31 December 2019 were approved by the Board of Directors at its meeting of 12 February 2020.

There have been no significant changes in the financial performance, or the financial or commercial position of the company and Crédit Agricole Assurances Group since 31 December 2019, closing date of Crédit Agricole Assurances financial statements, with the exception of the "Recent trends and outlook" item of the "2019 operating and financial review" section and the third paragraph of the risk factor "Market fluctuations and general economic, market and political conditions may adversely affect the market value of the Crédit Agricole Assurances group's investments and its business" of the "Risk factors and risk management procedures" section mentioning the Covid-19 epidemic, the extent and duration of the impacts of which are impossible to determine at this stage."

PUBLICY AVAILABLE DOCUMENTS

This document is available on the websites of Crédit Agricole Assurances (http://www.ca-assurances.com/en/ investors).

This document, including Crédit Agricole Assurances' financial statements, report on corporate governance and management report, is filed with the Registrar Office of the Commercial Court of Paris.

All regulated information as defined by the AMF (in Title II of Book II of the AMF's general regulations) is available on the company's website: http://www.ca-assurances.com/en/investors.

The articles of association of Crédit Agricole Assurances are reproduced, in full, in this document.

PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND AUDITING THE FINANCIAL STATEMENTS

PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Philippe Dumont, Chief Executive Officer of Crédit Agricole Assurances.

STATEMENT OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I hereby certify that, to my knowledge and after all due diligence, the information contained in this universal registration document is true and accurate and contains no omission likely to affect the import thereof.

I hereby certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the financial position and results of the company and all entities included in the consolidated group over the relevant periods, and that the management report, the various sections of which are listed at the end of section 8 of this document, provides a true and fair view of the business trends, results and financial condition of the company data and all entities included in the consolidated group, and describes the main risks and uncertainties that they face.

Philippe Dumont, Chief Executive Officer

Paris, 2 April 2020

STATEMENT BY THE ISSUER

This universal registration document has been filed with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

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

PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

The company's statutory auditors are registered as auditors with the national auditing body (Compagnie nationale des commissaires aux comptes) and placed under the authority of the supervisory authority for auditors, (Haut Conseil du commissariat aux comptes).

Statutory auditors

Statutory auditors	Date of first appointment to office	Expiry of current term of office
PricewaterhouseCoopers Audit 63, rue de Villiers 92200 Neuilly-sur-Seine represented by Anik Chaumartin and Frédéric Trouillard-Mignen[(1)]	5 May 2008	2020 Annual General Meeting of Shareholders
Ernst & Young et Autres Tour First 1, place des Saisons 92400 Courbevoie represented by Olivier Drion and Olivier Durand[(1)]	5 May 2008	2022 Annual General Meeting of Shareholders

(1) Registered with the regional auditing body (Compagnie régionale) of Versailles.

Alternate Auditors

Statutory auditors	Date of first appointment to office	Expiry of current term of office
Patrice MOROT[1] 63, rue de Villiers 92200 Neuilly-sur-Seine Cedex	10 September 2018	2020 Annual General Meeting of Shareholders
Abder Aouad[1] Tour First 1, place des Saisons 92400 Courbevoie	3 May 20018	2022 Annual General Meeting of Shareholders

(1) *Registered with the regional auditing body (Compagnie régionale) of Versailles.*

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CROSS-REFERENCE TABLES FOR THE UNIVERSAL REGISTRATION DOCUMENT

CROSS-REFERENCE TABLE WITH HEADINGS REQUIRED BY DELEGATED REGULATION (EU) 2019/980

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of the Commission Delegated Regulation (EU) 2019/980 of the Commission as of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 809/2004 (Annex I), in application of the Directive, said "Prospectus". It refers to the pages of this Universal registration document where the information relating to each of these headings is mentioned.

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(1) According to the Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129, the following are incorporated by reference:

- *the annual and consolidated financial statements for the year ended 31 December 2017 and the corresponding statutory auditors' reports, the Group's management report as well as information on the statutory auditors, appearing respectively on pages 233 to 245 and 133 to 226, on pages 246 to 248 and 227 to 231, on pages 11 to 132 and on page 257 of the Crédit Agricole Assurances registration document 2017 registered by the AMF on 9 April 2018 under number D.18-0303;*
- *the annual and consolidated financial statements for the year ended 31 December 2018 and the corresponding statutory auditors' reports, the Group's management report as well as information on the statutory auditors, appearing respectively on pages 269 to 282 and 135 to 263, on pages 283 to 285 and 264 to 268, on pages 11 to 133 and on page 295 of the Crédit Agricole Assurances registration document 2018 registered by the AMF on 10 April 2019 under number D.19-0304.*

Any websites referred to in this Universal registration document are for information purposes only and the information in such websites does not form any part of this Universal registration document unless that information is expressly incorporated by reference into the Universal registration document.

CROSS-REFERENCE TABLE WITH THE INFORMATION REQUIRED BY THE AMF'S GENERAL REGULATIONS UNDER REGULATORY INFORMATION

Regulated information within the meaning of the AMF's general regulations contained in this Universal registration document can be found on the pages shown in the cross-reference table below.

This Universal registration document, published in the form of an Annual Report, includes all components of the 2019 Annual Financial Report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations and the ordinance 2017-1162 of 12/07/2017 from the Sapin 2 law:

Pursuant to Article 212-13 and 221-1 of the AMF's General Regulations, this Universal registration document also contains the following regulatory information:

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This document is printed in compliance with ISO 9001:2008 for an environmental management system.

ASSURANCES

Crédit Agricole Assurances, a French limited company with share capital of 1 490 403 670 euros
Headquarters: 50-56, rue de la Procession 75015 Paris - Paris Trade and Company Registry N° 451746077

WWW.CA-ASSURANCES.COM