

BUSINESS REVIEW 2009

# A new model for responsible growth



With **€ 800 billion**  
of loans outstanding worldwide,  
Crédit Agricole is a major international  
player and the leading financial partner  
to the French economy

# Crédit Agricole group, a leader in Europe.



**Retail bank leader in France<sup>(1)</sup> and in Europe<sup>(2)</sup>**, Crédit Agricole is a first-class partner for the economies in which it operates.

**The strength of its retail banks** including 11,500 branches worldwide and the **expertise of its specialised subsidiaries** give Crédit Agricole an effective presence in all areas of banking and finance. More than 160,000 employees work to satisfy the banking requirements of **59 million customers** in 70 countries.

Crédit Agricole intends to fulfil its role as a leading European player with global scale, while complying with the commitments that stem from its **mutualist background**. Its development is focused on servicing the real economy and it is committed to the principle of **responsible growth**. It is well positioned in three major sustainable development indices <sup>(3)</sup>.

(1) by customer bank deposits, source: Banque de France

(2) by retail banking revenues and the number of branches, source: company data

(3) ASPI Eurozone since 2004; FTSE4Good since 2005; DJSI since 2008.

**28%**

of the household market in France

**59**

million customers

worldwide

**70**

countries

**€2.7**

billion

net income - group share

**€68.8**

billion

shareholders' equity - group share

**9.7%**

tier 1 ratio

# The Group's organisation



**6.2 million cooperative shareholders**  
elect the 32,600 Local Banks directors



**The Fédération Nationale du  
Crédit Agricole (FNCA)**  
acts as a consultative and  
representative body and a forum  
for the Regional Banks



**2,544 Local Banks** hold the bulk of the Regional  
Banks' share capital. The Local Bank directors  
are key players in France's local communities  
and enable Crédit Agricole to tailor its product  
and service offering to customer requirements



**39 Crédit Agricole Regional Banks**  
As cooperative societies and fully-fledged banks,  
they propose a wide offering of banking products  
and financial services to their customers. Together,  
they hold 55.2% of Crédit Agricole S.A. share  
capital via SAS Rue La Boétie



**Float represents 44.4% of  
Crédit Agricole S.A. share capital**

- Institutional investors: 32.1%
- Individual shareholders: 7.7%
- Employees via employee mutual funds: 4.6%

Listed since December 2001, **Crédit Agricole S.A.**  
ensures the cohesion of the strategic development  
and the Group's financial unity. **Crédit Agricole S.A.**  
manages and consolidates its subsidiaries organised  
into 3 business lines



## 3 BUSINESS LINES:

### RETAIL BANKING

- In France
  - 25% of the Regional Banks  
(excl. the Regional Bank of Corsica)
  - LCL
- International retail banking
  - Cariparma FriulAdria
  - Emporiki
  - Crédit du Maroc
  - Crédit Agricole Egypt
  - Lukas Bank

### SPECIALISED BUSINESS LINES

- Specialised financial services
  - Consumer finance
  - Lease finance
  - Factoring
- Savings management
  - Asset management
  - Insurance
  - Private banking

### CORPORATE AND INVESTMENT BANKING

- Coverage and Investment Banking
- Equity Brokerage and Derivatives
- Fixed Income Markets
- Structured Finance

**SPECIALISED SUBSIDIARIES:** Crédit Agricole Immobilier, Crédit Agricole Private Equity, Idia - Sodica, Uni-Editions.

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In response to the crisis, Crédit Agricole has adopted a new business model based firmly on responsible growth.

In corporate and investment banking, it has put renewed emphasis on developing its customers' activities and projects, and has reduced its risk profile. Crédit Agricole is supported by retail banks that have deep roots in their communities, and by expert specialised subsidiaries.

These strengths and this strategy enable Crédit Agricole to serve the economy in all countries in which it operates. As a mutualist bank, it is committed to helping all of its customers, be they individuals, farmers, professionals, corporate customers or local authorities.

# A bank committed to fulfilling its economic role



Crédit Agricole has always been deeply integrated in its communities' social fabric. The recent crisis has forced all banks to look closely at their strengths and weaknesses. Given its major role in the economy, Crédit Agricole Group has decided to focus on long-term, responsible growth.

## How is Crédit Agricole approaching the new economic era that appears to be starting?

At Crédit Agricole, we are entering this new phase with a reinforced financial position. Our Tier I ratio stands at 9.7% and we have 68.8 billion euros of shareholders' equity. As soon as the financial crisis broke, we were one of the first to recognise the situation, thus perpetuating the Crédit Agricole tradition of transparency. We knew that banks' long-term future depended on financial solidity and access to liquidity. We consequently carried out a 5.9 billion euros capital increase as soon as June 2008, while market conditions allowed it. This share issue, which had the full support of our main shareholders, the Regional Banks of Crédit Agricole, was heavily oversubscribed. This transaction allows us today to rank amongst the most solid banking groups, whilst being the listed French bank which least resorted to government aid. The decision to strengthen our capital was both a pragmatic response to adjust to a very different banking environment, and a clear move to maintain Crédit Agricole S.A.'s competitive advantage as part of our long-term strategy.

Our solid financial position means that we can continue to lend, and indeed we have never stopped lending since the crisis began. We are the French economy's leading financial partner. The economic recession ensuing the crisis affected all players, causing bankruptcies, nationalisations, corporate dismantlements and a strong surge in unemployment. In response, companies substantially reduced their investments and households became much more cautious ; loan demand was much lower in 2009 than during the previous year. Nonetheless, we continued to support our customers, offering them solutions to help them get through the recession, for instance with the rescheduling of loan repayments when people fell into part-time unemployment.

The shock we lived through because of the recession has ushered in a new economic era, which should call for more rationale, thriftiness

and sustainability. Our mutual values, deep community roots and strong presence in retail banking both in France and internationally, give us full credibility to be one of the major players of responsible growth.

## To what extent do Crédit Agricole's founding values and business model constitute a response suited to the current situation?

Crédit Agricole's original values consist in the closeness of its ties with its customers, responsibility and long-term commitment. These values lie at the heart of our business model, as Crédit Agricole is fully committed to serving the local economy through its decentralised organisation consisting of 39 Regional Banks. Our credibility is enhanced by the fact that our executives are appointed by our 6.2 million cooperative shareholders. It is a mediation tool in our links with local communities. Thus, the Group finances one third of France's small and medium-sized enterprises and very small businesses, which make up most of our local and regional economic fabric. Moreover, we have always been the leading bank for the agriculture sector and rural communities, and offer the farming community products and services that are tailored to their changing needs. Crédit Agricole is a responsible, committed group. We were intent on highlighting this in late 2009 when we launched our national campaign aiming to lend 300 million euros per day, or 22 billion euros over three months, to individuals and companies: these targets were comfortably reached. Our total lending to the French economy amounts to 433 billion euros, across the Regional Banks and LCL.

Our mutual approach is illustrated by the deep local roots of our retail banks. Crédit Agricole Group has 11,500 branches worldwide, which gives it a leading position in Europe. Our mutual approach also involves sharing resources : in 2009, our 39 Regional Banks undertook a feasibility study aiming to set up a customer-focused IT system in the next four years, in order to become more competitive and responsive. In addition, the expertise of our specialised subsidiaries



**René Carron** • Chairman

which we have strengthened enables us to provide the best and most efficient solutions to our customers' requirements. Thus, thanks to the collaboration which exists between all of the group's entities, we combine the efficiency of production with the power of distribution.

We are rolling out our business model in Europe, while remaining watchful of respecting our culture of strong regional roots and co-operation between business lines. Italy is now our second domestic market, and accounts for more than 15% of Crédit Agricole S.A.'s net banking income. We are developing all of our business lines in Italy, and are achieving high levels of efficiency and profitability. Our corporate and investment banking services are also helping customers expand into markets all over the world.

### **How do you see the Group's role in the future?**

Firstly, in the forthcoming Annual General Meeting (AGM), the Board of Directors will propose a dividend of 0.45 euro per share with respect to 2009, representing a payout ratio of 92%. Shareholders will again have the option of receiving the dividend entirely in cash, or in shares. Our majority shareholder SAS Rue La Boétie has stated that subject to approval by its own AGM, it will opt for payment in shares – which will further strengthen Crédit Agricole S.A.'s capital base.

It is essential to emphasise the quality of our results which amounted for Crédit Agricole Group to 2.7 billion euros of net income (group

share) in 2009. This supports my view that we have made the right decisions and that, despite tough conditions, we can achieve solid, recurrent profits which enable us to look to the future with confidence. Our business model and responsible growth are realities, and we, at Crédit Agricole, are fully aware of the fundamental role we are to play in the economy.

We work closely with all stakeholders, and namely with the farming community where we are helping to promote a more sensible and environmentally friendly approach to agriculture. In terms of environmental protection, we are a signatory to the Equator Principles and the Climate Principles, and are working on reducing our carbon footprint and to develop renewable energies. Crédit Agricole is already highly active in its traditional regions, and takes an economically responsible approach to its global activities. For example, we have created the Grameen Crédit Agricole Microfinance Foundation with Professor Muhammad Yunus, winner of the 2006 Nobel Peace Prize and a pioneer of microcredit around the world, with the aim of fighting poverty in developing countries through the use of microfinance. We contributed 50 million euros to the foundation, which lent 14 million euros in the first 15 months of its existence. Our socially and environmentally responsible approach has existed for years and is widely recognised. Three of our subsidiaries are signatories to the Principles for Responsible Investment, and the Group has an active policy as regards socially responsible investing. Crédit Agricole is one of the world's top 100 companies in this area, and Crédit Agricole S.A. is listed in three major sustainable development stockmarket indexes. In response to the major challenges facing the planet, we will be strongly involved in discussions and collective action whilst remaining true to our values.

In May 2010, I will leave my role as Chairman of Crédit Agricole S.A. In a fast-moving world, I know that the Group will continue to evolve and master the inevitable changes that lie ahead, in accordance with its values and its aim of serving and supporting its 59 million customers, more than 160,000 employees and 1.3 million shareholders.

# A stronger business model and a committed bank in a changing industry



We have learnt the lessons from the financial crisis and consequently adjusted our organisation, discontinued a number of activities and reconfigured several business lines. Proposals on major regulatory changes have been initiated by governments and are being developed by the supervisory authorities. These proposals are being closely analysed by all financial companies.

## What lessons has Crédit Agricole learnt from the crisis?

These last two years have been branded by a deep crisis which has profoundly altered the conditions in which we do business. In 2009, French banks were less badly affected than others thanks to the solidity of their universal banking model. Indeed, they rank among those that least needed government support, and continued to lend to the economy, despite the weak operating environment and reduced demand.

Crédit Agricole has succeeded in making the right decisions to adjust to the new environment and undertook major initiatives as soon as the spring of 2008. Crédit Agricole S.A.'s Board of Directors decided to carry out a substantial capital increase and to adjust its strategy. This involved halting acquisitions, scaling down our capital market activities and reducing costs in our various business lines. By refocusing on core businesses and changing the way we work, Crédit Agricole S.A. was able to manage the sharp rise in cost of risk in 2008 and 2009.

The Group is supported by a solid and successful retail banking franchise. Our French retail banking business is outperforming most of our rivals. Our new sources of growth in Italy are extremely sound and are now making a significant contribution to earnings despite the recession. We have laid the pavestones to promising developments in other countries like Morocco, Egypt and Poland. Our specialised subsidiaries in consumer finance and asset management boast strong positions in France and Europe, and enable us to stand out from most of our rivals.

Finally, we have fine-tuned our risk management methods pertaining to counterparty, market and operating risk. Overall, we have built a

business model which is different from those of our main competitors: we are more focused on retail banking and related activities and have significantly scaled down the riskiest capital market activities within corporate and investment banking.

## What has changed in the way Crédit Agricole operates?

We have chosen to maintain our dynamic approach and strengthen our core businesses in order to serve our customers. We have chosen to focus on those activities which generate recurrent, solid profits, and this has resulted in several initiatives.

We were very quick to respond to increasingly adverse developments in the market. In the spring of 2008, we carried out a 5.9 billion euros share capital increase, with the result that Crédit Agricole is now one of the most solid banks in the market. We also worked hard to optimise the management of all Group entities through strict cost controls. In 2009, these efforts resulted in a 6% reduction in expenses on a like-for-like basis.

In parallel, we took steps to bolster our specialised business lines in order to provide our retail networks ever-increasingly competitive products. We reorganised our insurance and consumer finance subsidiaries by streamlining their structural cost bases, and we signed strategic partnerships. Our pursuit of economies of scale led us to create, hand in hand with Société Générale, Amundi, one of Europe's leading asset managers.

In corporate and investment banking, we took clear, aggressive steps toward reducing risk by discontinuing a number of capital market activities. This reduction in the risk profile was not implemented at the



**Georges Pauget** • Chief Executive Officer

expense of sales momentum, quite the opposite in fact. We developed businesses that genuinely meet our customers' requirements, and strengthened our world-leading positions in areas like aircraft and project financing.

Retail banking is clearly a major area of expertise, as shown by the performance of our Regional Banks and LCL. Outside France, all of our retail banks, whether majority-owned or not, are among the best in their local markets, with the exception of Emporiki, which has suffered from tough operating conditions in the Greek market. We have taken major steps to address Emporiki's problems, and in October, announced a restructuring and development plan for Emporiki covering the next five years. The target for Emporiki is to return to profit in 2011. Emporiki has taken the necessary steps to reduce cost of risk, cut operating expenses and enhance commercial performance ; the first effects of the plan started to show through in late 2009. Today, retail banking and specialised businesses account for 74% of Crédit Agricole S.A.'s net income - group share, excluding discontinuing activities in corporate and investment banking and goodwill impairment at Emporiki.

### **How would you sum up 2009?**

Crédit Agricole S.A. generated net income - group share of 1.1 billion euros and increased its shareholders' equity - group share to 45.5 billion euros. These strong figures clearly vindicate our decisions and our business model.

Crédit Agricole is a financially solid group with strong momentum in underlying earnings. We have chosen to focus on our traditional banking activities, which will also stabilise our earnings. We are well positioned to benefit from the economic recovery, and we have a promising future.

The recession will have a lasting economic impact. There have been major discussions within the banking industry about its role and its development, in which Crédit Agricole has taken part extensively. As regards remuneration, France was pioneer in taking initiatives. In February 2009, a code of ethics aiming to apply new controls on the remuneration of traders was prepared under the authority of the Fédération Bancaire Française (FBF), of which I was chairman at the time. Crédit Agricole Corporate and Investment Bank was the first financial institution to apply the FBF's recommendations, reducing bonuses and spreading their payout over several years in order to tie them to our traders' medium-term performance.

Today, the regulators are considering requiring additional prudential capital for the same given level of business. In December, the Basel Committee published a document containing proposals to bolster banks' capital, representing a first step towards defining a new prudential system. These principles are currently being discussed and their economic impact is being tested ; the ensuing new requirements will be announced in late 2010. There is a very real issue concerning the differences between banking models in Europe and the USA. The European model is based on universal banking and includes a large amount of intermediation, whereas in the American model, the market plays a much bigger role. We at Crédit Agricole are actively involved in the debate, and more particularly, are intent on defending the specificities of the mutual and *bancassurance* models, which have proved their utility and effectiveness in the recent crisis.

I was appointed Chief Executive Officer of Crédit Agricole S.A. in mid-2005. My main assignment was to develop the Group's international presence, and I have pursued that aim with determination. Our international expansion took place in 2006-2008, following the launch of our Development Plan in December 2005. However, we were hit by a severe and sudden crisis which was complex to manage ; I then took the necessary measures to refocus the Group, to restructure it and to position it for the recovery. This task is now complete. I would like to thank all of our staff for their dedication and our shareholders for their trust, and I am confident that the Group will rise to the challenges of the future while remaining true to its values.

# Board of directors



At 31 December 2009



#### DIRECTORS ELECTED BY THE AGM

##### 1- René Carron, Chairman

Chairman of the Regional Bank des Savoie  
Deputy Chairman, FNCA

##### 2- Jean-Marie Sander, Deputy Chairman

Representing SAS Rue La Boétie  
Chairman of the Regional Bank Alsace-Vosges  
Chairman, FNCA and SAS Rue La Boétie

##### 3- Jean-Paul Chifflet\*, Deputy Chairman

Chief Executive Officer of the Regional Bank Centre-Est  
General Secretary, FNCA  
Deputy Chairman, SAS Rue La Boétie

##### 4- Noël Dupuy, Deputy Chairman

Chairman of the Regional Bank Touraine-Poitou  
Deputy Chairman, FNCA

\* Appointed Chief Executive Officer of Crédit Agricole S.A. since 1<sup>st</sup> March 2010



##### 5- Pierre Bru

Chairman of the Regional Bank Nord Midi-Pyrénées

##### 6- Gérard Cazals

Chairman of the Regional Bank Toulouse-Midi Toulousain

##### 7- Patrick Clavelou

Chief Executive Officer of the Regional Bank Brie Picardie

##### 8- Alain David

Chairman of the Regional Bank Ile-et-Vilaine

##### 9- Alain Diéval

Chief Executive Officer of the Regional Bank Nord de France

##### 10- Laurence Dors

Deputy Chief Executive Officer, Dassault Systèmes

##### 11- Xavier Fontanet

Chairman and Chief Executive Officer, Essilor International

##### 12- Carole Giraud

Regional Bank employee

##### 13- Michael Jay

President, House of Lords Appointments Commission

##### 14- Bruno de Laage

Chief Executive Officer of the Regional Bank Anjou-Maine

##### 15- Dominique Lefebvre

Chairman of the Regional Bank Val de France

##### 16- Michel Mathieu

Chief Executive Officer of the Regional Bank Languedoc

##### 17- Michel Michaut

Chairman of the Regional Bank Champagne-Bourgogne

##### 18- François Veverka

Consultant - Financial services and banking (Banque Finance Associés)

#### DIRECTOR REPRESENTING

#### PROFESSIONAL FARMING ORGANISATIONS

##### 19- Jean-Michel Lemétayer

Chairman, FNSEA (French national farmers' union)

#### DIRECTORS ELECTED BY THE EMPLOYEES (CRÉDIT AGRICOLE S.A. - UES)

##### 20- Daniel Coussens

Representing employees

##### 21- Kheira Rouag

Representing employees

#### NON-VOTING DIRECTOR

##### 22- Henri Moulard

Chairman, Truffle Capital – HM et Associés

#### REPRESENTATIVE OF THE WORK COUNCIL

##### 23- Catherine Abalain-Angeli

#### STATUTORY AUDITORS

- Ernst & Young et Autres
- Pricewaterhouse Coopers Audit

# The Executive committee



At 31 December 2009

**1- Georges Pauget**  
Chief Executive Officer

**2- Jean-Yves Hocher**  
Deputy Chief Executive Officer  
in charge of Regional Banks  
development, Payment instruments  
and Insurance area

**3- Jacques Lenormand**  
Deputy Chief Executive Officer  
in charge of Crédit Agricole S.A. Group  
Functions area until 9 December,  
named adviser to the CEO

**4- Jean-Frédéric de Leusse**  
Deputy Chief Executive Officer  
in charge of the Group Specialised  
business lines area

**5- Bernard Mary**  
Deputy Chief Executive Officer  
in charge of Retail  
(LCL and International retail banking)



**6- Bertrand Badré**  
Group Chief Financial Officer

**7- Jean-Paul Betbèze**  
Chief Economist

**8- Jérôme Brunel**  
Head of Public Affairs

**9- Francis Canterini**  
Head of Group Risk Management  
and Permanent Controls

**10- Marc Carlos**  
Head of Payment Systems  
and Services

**11- Pierre Deheunynck**  
Head of Group Human Resources

**12- Alain Deschênes**  
Head of Group IT and Process  
Development

**13- Philippe Dumont**  
Chief Executive Officer of Sofinco  
and Finaref

**14- Christian Duvillet**  
Chief Executive Officer of LCL

**15- Ariberto Fassati**  
Head of Crédit Agricole S.A.  
Group in Italy

**16- Jérôme Grivet**  
Deputy Chief Executive Officer  
of Crédit Agricole Corporate and  
Investment Bank

**17- Paul de Leusse**  
Head of Group Strategy

**18- Gilles de Margerie**  
Head of Private Banking,  
Private Equity and Real Estate

**19- Alain Massiera**  
Deputy Chief Executive Officer  
of Crédit Agricole Corporate and  
Investment Bank

**20- Bernard Michel**  
Chief Executive Officer of Crédit  
Agricole Assurances

**21- Yves Perrier**  
Head of Asset Management,  
Securities and Investor Services

**22- Alexandra Rocca**  
Head of Communications Crédit  
Agricole S.A. Group

**23- Alain Strub**  
Chief Executive Officer  
of Emporiki Bank

**24- Patrick Valroff**  
Chief Executive Officer of Crédit  
Agricole Corporate and Investment  
Bank

**25- Jean-Pierre Vauzanges**  
Head of Regional Banks  
Development

## KEY FIGURES

# 2009 results

### 2009 results

In the extremely difficult economic and financial climate that has prevailed over the past two years, Crédit Agricole S.A. used its solid fundamentals to ensure that 2009 was a year of recovery for its banking business.

€ billion	Crédit Agricole Group	Crédit Agricole S.A.
Net banking income	31.3	17.9
Net income - group share	2.7	1.1
Shareholders' equity - group share	68.8	45.5
Tier I ratio	9.7%	9.5%

### The Crédit Agricole Group

Net income - group share for Crédit Agricole as a whole (i.e. including 100% of the Regional Banks) totalled €2.7 billion in 2009. Crédit Agricole is one of the world's most solid banks, with shareholders' equity - group share of €68.8 billion and a Tier I ratio of 9.7%. With worldwide loans outstanding of €800 billion<sup>1</sup>, the Group is a major international player.

<sup>1</sup> Loans and advances to customers and banks



### Crédit Agricole S.A.

Crédit Agricole S.A. has repositioned all of its business lines and gained fresh momentum. The Group's French retail banking business has weathered the crisis remarkably well and now has renewed impetus. International retail banking has been resilient and is continuing to respond to developments. The Group's operational performance in specialised financial services is still among the best in the market, and its leading positions in asset management, insurance and private banking have been strengthened. The corporate and investment banking business is developing in line with its targets, with the focus on serving customers. Net income - group share rose by almost 10% to €1.1 billion, reflecting the recovery in the banking business.

**The Group's net banking income** totalled €17.9 billion, up 12.4% relative to 2008, when the Group generated a €882 million gain on the disposal of Suez shares. This growth resulted from the momentum of traditional business lines and a significantly lower negative impact from discontinuing operations in corporate and investment banking.

**Operating expenses** fell by 3.6% year-on-year, showing improved operational management and the rapid response of all business lines to adverse economic conditions.

**Gross operating income** rose by 73.4% year-on-year to €5.8 billion in 2009.



**The cost of risk** totalled €4.7 billion. This represents a sharp increase on 2008, resulting from the weaker economic situation. Cost of risk arose mainly from international retail banking (€1 billion, with a substantial portion resulting from the situation in Greece), specialised financial services (€1.3 billion) and corporate and investment banking, including discontinuing activities (€1.8 billion).

**Income from equity affiliates** amounted to €847 million. This figure included a €822 million contribution from the Regional Banks, representing a 21.4% increase on 2008 and a strong improvement in operational performance. Income from equity affiliates also included a €212 million negative impact from the consolidation of Intesa Sanpaolo.

The Group made a net loss of €419 million **from other assets**. This was mainly due to a €485 million goodwill impairment charge relating to Emporiki in the third quarter of 2009. In 2008, net income from other assets was boosted by a €435 million gain on the creation of Newedge, the brokerage subsidiary owned 50/50 with Société Générale.

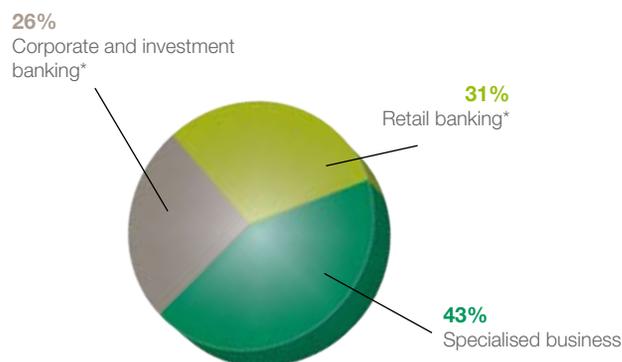
**Net gain from discontinued activities** totalled €158 million. This figure includes disposal gains on part of the African network, i.e. Crédit du Sénégal, Union Gabonaise de Banque, Société Ivoirienne de Banque and Crédit du Congo. These disposals form part of the Group's strategy, defined at the time of the May 2008 capital increase, to focus on retail banking in Europe and to streamline activities in the Mediterranean area.

Overall, **Crédit Agricole S.A.'s net income - group share** was €1.1 billion in 2009. This contrasts with the 2008 figure of €1 billion, which benefited from substantial gains on disposal (Suez and Newedge).

€ million	2008	2009	Change 2009/2008
Net banking income	15,956	17,942	+12.4%
Operating expenses	(12,635)	(12,182)	(3.6%)
Gross operating income	3,321	5,760	+73.4%
Cost of risk	(3,165)	(4,689)	+48.2%
Operating income	156	1,071	x6.9
Equity affiliates	868	847	(2.4%)
Net income on other assets	148	(419)	n.s.
Pre-tax income	1,172	1,499	+28%
Tax	66	(211)	n.s.
Gain /(loss) on discontinued operations	28	158	x5.6
Net income	1,266	1,446	+14.2%
<b>Net income - group share</b>	<b>1,024</b>	<b>1,125</b>	<b>+9.9%</b>

### Contribution to net income - group share by business

€ million	2008	2009
Regional Banks	581	730
LCL	691	574
International retail banking	(420)	(458)
Specialised financial services	460	457
Asset management, insurance, and private banking	1,392	1,410
Corporate and investment banking	(1,924)	(320)
Corporate centre	244	(1,268)
<b>Net income - group share</b>	<b>1,024</b>	<b>1,125</b>



\*Excluding discontinuing activities in corporate and investment banking and Emporiki goodwill impairment

### Solid financial position

Crédit Agricole S.A. has been awarded high ratings by the main ratings agencies. These agency ratings recognise its strong financial position and its membership of the Crédit Agricole Group. At end-2009, Crédit Agricole S.A. had shareholders' equity - group share of €45.5 billion, with a Tier I ratio of 9.5% and a Core Tier I ratio of 9.3%. These ratios are very comfortable given the risk profile..

Agency	Short term	Long term	Outlook
FitchRatings	F1 +	AA -	Stable
Moody's	P1	Aa1	Négative
Standard and Poor's	A1 +	AA -	Négative

**>> FOR MORE INFORMATION, VISIT**  
[finance.credit-agricole.com](http://finance.credit-agricole.com) - Financial reporting section

# Crédit Agricole S.A. shares



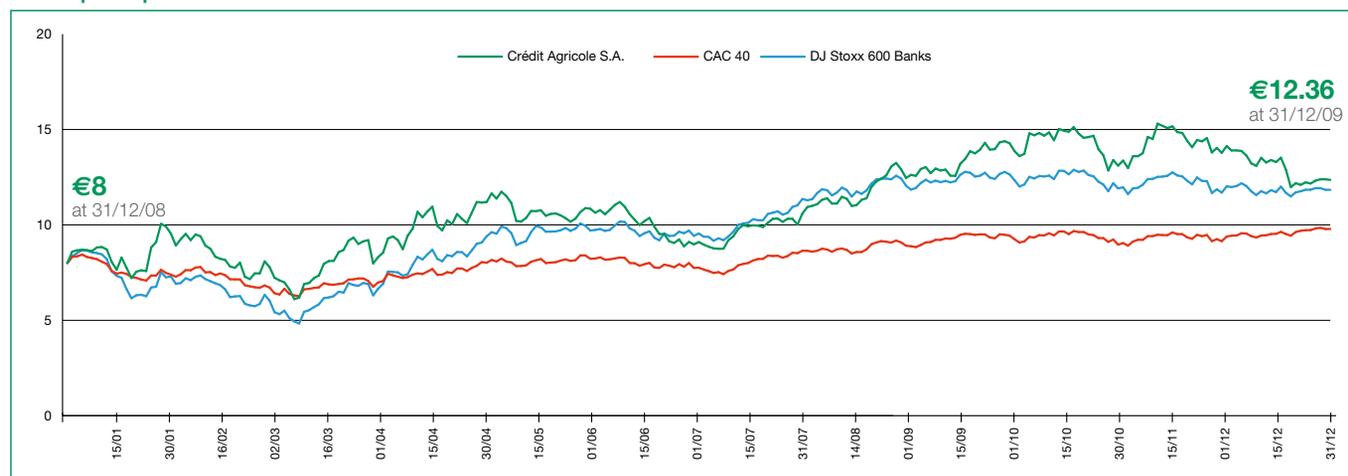
## Crédit Agricole S.A. share price trend in 2009

From January to March, pessimism dominated the financial markets, reflecting investor uncertainties about the extent and duration of the economic crisis. On 6 March 2009, the Crédit Agricole S.A. shares reached an all-time low of €5.90, on very high trading volumes. On 9 March 2009, the CAC 40 in turn touched bottom, falling to 2,465, or the same level as in March 2003. The market then began to recover, as confidence was restored following the initial impact of measures implemented by various governments to counter the effects of the crisis. Within three months, the CAC 40 and the Crédit Agricole S.A. shares gained 32.4% and 83.3%, respectively. However, uncertainties returned at the beginning of the summer, throwing the market back into chaos in July. The markets then embarked on an uptrend that lasted until the end of October. The Crédit Agricole S.A. shares performed extremely well, closing at

over €15 on 19 October. After a dip at the beginning of November owing to profit taking by market professionals, the positive trend resumed, under the impetus of good third quarter earnings reports. The Crédit Agricole S.A. shares made strong gains and reached their 12-month high of €15.66 on 11 November 2009. But performance weakened at the end of the year, as the financial troubles encountered by the Emirate of Dubai elicited concerns and doubts over the potential for economic recovery in 2010 persisted. Moreover, financial issues were adversely affected by the Basel Committee's mid-December release of proposed new rules for calculating the capital requirements of banks.

On 31 December, the shares closed at €12.36, for a gain of 54.6% over the year, outperforming the DJ Stoxx 600 Banks by 45.9% and the CAC 40 by 22.3%.

## Share price performance



Comparison based on Crédit Agricole S.A.'s share price.

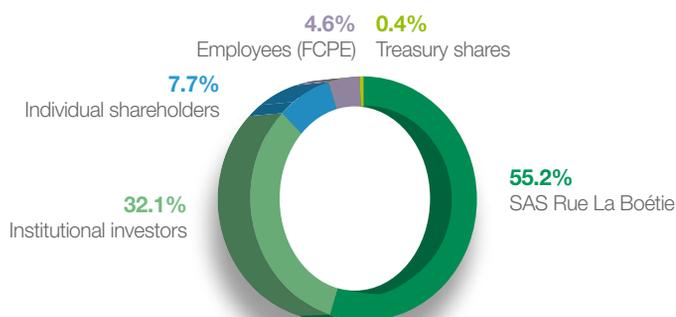
## Crédit Agricole S.A. share data as of 31 December 2009

ISIN: FR0000045072 - Mnemonic code: ACA  
 Year's high and low: €15.66; €5.90  
 Latest price: €12.36  
 Market capitalisation: €29 billion  
 Exchange: Euronext Paris

Included in the following indices: CAC 40, DJ Euro Stoxx 50, FTSEuronext 80  
 The Crédit Agricole S.A. shares are also included in three major sustainable development indices: ASPI Eurozone, FTSE4Good and Dow Jones Sustainability Index (World)

## Ownership structure at 31 December 2009

Through SAS Rue La Boétie, the Regional Banks hold a majority stake in Crédit Agricole S.A. This stable shareholder base enables Crédit Agricole S.A. to pursue a long-term strategy of sustainable, profitable growth.



## Dividends

Crédit Agricole S.A. paid a dividend of €0.55 per share for 2001, 2002 and 2003; the dividend was raised to €0.66 for 2004, €0.94 for 2005, €1.15 for 2006 and €1.20 for 2007.

For 2008, the shareholders were offered the option to receive the dividend €0.45 in cash or in shares. 85.3% of the shareholders opted to receive the dividend in shares.

For 2009, the Board of Directors has decided to submit to the Annual General Meeting for approval a net dividend of €0.45 per share, representing a payout ratio of 92%.

Two dividend payment options will again be proposed to the shareholders:

- full payment in cash;
- or full payment in shares.

SAS Rue La Boétie has indicated it would opt for full payment in new shares providing this is approved at its next Annual General Meeting.

**€0.45**  
net dividend per share

To be proposed at the Annual General Meeting on 19 May 2010. Option to receive payment in shares or in cash.

## Total shareholder return

The calculation, which is based on the share price on the day of the investment (initial public offering on 14 December 2001 or beginning of the year in other cases), takes into account the reinvestment of dividends received (until 2005, this included the tax credit in respect of 2004, which accounted for 50% of the amount distributed).

The valuations are based on the closing share price on the day of the investment.

It also assumes that investors sold their preferential subscription rights and used the proceeds to take up the rights issues at the end of October 2003, January 2007 and July 2008. All figures are before tax.

## Total shareholder return for retail investors in Crédit Agricole S.A.

Holding period	Cumulative gross return	Average annualised return
One year (2009)	+50.5%	+50.5%
Two years (2008 – 2009)	-34.6%	-19.1%
Three years (2007-2009)	-52.0%	-21.7%
Four years (2006-2009)	-39.8%	-11.9%
Five years (2005-2009)	-26.4%	-6.0%
Six years (2004-2009)	-8.6%	-1.5%
Seven years (2003-2009)	+24.6%	+3.2%
Eight years (2002-2009)	+8.2%	+1.0%
Since IPO (14 December 2001)	+15.4%	+1.8%

# Preparing the ground, building the future.



Crédit Agricole has drawn the lessons from an international financial crisis on an unprecedented scale. In adopting a new business model with a focus on responsible growth, it has committed itself in all areas of activity to working ethically for its customers with a long-term vision.



**59 million customers**  
worldwide

# Corporate governance



Crédit Agricole S.A., majority-owned by Crédit Agricole Regional Banks, has established its own corporate governance policy based on the enduring mutualistic values of Crédit Agricole subsidiaries and the rules used by listed European companies. Crédit Agricole S.A.'s approach to corporate governance is based on the Group's long-standing values of transparency, responsibility and efficiency.

**>> FIND OUT MORE**  
 More detailed information about Crédit Agricole's corporate governance is provided in the Company's Registration Document, in the chapter entitled «Corporate governance and internal control»

These values are reflected in the organisation and operating procedures of the Board of Directors, through:

- Board Members' active involvement in overseeing the Company's management and strategy, as well as in the life of the Company;
- A desire for an open, balanced composition and sharing of power within each of the Company's executive bodies;
- Continuous efforts to ensure that Board Members can perform their duties objectively, effectively, and with the necessary independence, by engaging in meaningful dialogue and relying on transparent information.

## Board members

The Board of Directors has had 21 members and one non-voting member since Crédit Agricole S.A. became a listed company. Eighteen Board Members are appointed by shareholders in the AGM:

- Twelve are Chairmen or Chief Executives of the Crédit Agricole Regional Banks.
- One is a legal entity, SAS Rue La Boétie, represented by the Chairman of a Crédit Agricole Regional Bank, who is also the Chairman of SAS Rue La Boétie.
- Four come from outside the Crédit Agricole Group.
- One is an employee of a Crédit Agricole Regional Bank.

The Board also has a director appointed by joint decree of the Ministry of Finance and the Ministry of Agriculture, in accordance with the French law

of 18 January 1988 relating to the mutualisation of Caisse Nationale de Crédit Agricole, which became Crédit Agricole S.A. on 29 November 2001. It has also two directors elected by employees of the Crédit Agricole S.A. Group. Its non-voting member is a person from outside the Group, appointed by the Board of Directors.

Under the terms of the agreement between the Regional Banks and Crédit Agricole S.A. signed at the time of the initial public offering, the Regional Banks, through SAS Rue La Boétie, own the majority of Crédit Agricole S.A.'s shares and voting rights. This protects Crédit Agricole S.A. from being taken over. The composition of the Board results from the desire of the majority shareholder (SAS Rue La Boétie, with 55.4% of voting rights at 31 December 2009) to give the Regional Banks a majority representation on the Board. As a result, the proportion of independent Directors within the Board and its special committees is lower than that recommended in the AFEP-MEDEF corporate governance code for controlled companies. In one of its meetings, the Board discussed the composition, organisation and operating procedures of the Board and its specialist committees. It was decided that the current operating procedures enable the Board and its committees to fulfil their duties with the required efficiency, objectiveness and independence, particularly as regards preventing conflicts of interest and taking into account the interests of all shareholders in a fair manner.



## New compensation policy

Based on the conclusions of the working party and discussions held in 2009, the Board of Directors decided on 9 December 2009 to adopt a new policy for compensating the Crédit Agricole S.A. Group's senior executives. The aim is to reconcile the demands of an increasingly competitive market with the expectations of shareholders, staff, customers and the Company, so that the Group can fulfil its aspiration of being a leading player in the banking market, both in France and worldwide. The direct compensation of senior executives consists of a fixed salary and an annual bonus, half of which is based on economic targets and half on non-economic targets. The non-economic targets involve three criteria, i.e. management, customer satisfaction and creation of social value.

Long-term bonuses provide an incentive to meet and exceed economic and social targets. The direct compensation of senior executives is supplemented by additional benefits. These include supplementary pension plans, which the Group started to harmonise across all of its entities in 2009.

## Committees

There are four special committees within the Board of Directors: The Audit and Risk Committee, the Strategic Committee, the Compensation Committee and the Appointments and Governance Committee.

Committee members are appointed by the Board, on the Chairman's proposal. Committee members are appointed for the duration of their terms of office as directors. The Board may dismiss a Committee member from a Committee at any time. A Committee member may resign from a Committee at any time. All Committee members, and any persons taking part in Committee meetings, are bound by professional secrecy obligations. In 2009, the Board of Directors decided to increase the number of independent Directors within two of its special committees, i.e. the Strategic Committee and the Appointments and Governance Committee.

## The Board's activities

### The Board of Directors and its committees met 33 times in 2009.

- The Board of Directors met 10 times
- The Audit and Risk Committee met 6 times
- The Strategic Committee met 6 times
- The Compensation Committee met 7 times
- The Appointments and Governance Committee met 4 times

## Composition of special committees at 31 December 2009

### Audit and Risk Committee seven members:

**François Veverka** (Committee Chairman), independent Board Member

**Patrick Clavelou**, Chief Executive Officer of a Regional Bank

**Alain Dieval**, Chief Executive Officer of a Regional Bank

**Noël Dupuy**, Deputy Chairman of the Board, Chairman of a Regional Bank

**Laurence Dors**, independent Board Member

**Michael Jay**, independent Board Member

**Michel Mathieu**, Chief Executive Officer of a Regional Bank

**Henri Moulard**, non-voting independent Board Member, invited to take part in the Committee's meetings as Chairman of three major subsidiaries' Audit Committees.

### Strategic Committee seven members:

**René Carron** (Committee Chairman), Chairman of the Board

**Jean-Paul Chifflet**, Deputy Chairman of the Board, Chief Executive Officer of a Regional Bank

**Bruno de Laage**, Chief Executive Officer of a Regional Bank

**Noël Dupuy**, Deputy Chairman of the Board, Chairman of a Regional Bank

**Xavier Fontanet**, independent Board Member

**Jean-Marie Sander**, Deputy Chairman of the Board, Chairman of a Regional Bank

**François Veverka**, independent board member

### Compensation Committee four members:

**Laurence Dors** (Committee Chairman), independent Board Member

**Pierre Bru**, Chairman of a Regional Bank

**Alain David**, Chairman of a Regional Bank

**Jean-Marie Sander**, Deputy Chairman of the Board, Chairman of a Regional Bank

### Appointments and Governance Committee - six members:

**Michael Jay** (Committee Chairman), independent Board Member

**René Carron**, Chairman of the Board

**Jean-Paul Chifflet**, Deputy Chairman of the Board, Chief Executive Officer of a Regional Bank

**Laurence Dors**, independent Board Member

**Michel Michaut**, Chairman of a Regional Bank

**Jean-Marie Sander**, Deputy Chairman of the Board, Chairman of a Regional Bank

# Economic responsibility



Against the background of ongoing economic weakness, Crédit Agricole has made a commitment to responsible growth, based on providing finance to the economy. The Group has reasserted its intention to put customers at the heart of its strategy and to maintain the confidence of its shareholders through open dialogue.



## Constant focus on customer interests

In line with its tradition and its international presence, Crédit Agricole aims to provide the best possible response to customer needs by serving all customers, including the most vulnerable.

In France, the Regional Banks are forging partnerships with microcredit organisations to encourage all people starting and acquiring businesses, including those who cannot access traditional banking services, and to help small businesses get through a difficult period. This is, for example, the sense of the collaboration of the Regional Banks with 184 of the 245 platforms for local initiative (PFIL) and its partnerships with organisations that support start-up businesses, such as ADIE, to which 18 Regional Banks have contributed almost €900,000.

Through the Passerelle system, Crédit Agricole helps customers who have gone through an adverse life event. Support centres (*Points Passerelle*) were set up by the Nord Est Regional Bank in 1979. They allow customers to talk to Crédit Agricole employees and local councillors, and to receive financial information and advice. They are designed to be a reassuring resource to ease the burden during troubled times. Currently, there are 49 *Points Passerelle* centres operated by 28 Regional Banks.

In the agriculture and food industries, which make up Crédit Agricole's historical customer base, the Group strengthened its commitment and activities to help those struggling, in line with its policy.

The French agriculture ministry has introduced support measures to assist farmers suffering from the recession and food safety scares. So far, Crédit Agricole has lent €244 million under the 2008-2009 «Barnier plan». In 2010, Crédit Agricole will take part in implementing the «special agriculture support plan», which includes €1 billion of bank loans aimed at improving the financial position of farmers. Given Crédit Agricole's dominant position in financing the agriculture industry, the government has given the Group major responsibility in distributing these loans.

Moreover, the recession has been broad-based, the financial difficulties experienced by farmers have been mitigated through the expertise of the Regional Banks, which have been able to anticipate the exceptional cash needs of farmers. In order to ensure the compliance of all its products, from design through to distribution, Crédit Agricole has, since 2004, adopted an approval process for new businesses and new products. As the guarantor of this process of ensuring the products meet customer needs, the Compliance business line clarified its operations with all business lines affected during 2009.

## Protecting customers and their businesses

In accordance with Article 10 of the United Nations Global Compact, to which Crédit Agricole has been a signatory since 2003, efforts to combat money laundering are a key component of its financial security policy.



René Carron, Georges Pauget and Professor Muhammad Yunus, winner of the 2006 Nobel Peace Prize, signed in 2008, an agreement to create the Grameen Crédit Agricole Microfinance Foundation.

The Group can draw on the main mechanisms available to it: a system of automatic filtering and detection of suspect transactions, combined with a compulsory training process for the Group's employees. Training in measures to tackle money laundering takes place on a regular basis; 25% of the 90,000 employees affected received training in 2009.

Crédit Agricole is a member of Transparency-International France, the country's main non-governmental organisation dedicated to fighting corruption.

### Tackling fraud

In early 2009, the Group set up a prevention unit and a co-ordination committee. These bodies work with the Group's other control entities, its main subsidiaries and certain Regional Banks to share best practice, watch out for malicious activity and monitor the implementation of the anti-fraud system. A second, larger committee, in which all subsidiaries are represented, was set up in 2009 and will in 2010 be split into two committees specialising in broad business areas (retail banking and corporate/markets).

### Dialogue and close ties with individual shareholders

Crédit Agricole S.A. provides its 1.3 million individual shareholders with comprehensive information and communication through a system that was set up on flotation in December 2001. Crédit Agricole S.A. uses various tools to enhance its ties and dialogue with shareholders.

## Grameen Crédit Agricole Microfinance Foundation

In 2008, the Grameen Crédit Agricole Microfinance Foundation was set up, with a €50 million contribution. 2009 was its first full year of operation, and the Foundation was very active in pursuing its objectives, which consist of fighting poverty in developing countries through the use of microcredit. In its first 15 months, the Foundation approved 14 operations in 10 countries (Cambodia, Kosovo, Egypt, Ethiopia, Tanzania, Kenya, Mali, Senegal, India and Syria). Commitments in these countries amount to €14 million.

### Example: the Soro Yiriwaso foundation in Mali.

Soro Yiriwaso was set up in 1986, and is a microfinance institution for women working in the agriculture sector and in rural areas. The foundation mainly offers group loans to farmers, based on the type of farming, the size of the farm and the price of inputs. Loan repayments start when the harvest is complete. At end-December 2008, Soro Yiriwaso had 40,000 active borrowers, and a loan book of €3.5 million.

● **Principles for Responsible Investment**  
**Crédit Agricole Private Equity (CAPE):** new signatory to the Principles for Responsible Investment. After CAAM (now Amundi) in 2006 and CA Cheuvreux in 2008, CAPE is the Group's third entity to sign up to these principles.



The Club currently has 120,000 members.

There is an important schedule of meetings, both in Paris and the regions, which shareholders are free to attend. These meetings are attended by members of Crédit Agricole S.A.'s management. In any given year, most meetings concern the economic environment, investment strategy and the transfer of private wealth. They are hosted by specialists from the Crédit Agricole Group. In addition, Crédit Agricole S.A. takes part in Actionaria (a French shareholder convention) every November in Paris.

Shareholders have a toll-free number from France (0 800 000 777), giving them 24/7 real-time access to Crédit Agricole S.A.'s share price and the CAC 40 index, news about Crédit Agricole S.A., the Shareholders' Club schedule for the coming months and a weekly economic topic developed by Crédit Agricole S.A. economists. Shareholders can also talk to the Shareholder Relations team.

The [finance.credit-agricole.com](http://finance.credit-agricole.com) website gives access to all financial documentation, including results presentations and press releases, along

with the annual report filed with the French regulator: *Autorité des Marchés Financiers* (AMF).

The Shareholders' Club newsletter appears four times a year, and provides news about Crédit Agricole S.A. Every quarter, it gives details about Crédit Agricole S.A.'s activities, results, business lines, key events and share price performance. Shareholders' Club members can receive the newsletter at home through the post, or via email. Back issues of the newsletter can be viewed on the [finance.credit-agricole.com](http://finance.credit-agricole.com) website.

Crédit Agricole S.A.'s shareholder liaison committee was set up in the summer of 2003. Part of its mission is to help the company improve its performance in terms of communicating with individual shareholders, understanding their expectations and seeking their suggestions about financial communication. It also aims to help enhance the various publications and media through which the company communicates with individual shareholders. The liaison committee comprises 12 shareholders who represent all categories of Credit Agricole S.A.'s individual shareholders. The committee's composition was last reviewed in June 2009. Six new people were appointed to replace members whose terms had expired.

In June 2002, to foster close relations and regular dialogue with its shareholders, Crédit Agricole S.A. set up the Shareholders' Club, which any shareholder owning at least 50 bearer or registered shares may join. The Club currently has 120,000 members. The main purpose of Crédit Agricole S.A.'s Shareholders' Club is to inform and educate. It helps shareholders get to know and understand the company, its organisation and its business lines. It enables them to learn how the stockmarket and finance work, and provides them with analysis of the economic situation. The Club also invites members to take part in sporting and cultural events in which Crédit Agricole is involved, such as visits to monuments that have been renovated with the help of Crédit Agricole *Pays de France* foundation.

**Strong ties with institutional investors**  
Institutional investors requested large amounts of information from the Group again in 2009, which was another busy year in the financial markets.

To deal with increasing demand for contact with asset managers and questions from financial

**Shareholder liaison committee**

Name	Region
Dominique Robin	Morbihan
Michel Maréchal	Essonne
Brigitte Geneau de Lamarlière	Somme
Dina Egret	Aisne
Thierry Mysliwiec	Haut-Rhin
Jean-Pierre Villet	Savoie
Serge Bardin	Isère
Didier Lignon	Bouches-du-Rhône
Christophe Féral	Aveyron
Pierre Laguilhon	Pyrénées-Atlantiques
Roland Decriaud	Allier
Liliane Charpentier	Loir-et-Cher

analysts, and to address the greater technical complexity of the issues raised, the institutional investor relations team was expanded in 2009. In 2009, two major series of roadshows, following the presentation of full-year and half-year results, were organised, covering all European financial markets and the main American and Asian markets. In addition, there was a number of meetings in Paris, giving asset managers the opportunity to meet executives in charge of various business lines. The CEO and CFO continued to play an active role in the main international banking conferences.

In October, the restructuring and development plan of Greek subsidiary Emporiki Bank was presented to the market. Overall, these initiatives enabled several hundred institutional investors to deepen their understanding of the Crédit Agricole Group during 2009.

## 2010 FINANCIAL CALENDAR

- 25 February** • 2009 results presentation
- 12 May** • Publication of 2010 first quarter results
- 19 May** • Annual General Meeting in Paris
- 27 May** • Ex-dividend date
- 21 June** • Dividend payment
- 26 August** • Publication of 2010 first half results
- 10 November** • Publication of 2010 nine-month results



All financial information can be found at [finance.credit-agricole.com](http://finance.credit-agricole.com)



More than 1,000 persons attended the shareholders meeting with the Regional Bank of Normandie.

# Social responsibility



Crédit Agricole S.A. Group supports staff development through a human resources policy that supports its values, paying particularly close attention to respect for human rights and diversity.



Georges Pauget signed its human rights charter.

## Human rights charter

In late 2009, Crédit Agricole S.A. Group signed its human rights charter. By doing so, the Group confirmed its belief that respect for human rights is not solely the responsibility of governments and undertook to promote and develop this respect to its own activities and in its sphere of influence. The charter is the first step in a broader plan of action. The initiative is based on the three pillars of corporate social responsibility (CSR), i.e. social/managerial, economic and environmental. The aim is to roll out this initiative across the whole Group in France and abroad.

Under the acronym RESPECT, the charter of human rights incorporates all of the Group's undertakings in terms of: Recognition, Equality, Safety, Participation, Equity, Consistency and Territories. Already in 2009, Group entities had adopted various initiatives showing their commitment to these undertakings.

## Peoplec@re: shared management tool

Peoplec@re is a human resources management tool based on new-generation interactive technology, and has been operational within several entities since 2009. It enables all employees, managers and HR staff to play a central role in career development and management. The information it provides is more comprehensive, reliable, accessible, easily shared and interactive. In 2009, it was used to assess more than 36,000 employees in France and abroad. New functions are scheduled for inclusion in 2010.



## Work-study programmes

The social integration of young people is a major concern for Crédit Agricole S.A. Group. On average, the Group has 800 work-experience staff and more than 1,200 people on work-study programmes across all its businesses. Group entities use a number of techniques to pick out those with the potential to be future employees among these people. These include development centres, procedures for identifying potential and events for people on work-study programmes.

## Integrating disabled people: a major Group ambition

In accordance with its history, values and future aims, the Group is committed to the employment,

## LCL's Plan Banlieue in figures

Further to its signature of the diversity charter and its *Plan Banlieue*, LCL undertook to take on, every year for three years, at least 50 people aged under 26 and from sensitive urban areas (SUAs), applying no criteria as regards qualifications or education. By September 2009, the target had mostly been attained, with:

- 47 young people from SUAs on work-study programmes
- 81 young people from SUAs employed on fixed-term contracts of more than 6 months or permanent contracts.

## Parents' charter

Five Group entities (Crédit Agricole S.A., LCL, Crédit Agricole Corporate and Investment Bank, Sofinco and Finaref) signed the parents' charter in May 2009. The charter shows Crédit Agricole S.A. Group's desire to support employees as far as possible with their professional development, while taking into account their family commitments.

training and professional development of disabled people, and to providing them with a welcoming environment. In line with this commitment, it carried out an internal survey in April 2009 covering 3,600 Group employees. The survey showed that 80% of staff are aware of the Group's disabilities policy. It also assessed the attitude of staff and managers to disabilities and their involvement in welcoming disabled people into their unit. After the survey was completed, and during disabilities week, an e-learning tool for Group managers entitled "accueillir un collaborateur handicapé" (welcoming disabled colleagues) was launched.

## Casa-Planis: ensuring staff safety when travelling abroad

Crédit Agricole S.A. has set up an international risk prevention website in collaboration with safety specialist Crisis Consulting. The website provides information to all expatriates and any person travelling to a risky country about the country's health and safety situation, and to log journeys so that staff can be located in the event of a major crisis.

## Crédit Agricole S.A.: partnership with MANU

Crédit Agricole S.A. has been a founding partner of the MANU association since it was set up in November 2008. MANU seeks to strengthen links between companies and university students. This initiative fits with the Group policy of recruiting a more diverse range of employees and reflecting the diversity of French society in its workforce through its recruitment of students and young graduates.

## Prevention of work-related stress: concerted efforts

Ahead of forthcoming legal requirements and in collaboration with CHSCTs\*, the Group's various entities have already set up work-related stress prevention plans. For example, since early November 2009, a project group within Crédit Agricole S.A. consisting of HR managers, the Group HR department and members of the CHSCT, has been working with occupational health staff and social assistants. In 2009, Crédit Agricole Corporate and Investment Bank set up a joint stress prevention committee, to enable staff representative bodies and senior management to address the issue. At the same time, a Group-level working party dealing with the same theme was set up to discuss practices used by entities and to co-ordinate the Group's various initiatives. Entities are already adopting a number of initiatives in three main areas: raising awareness / training, analysing the current situation, and assisting individual staff.

## CSR: an integral part of the Group purchasing policy

The Group's purchasing and logistics department launched the *Trophée Horizon* in 2009. This prize is awarded to Group suppliers that have shown an exceptional commitment to sustainable development. Together with the Group's responsible purchasing policy, the *Trophée Horizon* supports the Group strategy. Since early 2008, the Group has rated suppliers through a questionnaire included with every invitation to tender. Based on these questionnaires, the Group rates suppliers by measuring the maturity of their CSR approach.

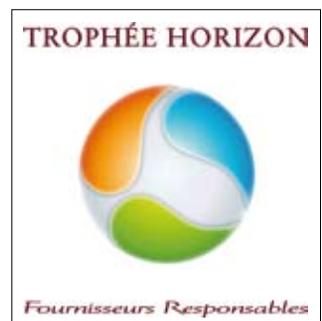
\*CHSCT: health, safety and working conditions committee.



● **The Pays de France foundation celebrates its 30<sup>th</sup> anniversary**  
In the last 30 years, the Pays de France foundation has supported 1,000 projects, contributing over €24 million.



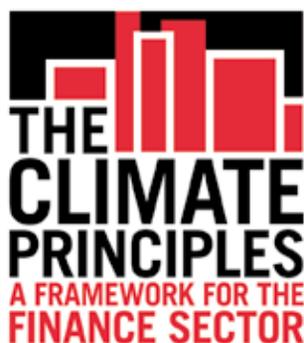
The Crédit Agricole Pays de France foundation has been involved in the restoration of paintings in the Salon des Maréchaux at the Château de Brissac.



# Environmental responsibility



Following the conclusions of France's Grenelle Environnement think-tank, and in line with the aims of the Copenhagen summit, Crédit Agricole is continuing to prioritise efforts to combat climate change, both internally and externally. Efforts in this area mainly address the Group's direct and indirect impact, and its range of green products.



Crédit Agricole has been a signatory to the Climate Principles since 2008.

## Raising awareness of climate issues

Working with a consultancy that specialises in these issues, the Group has provided climate-change training sessions to staff working in the industrial and economic research department, who have responsibilities in terms of the Equator Principles. Some subsidiaries support research into climate change by funding university chairs. Crédit Agricole Corporate and Investment Bank is a partner of the Quantitative Finance and Sustainable Development chair of the *Université Paris-Dauphine and Ecole Polytechnique*, which is researching efforts to tackle climate change through economic instruments. Property and Casualty insurance subsidiary Pacifica is also working with *Université Paris-Dauphine* and *Institut Europlace de Finance* to develop insurance products for farmers that take into account climate risks.

## Partnerships for protecting biodiversity

Crédit Agricole works alongside the *Ligue pour la Protection des Oiseaux* (Bird Life Partner), and has supported the production of a technical guide for farmers wanting to protect biodiversity on their farms. More than 130 farmers committed to responsible, organic and sustainable agriculture are taking part in this initiative.

## Green products for customers

Since 2007, Crédit Agricole has been offering loans specifically to finance energy-efficiency work, and in 2009 it supported the French government's launch of 0% eco-loans. Since 2009, it has been using a

scoring tool for solar photovoltaic projects. This tool essentially gives the bank and its customers greater security when financing solar photovoltaic projects. It has been used to deal with demand from farmers, who invested €250 million in solar photovoltaic technology in 2009.

## A new perspective on purchasing specifications

To support the Group's CSR commitments, Crédit Agricole S.A.'s purchasing department is gradually including environmental requirements in its specifications, with the aim of minimising environmental impacts. Suppliers must, as far as

## Organic Excellence Awards

Les "Trophées de l'Excellence Bio"  
L'innovation au cœur du développement de l'Agriculture Biologique

**As part of a multi-year agreement signed in December 2007, Crédit Agricole made a commitment to Agence BIO\* to launch France's first Organic Excellence Awards. These awards acknowledge innovations made by people and companies producing, processing and distributing organic food products. The aim is to portray the organic farming industry as an innovative, dynamic sector, while encouraging the sharing of expertise.**

\* French agency for the development and promotion of organic farming



Project of biomass Irmãos Fredi Ceramic in Brazil

possible, offer products that carry environmental labels or certifications. Eco-design is an important concept for the Group. For example, the Group requires office cleaning products and office consumables to carry green certifications, and it requires IT hardware to carry the TCO or Energy Star labels.

### Carbon offsetting

Following its 2007 carbon audit, Crédit Agricole S.A. Group made a commitment to reducing greenhouse gas emissions at its sites in the Paris region, with a 15% cut in energy-related emissions between 2008 and 2010 and reductions in transport-related emissions. A business travel plan was adopted in 2009, targeting a 20% reduction in related emissions by 2012. The Group also offset its emissions in the Paris region in 2009 (7,100 tonnes of CO<sub>2</sub>) by buying carbon credits from two biomass plants in Brazil.

### IT hardware recycling

Since 2007, Silca has had a special system for recycling obsolete IT hardware. Viable hardware is reused by the Emmaüs charity for social purposes, and non-viable hardware is destroyed in accordance with environmental criteria. In 2009, almost 7,000 PCs were processed. 60% of central units were reused, and 40% of screens.

### ● Energy and water-efficient premises

The new head offices of LCL (45,000 m<sup>2</sup>) and Silca (12,500 m<sup>2</sup>) have HQE® certification as regards their construction, energy and water consumption, waste management and the comfort and health of staff.

### Key figures

#### Products

- At 31 December 2009, more than 27,000 0% eco-loans offers had been commercialised, totalling €400 million.
- Since their launch in 2007, more than 60,000 energy-efficiency loans have been granted, totalling €705 million.

#### Environmental objectives

- 15% reduction in energy consumption (2008-2010)
- 20% reduction in transport (2010-2012)

# Acknowledged progressive policy

Crédit Agricole’s policy in terms of social and environmental responsibility forms part of its compliance with the United Nations Global Compact, which it signed in 2003. The Group’s initiatives undertaken as part of this commitment are regularly acknowledged by extrafinancial rating agencies.



FTSE4Good



## Benchmark indexes

Every year, extrafinancial rating agencies give Crédit Agricole S.A. a rating based on its policy as regards social and environmental responsibility. These independent agencies base their analysis on the view that the social and environmental aspects of a company’s activities will influence its long-term financial performance. Some agencies have partnerships with stockmarket index providers, resulting in indexes of stocks that meet social, environmental and governance criteria. These indexes contain the world’s leading

companies in terms of sustainable development. The Group has adopted initiatives in every priority area of its social and environmental responsibility policy, such as climate change, human rights, products, solidarity, support for sustainable agriculture and food safety. It has also applied this policy in each of its business lines. In recognition of this, Crédit Agricole is a constituent of several sustainable development indexes: ASPI Eurozone since 2004, FTSE4Good since 2005 and DJSI indexes since 2008.

## Summary of 2009 / Outlook for 2010

2009 FIELD OF ACTION	STATUS AT YEAR-END 2009	OUTLOOK FOR 2010
<b>CSR policy management*</b>		
<b>Crédit Agricole Group CSR policy</b>		
<ul style="list-style-type: none"> <li>Human rights charter signed</li> <li>CSR component incorporated into subsidiaries’ risk management strategy</li> </ul>	<p>Achieved</p> <p>Achieved</p>	<ul style="list-style-type: none"> <li>Deploy “FReD” approach</li> <li>Implement sustainable development training tutorial</li> </ul>
<b>CSR data confirmed</b>		
<ul style="list-style-type: none"> <li>Certification with moderate level of assurance maintained</li> </ul>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>Continue certification and broaden its scope</li> </ul>
<b>International retail banking</b>		
<ul style="list-style-type: none"> <li>CSR committees created, action plan defined (Greece, Serbia)</li> </ul>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>Deploy human rights charter</li> </ul>
<b>Corporate and investment banking (CIB)</b>		
<ul style="list-style-type: none"> <li>CERES Committee (ethics committee for transactions entailing environmental or social risk) created</li> <li>“Sustainable Banking Unit” created</li> <li>Environmental and social sensitivity assessment introduced for all transactions</li> </ul>	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p>	<ul style="list-style-type: none"> <li>Continue to define and integrate sensitivity criteria (particularly in weapons and in energy sector)</li> <li>Implement activity</li> <li>Develop codes of good practice with other financial institutions to promote application of the Equator Principles for financing other than project finance</li> </ul>
<b>Insurance</b>		
<ul style="list-style-type: none"> <li>CSR Steering Committee and network of sustainable development coordinators created</li> </ul>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>Institute indicators for measuring environmental, human resources, product offer and solidarity performance</li> </ul>
<b>Capital Investment</b>		
<ul style="list-style-type: none"> <li>Principles for Responsible Investment signed</li> </ul>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>Gradual implementation of the Principles</li> </ul>

Economic responsibility		
<ul style="list-style-type: none"> <li>• Cross-functional unit dedicated to fraud prevention created</li> <li>• Creation of coordination committees (business lines, subsidiaries, Regional Banks)</li> <li>• Roll-out of new customer relationship management initiative at Regional Banks</li> <li>• “Federation of Claims Information” project: 15 participating Regional Banks</li> <li>• Protection of disadvantaged customers               <ul style="list-style-type: none"> <li>- Support to farm sectors in crisis (dairy sector)</li> </ul> </li> <li>• Grameen Crédit Agricole Foundation: 14 transactions approved in 10 countries</li> <li>• Implementation of EU’s Third Money Laundering Directive</li> </ul>	<p>Achieved</p> <p>Achieved</p> <p>To be continued</p> <p>In progress</p> <p>To be continued</p> <p>Achieved</p> <p>In progress</p>	<ul style="list-style-type: none"> <li>• Train staff to identify risks of internal and external fraud</li> <li>• Strengthen reporting on fraud-related risk oversight</li> <li>• Perform the customer satisfaction survey at the Regional Banks</li> <li>• 20 participating Regional Banks</li> <li>• Continue to provide funding for microfinance projects internationally</li> <li>• Dispense new training on money laundering prevention</li> </ul>
Social responsibility		
<ul style="list-style-type: none"> <li>• Roll-out of PeopleC@re, the new human resources IT system</li> <li>• Charter for Working Parents</li> <li>• Development of a “handicap indicator”</li> <li>• Compensation policy for senior executives</li> <li>• 2008 Crédit Agricole S.A. Business review made accessible to the seeing-impaired</li> <li>• CSR training for Committee members</li> <li>• Building supplier awareness: organising a prize to reward the most responsible</li> <li>• Supplier CSR qualification procedure (questionnaire sent out with each invitation to tender)</li> <li>• Inclusion of CSR criteria in bidding specifications (human rights, eco-design, lifecycle analysis, etc.)</li> <li>• Project to “increase sourcing from the protected sector”</li> </ul>	<p>Achieved</p> <p>Signed</p> <p>Achieved</p> <p>Done</p> <p>Achieved</p> <p>Achieved</p> <p>To be continued</p> <p>To be continued</p> <p>Achieved</p> <p>In progress</p>	<ul style="list-style-type: none"> <li>• Roll out new functionalities and broaden scope</li> <li>• Participate in Corporate Parenthood Observatory</li> <li>• Roll out e-learning tool, «welcoming an employee with disabilities”</li> <li>• Variable executive compensation indexed to economic and non-economic criteria; implementation of long-term compensation</li> <li>• Make Internet www.credit-agricole.com website accessible to the seeing-impaired. Assistance from specialised outside consultant</li> <li>• New training modules (fundamentals of banking and finance)</li> <li>• Second round of “Horizon” Awards</li> <li>• Enhance tools available to buyers by product area</li> <li>• Increase exchanges with protected sector</li> </ul>
Environmental responsibility		
<ul style="list-style-type: none"> <li>• Training sessions within Crédit Agricole Corporate and Investment Bank, IFCAM**, Purchasing, Industry and Sector studies</li> <li>• Participation in organisation and financing of Carbon Disclosure Projects</li> <li>• Organisation of the Organic Excellence Awards with the Agence BIO</li> <li>• Support to the Jacques Perrin film “Océans” (released in January 2010)</li> <li>• Frame guiding principles of Crédit Agricole CIB’s energy policy</li> <li>• Products and services               <ul style="list-style-type: none"> <li>- Marketing environmentally-focused 0% eco-loan</li> <li>- Development of a tool for “scoring” solar energy projects (farm sector customers)</li> <li>- Offer «Eco-home» loans through Sofinco</li> <li>- Launch of CAAM AFD Avenir Durables, renamed Amundi AFD Avenir Durables</li> </ul> </li> <li>• Introduction of a Business Travel Programme at Crédit Agricole S.A. and Crédit Agricole CIB</li> <li>• Measure the carbon footprint of 26 Regional Banks</li> <li>• Continue to reduce energy consumption (Crédit Agricole S.A. Group facilities in Paris region)</li> <li>• Offset 7,100 tonnes of the CO<sub>2</sub> emissions related to the Group’s energy consumption by purchasing carbon credits</li> <li>• Expansion of the “energy reporting” scope of consolidation</li> <li>• Expansion of the “water consumption” scope of consolidation</li> </ul>	<p>Achieved</p> <p>To be continued</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>In progress</p> <p>Achieved</p> <p>In progress</p> <p>In progress</p>	<ul style="list-style-type: none"> <li>• Training in procurement and agriculture</li> <li>• Partnership with WWF</li> <li>• Initiate progress-oriented approach to quantify induced emissions, inclusion of climate risk</li> <li>• Products and services               <ul style="list-style-type: none"> <li>- Roll out eco-simulation tool for homeowners</li> <li>- Incorporation of SRI range into premium life policies offered by life insurance subsidiary Predica (target middle-income customers)</li> <li>- Include renewable energy systems in basic coverage under Comprehensive Homeowner’s policy offered by P&amp;C insurance subsidiary Pacifica</li> </ul> </li> <li>• Three-year targets for cutting transportation-induced greenhouse gas emissions:               <ul style="list-style-type: none"> <li>- 25% for Crédit Agricole S.A.</li> <li>- 15% for Crédit Agricole CIB</li> </ul> </li> <li>• Introduction of environmental indicators and follow-up at Regional Banks</li> <li>• Cut energy consumption by 15%</li> <li>• Continue to expand scope in France (head office and branches) and internationally</li> <li>• Continue to expand scope in France and internationally</li> </ul>

\*CSR: Corporate social responsibility - \*\* IFCAM: Institut de Formation du Crédit Agricole Mutuel

## REPORTS

# 4 examples of responsible growth

Supporting and developing local economies, backing the ambitions of its clients without compromising their future, ensuring that business lines serve the economy, contributing to the creation of a more ethical and responsible world, these are Crédit Agricole's goals. Through four examples of responsible growth, discover what makes our business model so relevant and what makes us different.



# Fully focused on sustainable growth



CHRISTOPHE L'HEVEDER and DELPHINE PAITEL, farmers near Saint-Brieuc

## Rain or sunshine, Crédit Agricole is always there for its customers

### Crédit Agricole's 39 Regional Banks

are firmly rooted in their local regions, and their development is based on their long-standing mutualist values. The strength and modernity of their co-operative model has been proven consistently as they pursue responsible growth. The model is exemplified by the Côtes-d'Armor Regional Bank, where elected representatives and employees work alongside farmers, rain or sunshine.

### Welcome!

Since 31 December 2009, Delphine Paitel, 27, and Christophe L'Heveder, 34, have been running their own dairy a few kilometres from Saint-Brieuc. They admit that the road towards running their own business has not been entirely smooth. *"We agreed to buy one dairy, but the seller pulled out two weeks before we were due to sign. Crédit Agricole supported us, ensuring that we did not lose out too badly. When it came to the next project, we didn't even consider using another bank,"* explains Christophe.

That project arrived when the couple found out about an opportunity through their local *Chambre d'agriculture*. Delphine takes up the story: *"We were reassured when we found out the seller was a director of a Crédit Agricole Local Bank, and our confidence was proved right."* The seller had ensured that the dairy had a good herd and that its buildings complied with environmental standards before the sale. He had also acquired land, enabling the two young farmers to increase the milk quota from 270,000 to 390,000 litres when they took over the dairy.

The couple was advised by Vincent Lucas, their Crédit Agricole relationship manager, who visited

## Comment



**Yannick Postollec,**  
consultant-director

**“Some people who thought they were on their own are surprised when their bank listens to their problems. For us as directors, it’s very satisfying to help customers get back on track. Recently, for example, we met a farmer who was struggling because he was spending too much on animal feed. Once the problem had been identified, we decided that he should invest in an automatic distributor, to ensure that the correct amount of feed was dispensed each day, and that solved the problem.”**

**Yannick Postollec, farmer and CAML consultant-director**



Jean-Pierre Morvan, Chairman of the C tes-d’Armor Regional Bank (on the right) and Gu no le Le Guillou, Vice-Chairman

them as often as necessary. On his advice, Delphine and Christophe set up their business as a limited-liability farming operation, a status that separates their personal assets from their business assets. *“The terms of the sale and the steps taken by the seller greatly enhanced the feasibility of the project,”* explains Vincent Lucas. *“But the motivation of the buyers and their complementary skills also played a large role. Their development plan was very sound. They are starting from a very solid position.”*

The dairy includes a house and 54 hectares of farmland, which the couple are renting. They have bought livestock, equipment, silage and buildings. The financing plan also covers a sprayer, a straw spreader, additional milking stations and expansion of the stalls. Milking starts at 6.30 every morning.

## Local mutualist initiative committees (CAMLs)

After trials starting in 2007, the C tes-d’Armor Regional Bank rolled out the CAML system across its region in 2009. The main innovation of the CAML system is that a “consultant-director”, who is an established farmer or business person, works with a bank advisor to provide advice to a farmer or business person in the same sector. Meetings take place at the customer’s premises, and cover issues such as starting up a business, selling a business, investment projects and any temporary difficulties the customer may come across. *“When the consultant-director visits a farm, some things jump out at him. He is not involved in the financial decision. He uses his technical expertise to give the banking advisor his opinion or to resolve a situation,”* explains Jean-Pierre Morvan, Chairman of the C tes-d’Armor Regional Bank. *“Having two contact people is more reassuring,”* adds Gu no le Le Guillou, the Regional Bank’s Vice-Chairman. *“It helps prevent disputes and stops customers becoming isolated, as often happens when difficulties arise.”* After around 200 meetings, CAML is now an established technique that is valued by elected representatives, bank advisers and customers alike.

# 7,400

**farms in C tes-d’Armor, including 4,000 producing milk, 1,400 pigs, 800 vegetables, 450 poultry, 400 eggs and 350 cattle**



## Côtes-d'Armor: a Regional Bank with a focus on farming

Farming is the region's main activity, and accounts for 20% of the Côtes-d'Armor Regional Bank's net banking income. The region's farms are successful and full of opportunities, but highly capital intensive and exposed to unforeseen events. As a result, the bank pays close attention to its agricultural customers.

### Focus on profitability

#### Keeping an eye on financing conditions

The Côtes-d'Armor Regional Bank uses its Agriculture Committee to keep track of developments in the main farming segments. The committee meets twice a year and, working with professional organisations, defines a pricing policy that is independent of fluctuations in agricultural commodity prices. This long-term view enables relationship managers to anticipate developments in particular segments and to adjust solutions in line with customer need.

### Three questions for Thierry Guichet, CEO of the Côtes-d'Armor Regional Bank

#### *What is your strategy for meeting the challenges facing farmers in Côtes-d'Armor?*

In 2003, the Breton model of intensive farming was changing rapidly, putting serious strain on farmers. 10% of our farms were struggling, with the figure rising to 20% in some segments. In response, the Regional Bank adopted a strategy based on economic responsibility, operational assistance and close ties with farmers.

The strategy was first applied when we revised our lending and risk management policy. In 1997, we had been one of the first banks to set aside provisions for agricultural risks in each segment. Basel II provisions were added in 2004, and we are now very well provisioned. We also decided to raise our requirements in terms of capital. We encourage farmers to strengthen their farms' balance sheets. To help us manage our business, we also introduced a breakeven pricing tools for each farming segment. Breakeven prices, calculated by our Agriculture Committee (see inset) are used as a benchmark in the region.

#### *So the first component is a rigorous lending policy. What then?*

We do a lot of prevention work. We try to detect difficulties as early as possible and to reach out to customers in order to avoid bad debts developing. To achieve this, we use our sales network, where we have enhanced skills levels through training and through the recruitment of numerous staff with agricultural engineering qualifications. We also use the coverage provided by our 45 mutually owned

## Product range

### Promoting DPA accounts

DPA accounts, which allow farmers to set aside a tax-deductible portion of their earnings as a fund to protect against future risks, was designed by the French government to promote savings by farm businesses. Deposits in these accounts form part the farm's assets and give the farm a stronger financial position in dealing with unexpected events.

The Regional Bank recognises the potential of these accounts and is actively promoting them among accountants, farmers and within its own network. The objective is to show all parties that a farm needs to be run as a business.



Local Banks. We have involved elected representatives by setting up nine local mutual initiative committees (CAMLs - see previous page). However, prevention is not always enough, and we have also set up a non-contentious debt collection department, based on customers and creditors working together. This department, known as AAP (see inset), has halved our non-performing loan rate.

#### ***What are the main lessons from your policy as regards the farming industry?***

Between 2004 and 2009, our non-performing loan rate fell from 12% to 6%, and has remained stable despite the financial crisis. This means that we have gone from around 900 farmers in difficulty to 450. This is still too many, but we are proud of the results, which can be seen in all segments of the industry. Our approach results in closer, stronger relationships with customers. Our staff are happier in their work, and elected representatives can see that they are doing something of real worth. Our external image is also improving. If I had to pick one lesson, it would be that dialogue is the best strategy in our business. The results are worth it, because we are dealing with human beings and communities.

# 20%

**At the Côtes-d'Armor Regional Bank, 20% of lending and 12% of deposits relate to the farming industry**

## A different way of working

### **Farm and small-business assistance (AAP) department**

The AAP department handles debt collection in a way that seeks to protect customer relationships. It was created by the Côtes-d'Armor Regional Bank in 2007. The aim is to recover debts in a non-contentious manner. Responsibility for loans is taken away from branches and given to a team of six employees who have experience as farm or small-business relationship managers, expertise in debt recovery and mediation skills. The department makes optimal use of the legal tools at its disposal. These include the "farmers in difficulty" process, in which the customer, creditors, the regional agriculture department, MSA\* and the regional council work together to restructure debt and grant additional aid. For more complex cases, a special non-contentious debt recovery method for farmers or businesses is used, using a court mediator.

\* Mutualité Sociale Agricole, a social security body for the agricultural sector

# Combining ambition with responsibility.



STEVE SYMONS, Chief Executive Officer of Roaring 40s (Australia)

## Greentech and green banking

After the financial crisis, **Crédit Agricole Corporate and Investment Bank** intends to maintain its ambitious approach, while remaining aware of its responsibilities. Its primary task is to support its customers' projects and to help them grow. It also has a responsibility to the environment and the economies in which these projects are undertaken.

Waterloo Wind Farm is one of the first wind farms to be financed in Australia since the financial crisis. Located in Clare Valley, South Australia, it will generate 111 MW of power, enough for 40,000 homes.

The project is of strategic importance to its developer, Roaring 40s, a young power company based in Hobart, Tasmania. Its success is a source of great pride for the company's CEO Steve Symons: *"Waterloo Wind Farm was a very important project for us. It was our first in Australia for three years, and the largest individual wind farm we have ever built. It will increase our operational generation capacity by over 50%, and help us continue to establish ourselves as a sector leader in Australia."*

Roaring 40s specialises in wind power. The project was completed in a very tough economic climate. *"We had been looking at the site for a number of years,"* explains Steve Symons. The local authorities initially granted permission for the project to proceed in 2005 and Roaring 40s launched it in 2008, alongside another wind project. To secure funding, it put together a syndicate of ten banks, of which included Crédit Agricole CIB. One of Roaring 40s' parent companies, China Light and Power (CLP),

# 50

**Present in more than 50 countries:** despite the crisis, Crédit Agricole CIB has maintained a strong presence in a large number of countries

# 2<sup>nd</sup>

**largest global arranger of project finance in 2009** (Project Finance International)



Angus Foley, Crédit Agricole CIB's Sydney-based Director, Project Finance and the person responsible for the deal

is a major customer of Crédit Agricole CIB with the relationship managed by Crédit Agricole CIB's Hong Kong office.

Then the crisis struck. Roaring 40s was forced to rein in its ambitions, and decided to focus on the Waterloo Wind Farm. Of the initial syndicate, Roaring 40s chose four banks to move forward with the project, which cost more than AUD300 million (around EUR190 million). Alongside Crédit Agricole CIB (then known as Calyon), Roaring 40s chose two Australian banks (ANZ and NAB) and Spain's BBVA. Crédit Agricole CIB was the first to obtain credit approval, and was mandated lead arranger for the project financing, which raised AUD190 million (EUR120 million). *"Due to the financial crisis, many foreign banks did not extend any new credit in 2009 and some even closed their Australian offices,"* explains Angus Foley, Crédit Agricole CIB's Sydney-based Director, Project Finance and the person responsible for the deal. Crédit Agricole CIB's team in Sydney worked closely with Crédit Agricole CIB's Project Finance Power team in Paris to deliver the financial solution. Steve Symons adds *"We chose the four banks that we thought were capable of completing the deal. And of course, a good working relationship was vital."*

Roaring 40s faced many hurdles as it continued to work on the project. The regulatory position in Australia was unclear. Australia did not have targets for promoting renewable energy and limiting greenhouse gas emissions. Power generation in Australia is mainly coal-based, and renewable energy accounts for only 8% of the total. The existing renewable energy incentives were limited and the business model for new wind projects was uncertain to say the least.

Climate change policies were a key issue in the late 2007 Australian federal election and the new government moved quickly to reframe its policy.

## Another way of working

## Renewed focus on delivering value to customers

Crédit Agricole has learnt the lessons of the financial crisis, and has adjusted its corporate and investment banking model. It has decided to focus on its core businesses of structured finance, brokerage and capital markets, serving customers worldwide. As a symbol of this fresh start and its highly effective integration with the

group's activities and businesses, Calyon changed its name to Crédit Agricole Corporate and Investment Bank in February 2010.

Its new responsible growth model will enable it to resume with sustainable profitability in 2010, as announced in its refocusing plan.

## Environment



### Equator Principles

Building a wind farm over a 17 km ridgeline in a long-standing winegrowing region requires diplomacy, awareness-raising skills, and an acute sense of responsibility.

*“Developing our business while limiting the environmental impact is an absolute priority for us,”* explains Steve Symons. *“Our policy is to aim for a positive net impact.”*

Crédit Agricole CIB, which is a signatory to the Equator Principles, does not finance projects of more than EUR10 million without carrying out rigorous environmental and social due diligence, using external experts.

Roaring 40s has listened to local residents and communities, aiming to give them the assurances they needed.

It therefore worked with the Civil Aviation Authority to avoid the need to put lights on its turbines. It has undertaken to limit noise and improve the condition of local roads, which are under heavy use during the construction phase. It has also taken steps to avoid disturbing endangered species of birds, and to replant a larger area in order to preserve native flora.

The country signed up to the Kyoto protocol quite late, at the end of 2007.

In August 2009, the Australian parliament passed an Act aiming to increase renewable energy's share of total power generation to 20% by 2020. This positive signal has given the sector fresh impetus. However, the carbon framework that is needed to meet greenhouse gas reduction targets is still on the drawing board.

Despite the turbulent environment, Roaring 40s is pushing ahead. Its parent companies have given it crucial support by signing fixed price electricity purchase agreements with the firm for the first ten years, which makes up for the temporary lack of a federal pricing framework. With the loyal support of its banks, the company therefore signed one of 2009's very few new project financing deals in the Australian greentech sector. It was able to realise its project, beating numerous rivals. Very few wind farm projects in Australia have emerged from the financial crisis at such an advanced stage. Waterloo Wind Farm will be up and running in late 2010.

## Client focus



### A power company whose time has come

The term «roaring forties» refers to latitudes between 40 and 50 degrees south. Sailors know that this is an area of strong westerly winds across the whole Southern Ocean. Roaring 40s was the name chosen for the joint venture set up in 2005 by the public-sector company – Hydro Tasmania and China Light & Power Group (CLP), listed in Hong Kong – with the aim of harnessing these high winds. Roaring 40s specialises in all aspects of wind power, from design to operation. It currently operates three wind farms, with total capacity of 206 MW, in Southern Australia and Tasmania.

*“We aim to focus on Australian assets,”* explains CEO Steve Symons. *“The potential of Australian wind power is obvious. It currently accounts for only 1% of the country's total power capacity, but should become commercially viable source of alternate energy in Australia.”* Until the Waterloo project, the incompletion of Australian regulatory framework forced Roaring 40s to develop wind farms in Asia. A business which it sold to CLP in 2009.

# Standing out through long-term vision



YVES PERRIER, Chief Executive Officer of Amundi

## Amundi, setting a leading European asset manager

Amundi results from the combination of Crédit Agricole and Société Générale's expertise in asset management. Its aim is to meet the industry's new challenges while providing a more effective service to customers. Amundi is an ambitious project, and fits entirely with Crédit Agricole's long-term development strategy.

After a partnership that began in early 2009, Amundi was officially created on 31 December 2009. Amundi is 75%-owned by Crédit Agricole Group and 25%-owned by Société Générale. It has €670 billion of assets under management<sup>(1)</sup> and already ranks third in Europe<sup>(2)</sup> and eighth in the world<sup>(3)</sup>. It has two main client segments:

- Retails clients. Amundi supplies 4 partner networks in France (Crédit Agricole, LCL, Société Générale and Crédit du Nord) and four networks in other countries (Resona, Cariparma, Emporiki Bank and KB) with asset management products and reaches over 50 million retail investors via these networks .
- Institutional investors. Amundi manages assets for more than 3,000 institutional investors in around 30 countries.

**Amundi is a leading player in terms of scale**, and also in terms of the principles behind its creation. It represents an approach to asset management based on values that have emerged after the recent financial crisis. These include transparent, easy-to-understand products, a focus on long-term customer relationships and socially responsible investing.

<sup>(1)</sup> Amundi proforma data at 31 December 2009

<sup>(2)</sup> According to the IPE Top 400 ranking published in July 2009, data at 31 December 2008

<sup>(3)</sup> According to the GI 100 ranking published in September 2008, data at June 2008

## Interview with Yves Perrier, Chief Executive Officer of Amundi

### What are Amundi's ambitions

When two banks like Crédit Agricole and Société Générale combine their strengths in asset management, they inevitably have major ambitions. These ambitions are not solely economic in nature. They also relate to the identity of the company we intend to develop. We want Amundi to set the benchmark among European asset managers, not just in terms of scale but also in four key areas:

- quality products, characterized by both performance and transparency;
- close relationships with clients, partner networks and institutional clients investors, developed for the long-term;
- an efficient organizational structure, founded on the individual and collective skills of its staff;
- a commitment to integrate sustainable development and social utility criteria, alongside financial drivers.

### What is your development strategy?

With the support of our two founding banks, Amundi's strategy is two-pronged:

- providing savings solutions for Crédit Agricole and Société Générale's retail banks in France and abroad. With more than 50 million retail clients, Amundi will be the leading player in this market, and will be able to integrate new partners into its platform. We aim to strengthen our positions in France, and to continue rolling our model out across Europe and Asia by adding new partners to our platform.
- offering an effective product range to institutional investors. Amundi is one of the world's leading players in euro fixed-income segment, and Europe's number one in capital-guaranteed funds. It also has solid positions in equity funds (European, Japanese and emerging-market) and in absolute-return products. We also have extensive commercial coverage in more than 30 countries. Amundi works with the largest sovereign funds, pension funds, institutional investors and corporates in France and abroad. We have more than 2,000 distribution agreements with the largest platforms in Europe and Asia.

We intend to strengthen our leadership in France, make Europe our domestic market and step up development in the rest of the world. ▶



in the world

### Risk management

#### A priority

Amundi firmly believes that risk management is the key to good asset management, and thus makes it a priority. With a central, independent risk management department, risks are monitored on a unified, integrated and consistent basis, regardless of where the asset management team is based.



billion of assets under management

# 30

more than 30 countries covered, including the main financial markets in Europe (Paris, London, Milan), Asia (Japan, Hong Kong, Singapore), Australia and the USA

# N.3

in European asset management

## **How is Amundi's organisation different?**

Amundi's organisation was designed to address three objectives:

- a commercial organisation that fosters close ties with customers. Specific sales, marketing and mandate management teams are allocated to each retail network bank. In addition, Amundi provides a global service to institutional investors, offering them the full range of its expertise, but also has a strong local presence, in order to forge close ties with clients in each country.
- a dedicated investment team organisation for each clients segment (retail and institutional), while exploiting synergies in terms of expertise in each asset class. As a result, funds sold through retail banks benefit from the best expertise provided to institutional investors.
- integrated, effective support and control. This ensures the best possible level of service for individual and institutional investors, particularly as regards reporting, and rigorous risk management across all management processes.

## **A different way of working**



### **Flexibility and efficiency through the producer-distributor model**

Amundi uses a tried-and-tested model that has long been used by Crédit Agricole. The Group's various specialist subsidiaries focus their expertise within expert production centres, in order to offer the best possible products to the Crédit Agricole Group's powerful retail banks. These banks' close local ties ensure that products are closely tailored to customers' real needs. Amundi provides value-added products to all of

its distributors, offering them a comprehensive, tailored range of products, investment solutions and related services, along with its acknowledged sales expertise and its focus on developing dynamic, close, long-term relationships. In addition, Amundi closely co-ordinates its various production platforms. This results in economies of scale, as well as synergies in terms of expertise, which benefiting all Amundi clients.

# Responsible investment: the habits of the future



MICHELE JARDIN, Chief Executive Officer of IDEAM

## Socially responsible investment (SRI), a profitable and useful body of funds

Green energy and technology; sustainable housing and urban development; socially responsible investment; health and savings. What if responsible investment also proved to be the best source of long-term growth? “Yes to investments with a future!” This is Crédit Agricole’s watchword.

At the end of 2009, the Amundi Group had €14 billion in assets under management in Socially Responsible Investments, up from €2.7 billion at the end of 2008\*. What lies behind this strong growth? The commitment of the Group’s asset managers to making SRI and environmental, social and governance (ESG) criteria one of the central planks of their expansion. “For us, SRI is no longer the exclusive preserve of a single product range. Rather it is something that will expand to include a growing number of funds. This responds to strong demand from investors,” explains Michèle Jardin, Chief Executive Officer of IDEAM, Amundi’s specialist SRI subsidiary. Managing hundreds of billions of euros of assets carries a double responsibility: ensuring financial performance for clients, whilst also serving the real economy, social well-being and environmental protection. “Naturally we are focused on performance, but also on the way in which it is obtained. We are convinced that over the long-term, by taking into account ESG criteria, we will open up new opportunities for our clients whilst also limiting risk, by taking a broader view of the markets.” A virtuous circle and a lesson drawn

\* Assets under management within the scope of CAAM Group

# €14

**billion** is the figure for SRI under management at Amundi Group at end-2009 (against €2.7 billion at end-2008\*). This increase is the result, amongst other things, of the gradual adherence by so-called «traditional» funds to the principles and requirements of SRI

\* Within the scope of the CAAM Group

from the financial crisis: the crisis revealed the limits of traditional criteria for the selection of products and securities and showed that it is necessary to include a dimension of responsibility that goes beyond the purely financial. *“In 2008, SRI funds performed better because the underlying securities held in these portfolios were in better shape overall. This phenomenon raised investor interest.”*

## A pioneer yesterday, today and tomorrow

Having until recently been based largely on environmental themes, such as water with the Aqua Global fund, and renewable energy and pollution control with the Clean Planet fund, Crédit Agricole's SRI investment approach now includes social themes with the joint-creation in 2009 of the

*Amundi AFD Avenirs Durables\** fund (see box). Another key element of strategy: the gradual transformation of traditional products into SRI products. This has been the case with the *Amundi Trésor ISR\** fund, which accounted for more than €6 billion of assets under SRI management in 2009.

It is clear that SRI is not just one range of products amongst many others. It is an overall approach, strengthened year after year at the highest levels of the Group. An active member of the SRI and Corporate Governance Commissions of the Association Française de Gestion Financière (AFG), the Group has for a number of years incorporated ESG criteria in its voting policy at shareholder meetings. In 2009, Crédit Agricole Asset Management voted against 18% of the 14,272 resolutions it considered, whilst 347 of the resolutions supported dealt with social, human rights, environmental or governance issues. Lastly, where necessary, Crédit Agricole has no hesitation in excluding from its portfolios, whether SRI or not, securities that are incompatible with its policy of social responsibility, such as shares in manufacturers of cluster bombs and anti-personnel mines. *“The Principles of Responsible Investment, of which we were one of the first signatories in 2006, require us to promote ESG criteria by all means at our disposal,”* explains Michèle Jardin, *«and this is what we are doing.”*

\* Names of CAAM funds were changed on 2 March 2010

### Another way of working

Where appropriate, Ideam maps out, in close co-operation with the asset management team, the conversion of traditional products into SRI funds. Each conversion requires a detailed analysis of the portfolio concerned, in order to answer a number of questions: which securities meet SRI standards? Which do not? Who are the issuers? Do they have a long-term vision coherent with the demands of SRI? Do they have

### The conversion of existing products

adequate ESG policies? What are the expectations of investors in these funds? The restructuring initiated by Crédit Agricole Asset Management, which will benefit Amundi, will help build on this headstart in these extra-financial issues. All asset managers now have access to the notes drafted by Ideam through the same computer system as that used to by financial and credit analysts to register their recommendations.

## Innovation

## Amundi AFD Avenirs Durables, innovation in SRI

Microfinance in Madagascar, sustainable energy production in South Africa, support to small Vietnamese farmers – all these are projects supported by this dedicated emerging economy social entrepreneurship fund. Its profile? Low volatility, substantial money market

and bond allocations, long-term performance potential from the equity allocation, financing of economic and social development projects through a “solidarity” allocation, limited to 10% of assets, detailed reporting to investors. Launched in March 2009, in partnership with the

Agence Française de Développement (French Development Agency), this fund is unique in the market, and returned a performance of 5% to end-December: further proof that SRI and financial performance can make excellent bedfellows!

To find out more: [www.amundiafdavenirsdurables.org](http://www.amundiafdavenirsdurables.org)

## Real estate



### Crédit Agricole Immobilier: meeting the challenges of the sustainable city

As a developer and operator of major urban projects, Crédit Agricole Immobilier builds houses and offices meeting the requirements of the *Grenelle de l'Environnement* report: bio-climatic design, reduction of energy use through increased insulation, production of solar energy, etc. In 2009, Crédit Agricole Immobilier sold more than 2,000 such housing units and set a target of building more than 50% of its residences to *Bâtiment Basse Consommation* (BBC, low energy buildings) standards. January 2010 saw the green light given to the Mantes-la-Jolie site in the Ile-de-France region and the start of marketing of the *Domaine de la Salanque* in Saint-Laurent-de-la-Salanque in Languedoc-Roussillon. These will be the first residential units in France to receive the BBC-Effinergie label.

## Predica, committed to sustainable life insurance

In 2010 the proportion of the French population aged over 60 will continue to rise, reaching 22.6%. It is only natural therefore that health, retirement and dependency are at the forefront of people's concerns. It is also entirely logical that sectors such as healthcare, savings and personal services, following social trends and changes in demographic structure, are seeing unprecedented growth. With more than €180 billion in assets under management and a 15% share of the market, Predica, the leading life insurance group, had little choice but to get involved in these areas. However, as a major player and a company that is responsible and pays close attention to these sensitive issues as they impact on the future of individuals, Predica elected to position itself differently. Like all other subsidiaries of Crédit Agricole Assurances, it is committed to a demanding process of Corporate Social Responsibility (CSR). As such, Predica has chosen to make responsible investment one of the key features of its strategy for sustainable growth.

\* Source: Insee, estimates at end-2009.

# 2<sup>nd</sup>

France's 2<sup>nd</sup> largest life insurance group, Predica has a 15% share of the market

## Interview with Nicole Gourmelon, Deputy Chief Executive Officer of Predica

### **Why invest in the healthcare sector?**

Healthcare has a very direct effect on insurers, through the issues of an ageing population, pension financing, meeting the costs of dependency care and so on. In order to improve its expertise in this area and adjust its offering accordingly, Predica decided to invest in healthcare companies. With a 31% stake in the Korian dependency care group since 2004, we strengthened our position in this sector in 2009, taking a 43% stake in the Proclif private clinic group.

Both investments are profitable and sustainable; this is essential. But more importantly, they have helped Predica improve the quality of its life insurance products and services, by offering additional care benefits. Through the improved knowledge of the healthcare sector that they bring, these investments also help us to become more competitive in our risk management.

### **Are you planning further investments in healthcare and related areas?**

For the time being we are focusing on promoting the growth of our existing investments and drawing on them to develop our expertise in the healthcare field. In concrete terms, this means for example, that with the Charente-Maritime Deux-Sèvres Regional Bank we are testing an offer that gives Crédit Agricole customers priority access



and special pricing in Korian's retirement homes. Another example: this time working with the Centre France and Centre West Regional Banks and the relevant local authorities we are working on a low-cost EHPAD\* sheltered retirement housing concept. The aim? To be involved in the construction of low-cost homes which nevertheless provide a guaranteed level of care and service meeting the Korian Group's specifications.

### **What other forms does Predica's responsible growth policy take?**

Our approach covers everything! Each year we carry out an extra-financial review of our portfolio of equities and bonds and we are gradually introducing a real range of SRI funds within our offering. In addition, during 2009 we extended to all our products and services, and to our management and distribution processes, a co-creation approach that systematically involves our partner networks and our shared customers. Thanks to this approach we are able to better reflect the constraints and expectations of all involved.

\*Establishment of accommodation for dependent old persons.

### **Zoom**

#### **Square Energie, a new link in the sustainable development chain**

Created by the Pyrénées Gascogne Regional Bank, this research consultancy specialises in sustainable energy and housing and offers two services for individual clients: *Diag'Solaire* for the installation of photo-voltaic panels and *Diag'Vert* for an

analysis of a house's energy performance. In both cases, analysis comes with a full range of support: synergy with the bank branch for financing, the sourcing of several different quotes from approved contractors, support with all bureaucratic processes and project

management. *Square Energie* meets the twin goals of supporting customers seeking to save energy and of becoming an integrated part of the overall property services offering: finance, insurance, transactions, management, energy saving.

# Men and women committed to responsible growth



**THIERRY GUICHET**  
Chief Executive Officer  
of the Côtes-d'Armor Regional Bank



**ANGUS FOLEY**  
Crédit Agricole CIB  
Project Finance Director



**MICHELE JARDIN**  
Chief Executive Officer  
of IDEAM



**JEAN PIERRE MORVAN**  
Chairman of the Côtes-d'Armor  
Regional Bank  
**GUÉNOLÉ LE GUILLOU**  
Vice-Chairman  
**YANNICK POSTELLEC**  
Farmer and CAML consultant-director

## OUR BUSINESSES

# Reaching our potential in everything we do



Active in all areas of the banking and finance sector, Crédit Agricole operates at the heart of the economies in 70 countries. Drawing on the expertise and experience of more than 160,000 employees, it innovates in all business areas to serve its clients and build a more responsible economy.



**More than 160,000 employees,**  
more than half of them outside France.

# Local presence and expertise



A business model combining the strength of retail banks with a firm foothold in their region and the efficiency of specialised business lines.

## RETAIL BANKING

### 39 Crédit Agricole Regional Banks

More than 7,000 branches in France  
75,000 employees

Crédit Agricole S.A. owns a 25%  
stake in each Regional Bank\*

**20**  
million customers

## LCL

**6**  
million customers

2,050 LCL branches in France,  
mainly located in urban area  
21,500 employees

## International retail banking

More than 2,400 branches  
Presence in 15 countries, mainly in Europe  
and in the Mediterranean region.  
29,000 employees

**6.5**  
million customers

\*excl. the Regional Bank of Corsica

## SPECIALISED BUSINESS LINES

### Specialised financial services

- A European leader in consumer finance, present in 21 countries
  - The French leader in lease finance and factoring
- 12,000 employees

**26.5**  
million customers

### Savings management

*Market-leading positions in France and Europe in:*

- Asset management and securities
- Insurance
- Private banking

11,500 employees

**€837**  
billion assets  
under management

## CORPORATE AND INVESTMENT BANKING

*Four business lines:*

- Coverage and Investment Banking
- Equity Brokerage and Derivatives
- Fixed Income Markets
- Structured Finance

12,000 employees

**50**  
present in more  
than 50 countries

### SPECIALISED SUBSIDIARIES

Crédit Agricole Immobilier, Crédit Agricole Private Equity, Idia-Sodica, Uni-Éditions

20

million retail customers

24%

of the French household market

1st

Agriculture's leading bancassurur

# Crédit Agricole Regional Banks



Crédit Agricole's Regional Banks are the leading players in French retail banking, with 24% of the household market. They have continued to fulfil their local commitments in 2009. They also introduced innovative, useful services in response to new customer needs.

Crédit Agricole Regional Banks are cooperative, full service banks, and they rank number one in almost all regions of France, serving individuals, farmers, professionals, businesses, and local authorities. They offer the full range banking and financial services. They have a network of 7,025 branches together with 7,100 "Point vert" banking outlets located within local retailers, which provide the most common banking services.

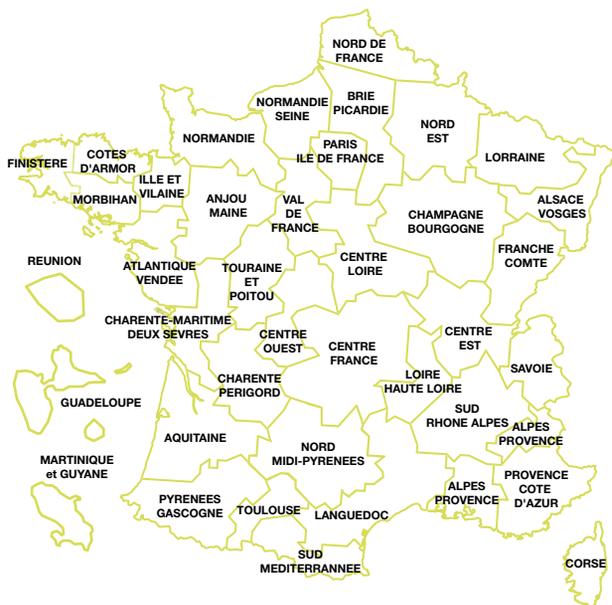
### Support to the economy

In tough economic conditions, the Regional Banks continued to provide finance to the economy in 2009, granting €357 billion of loans, an increase of €7 billion on 2008. In the fourth quarter, a major campaign was launched aimed at lending €300 million per day, or €22 billion during the quarter, to individuals and businesses. The Regional Banks undertook major efforts to hit that target.

They also continued to support farmers, who make up their traditional core customer base. They made €400 million of loans to strengthen farmers' cash positions, as part of the national plan to support farms in difficulty.

### Commercial successes

2009 marked the successful launch of *Livret A* government-regulated savings accounts by the Regional Banks. Crédit Agricole collected €12.4 billion of deposits and opened 4 million *Livret A* accounts, giving it a 47% share of all *Livret A* accounts opened by banks newly authorised to manage them. It also achieved a strong performance in the charity market, with almost half of customers opening accounts. Crédit Agricole continued to market the *Double Action* credit card aggressively. The card was launched in 2008, and more than a million cards had been issued by the end of 2009. In September 2009, all the Regional Banks launched the Mozaïc M6 credit card. The card is aimed at young people, and addresses parents' need to control the spending of their



### 39 Regional Banks

Crédit Agricole's 39 Regional Banks have multiple branches across France, enabling them to build strong footholds in their local communities and close customer relationships.

### Responsible growth

#### 0% eco-loans

Following strong support by the Regional Banks, Crédit Agricole is a major player in this market, accounting for almost a third of eco-loans granted. These 0% loans are for environmentally friendly home renovation work, and were introduced in April 2009 following the conclusions of France's *Greenelle de l'Environnement* think-tank.

#### Amundi AFD Avenirs Durables

This is a socially responsible investment fund launched in association with *Agence France Développement* and aimed at individuals and associations.

children. Combined with a current account, the card allows users to carry out real-life financial management and learn how to manage a budget and use online banking, while providing effective safeguards. The Mozaïc M6 card also gives holders benefits, including discounts on M6 entertainment products.

### Further development of multi-channel banking

With 41 million website visitors and almost 4.5 million online banking users, around 40% of Regional Bank customers manage their bank accounts themselves online, from viewing statements to buying products. Moreover since May 2009, the Regional Banks have offered an account management service on ca-mobile.com. The service can be accessed from all mobile phones and is optimised for the iPhone.

### Farmers

With a penetration rate of 90% among farmers, Crédit Agricole consolidated its position as the leading bank for the French agriculture sector in 2009. It is developing a comprehensive and unique range of services for farmers. In addition to banking services, the range includes Property and Casualty insurance and death and disability insurance. The offering was expanded in 2009 with the Agri savings account, launched in September, and the DPA account, which allows farmers to set aside a tax-deductible portion of their earnings as a fund to protect against future risks, and enables them to manage surplus cash in order to secure future revenue.

### Professionals

Crédit Agricole is the leading bank serving professionals in France, with more than 750,000 customers and a 30% market penetration rate.

## Looking to the future

### IT system

In late April, the Regional Banks carried out an IT feasibility study. They adopted a four-year plan to create a customer-focused IT system that allows improved and real-time knowledge-sharing covering all aspects of customer relationships, including take-up of products and relationship histories, and involving all employees, from advisors to back-office managers.

## Responsible growth

### Supporter of amateur football

Crédit Agricole is a long-standing and loyal supporter of amateur football. In addition to its partnership with the French national team, it is now a sponsor of the *Coupe de France*. Football is France's favourite sport, with 2.3 million registered players. It is played all around the country, and its pervasive presence in France is similar to that of the Regional Banks.

### Cooperative shareholders credit cards

The new range of cooperative shareholders credit cards puts Crédit Agricole's mutualist values at the heart of its product range. More than half of its Regional Banks offer these cards, and more than 185,000 have been issued.



Crédit Agricole received the 2009 "Oscard" award for innovation in the loyalty / co-branded credit card category with its Mozaïc M6 card. 275,000 cards issued in four months.

# €357

billion of customers loans  
(+2.1% year-on-year)

# €522

billion of customers assets  
(+5.6% year-on-year)

In 2009, it launched its e-commerce pack, aimed at small businesses wanting to develop online commercial activities. In addition to the pack, customers receive expert support, enabling them to set up an online store – including secure payment – quickly and easily.

### Corporate customers

With a penetration rate of 34%, the Regional Banks continued efforts that began in 2008 to develop corporate banking activities. These activities were supplemented by private banking services for business owners, through the launch of *Crédit Agricole Banque Privée* in late 2009.

### Public sector

The Regional Banks bolstered their positions in the public and social sectors, and strengthened their ties with local authorities. Crédit Agricole is the leading financial partner for French associations, with a 29% penetration rate, and has implemented measures developed specifically for large organisations in this segment.



BforBank, an entirely online private bank that is 85%-owned by 38 regional banks, had 15,000 customers at 31 December 2009.

>> FOR MORE INFORMATION, VISIT  
[www.credit-agricole.fr](http://www.credit-agricole.fr)

# LCL



LCL is a major retail bank in France with a strong urban presence. In 2009, LCL maintained its drive to win customers, particularly among young people.

6

million customers

LCL operates under its own brand (introduced in August 2005), and is France's only national banking chain to focus exclusively on retail banking for individuals, small businesses and corporate customers.

LCL's structure is consistent with its strategic goals, which include a focus on business development. Its organisation is based on four business divisions:

- retail banking for individuals
- retail banking for small businesses
- private banking
- corporate banking

### Tailored services

#### LCL à la carte

"LCL à la carte" is a new concept, aiming to offer customers a simple, interactive service. It is fully in line with LCL's development strategy, which is based on meeting customer expectations through showing its appreciation to customers (via the "Contrat de Reconnaissance", introduced in late 2008), offering high-quality advice and ensuring price transparency. The concept allows new customers to put together everyday banking products and services, either online or with a branch advisor, using an informative and user-friendly interface. As customers create their baskets, they can see the cumulative cost of the services they

have selected. Any discounts are immediately visible, and customers can see the actual amount of annual bank charges before they accept. As a result, customers begin their partnership with LCL on a clear and transparent basis.

### Customised bank cards' visual

LCL is the first card issuer in France to give customers full control over the appearance of their bank cards, enabling them to customise them using their own photos. LCL customers can select the images they want to appear on their bank cards. After launching the innovative LCL ISIC card, which incorporates a passport photo of the holder (see inset), LCL is using the same technology to give customers full control over the appearance of their bank cards, enabling them to create a unique design. Customers can request this service from their advisor, whether they already have a card or are applying for a new one. Using an online tool, customers can design their card's visuals by uploading photos, such as holiday snaps and photos of family members or pets, and can preview the final design. The process ensures compliance with copyright, intellectual property and decency requirements. From November 2009, customers have also been able to customise their Visa Premier LCL cards using four exclusive designs.

124,000

Net 124,000 personal current accounts opened in 2009

2,050

banking outlets and almost 5,400 ATMs

### Branch renovations



LCL is continuing to modernise its branch network to improve customer and staff safety, improve customer service and make branches more welcoming.

### Looking to the future

#### The LCL ISIC card

The co-branded LCL ISIC card was launched in June 2009 in partnership with MasterCard, and represents a world first. It won a design award in the 2009 «Oscards». It combines the functions of a universal payment card with those of an ISIC international student card and, for the first time in France, incorporates a photo of the holder. It also gives holders access to exclusive offers from various partners in France and worldwide.

## e.LCL

To celebrate the fourth anniversary of its brand, LCL enhanced its e.LCL online banking service. As well as online account management, which was already available to branch customers, e.LCL customers can now sign up online for all of LCL's products and services, including day-to-day banking services, savings and investments, personal loans and mortgages, life insurance and property insurance. Online banking customers can also access all of LCL's recent innovations, including "LCL à la Carte". In addition, e.LCL guarantees that customers applying for a mortgage online will receive a decision in principle within one hour, and will be contacted by a specialist advisor within 24 hours. e.LCL customers can contact their branch 24/7, and they can talk to their personal advisors outside normal business hours. Customers can also discuss property purchases with specialist advisors.

## Innovation in insurance

In 2009, LCL launched an insurance policy covering all mobile devices. This novel policy insures all electronic devices used outside of the home, with very broad coverage in France and abroad. It covers theft outside of the home, fraudulent use of mobile phones and accidental damage to all mobile electronic devices, including laptops, MP3/MP4 players, cameras, camcorders and portable DVD players. An additional benefit is the team of technology experts to help people claiming under the policy. These experts advise and assist customers when selecting a replacement device. As regards mobile phones, a dedicated website has been set up to help policyholders choose the replacement phones that suit them best.

## Responsible growth

### LCL Sécurité 100

LCL has launched a new range of capital-guaranteed investment funds for individual investors, which can be held in standard trading accounts and PEA tax-efficient share plans. The fund combines full security, guaranteeing that investors get back at least 100% of their initial net investment, with a dynamic investment approach, including a link to the CAC 40 index, aimed at obtaining capital growth. The fund's investments change regularly in order to optimise performance, while ensuring full capital protection.

## Responsible growth

### Risk management

The Crescendo plan was designed to enhance the supervision and management of risk. The weak economic background has demonstrated the importance of this initiative, and actions taken in recent years to monitor individual risks were stepped up in 2009. LCL's risk management system operates at all levels and involves all participants, allowing the bank to limit its risks throughout the year while continuing to meet customer needs.

## LCL Private Banking

LCL Private Banking ranks second in its market, serving 110,000 customers and managing €30 billion of assets. A new branch layout, including new roles for branch staff, was developed in 2007. The new layout was applied to all ten private banking sites in 2009. A dedicated website was also set up to promote the private banking service, including ten reasons to select LCL Private Banking. The website is aimed at prospective customers, and also enables existing customers to consult their accounts via LCL Interactif. Moreover LCL Private Banking is committed to socially responsible investment, both because of its own ethical convictions and in response to growing customer demand. It offers around ten socially responsible financial products with carefully designed risk/return profiles.



At the start of the academic year, LCL presented its new range of services for young people.



LCL joined forces with A.S.O., which organises the *Tour de France* and which has had a partnership with LCL since 1981, to launch a *Tour de France* bank card.

# 315,000

professionals customers

# 26,000

corporate customers

>> FOR MORE INFORMATION, VISIT  
[www.lcl.com](http://www.lcl.com)

# International retail banking



With 6.5 million customers and 2,400 branches in 15 countries, Crédit Agricole S.A. has a substantial presence in Europe and the Mediterranean basin.

**6.5**

million\* customers including 1.4 million in Italy

\* After the disposal of African subsidiaries

**85%**

of net banking income comes from banks in the European Union

In 2009, Crédit Agricole S.A. reached an agreement with Attijariwafa Bank and began talks to sell Crédit Uruguay Banco. These moves reflect the strategy of focusing international retail banking on Europe and the Mediterranean basin. The global economic situation remained tough, and subsidiaries stepped up efforts to control risks and costs, while continuing to support their customers.

## Italy

In Italy, Crédit Agricole and Cariparma-FriulAdria are building a major player in the banking market, with 1.4 million customers already. Italy is the Crédit Agricole Group's second domestic market. The Group is developing its various business lines in Italy, i.e. consumer finance, corporate and investment banking, asset management, factoring, lease finance, private equity, life insurance and property and casualty insurance.

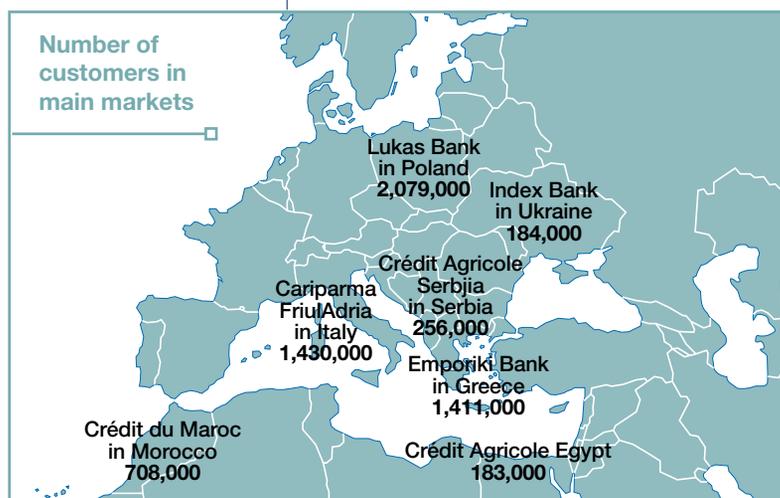
Crédit Agricole's expansion in Italy is based on a solid, proven business model. This involves a strong local presence, rapid integration through a shared platform for branch operations, and solid business lines supporting commercial activity.

Despite the sluggish Italian market, the Group increased loans outstanding by 8.3% (1.7% for the broad market) and customers assets by 10.1% (8.7% for the broad market).

The Cariparma FriulAdria group headed the financial league tables in 2009. It was named best Italian banking group by Banca Finanza magazine, and was one of only two Italian banks given a 5-star rating in the Lombard super-index.

## Greece

In Greece, Emporiki Bank announced a restructuring and development plan for the next five years. The aim is to return to profit by 2011. Emporiki has taken steps to reduce risk-related costs, cut operating expenses and enhance commercial performance. In late 2009, Emporiki decided to carry out a capital increase to improve its solvency ratios and pursue the restructuring and development plan. The initial impact of the plan showed through in late 2009, particularly in terms of net banking income and risk-related costs. Emporiki Bank and Emporiki Asset Management also scored a commercial success with guaranteed-capital investment funds (Midas III and Midas IV), in response to customer demand for safe investments.



## Looking to the future

### A more effective branch network.

In 2009, Emporiki Bank converted 16 of its branches to the new international branch model introduced in 2008. It also created dedicated sales areas for specific product types.

Crédit du Maroc continued to expand its branch network, opening 30 new branches. It reorganised by introducing a new distribution model, which is boosting commercial productivity.

## Central and Eastern Europe

Lukas Bank increased its net banking income in 2009, enabling it to deal with a substantial increase in risk caused by excessive consumer debt levels throughout the country.

In Ukraine, Index Bank is carrying out major restructuring work affecting branches, procedures and risk management, to support its post-recession recovery. Index Bank has adopted a new ethics-focused market position, and has launched a campaign to transform its image and stand out from its rivals by emphasising the reliability and solidity of its owner, the Credit Agricole Group.

In Serbia, Meridian Bank became Crédit Agricole Srbija a.d. Novi Sad in September 2009. The bank's strategy is to achieve breakeven in 2010.

Crédit Agricole also operates in Albania, Bulgaria and Romania through Emporiki subsidiaries.

## Mediterranean region

In November 2009, Crédit Agricole increased its stake in Crédit du Maroc to 77% in return for selling its African subsidiaries to Attijariwafa. In an environment less impacted by the economic crisis, Crédit du Maroc is continuing its development. Initiatives include branch openings, efforts to strengthen banking networks for retail and SME customers in order to grow the business more effectively, and innovation with the launch of Halfouss. This new service allows funds to be transferred between Spain and Morocco using a mobile phone and the Daba Daba card. It was developed in partnership with Halcash, which was set up by a consortium of Spanish banks including Bankinter.

Crédit Agricole Egypt is also continuing to build its customer base. For example, it is expanding its retail network, which now has almost 70 branches.

## Looking to the future

### Investing for the post-recession recovery

In 2009, International retail banking's management inaugurated an international training platform, based on a shared training architecture designed with IFCAM<sup>1</sup>. This platform will give rise to cross-functional training projects. It also enhanced local on-the-ground support for subsidiaries, and prepared to launch a shared IT system, which will be rolled out in Bulgaria in early 2010.

## Responsible growth

### Awards for responsible banking

As regards corporate social responsibility (CSR), Emporiki Bank was named the top-ranked bank in 2009 and the fourth-ranked company in the local Accountability Rating league table.

Lukas Bank's internal culture policy was recognised by the National Bank of Poland and the Commitment to Europe foundation. Cariparma FriulAdria was named as one of the top 30 Italian companies in terms of HR management in the "Top employers Italy 2009" league table.

## Africa / Latin America

In September 2009, pursuant to their agreement of 25 November 2008, Crédit Agricole S.A. and Attijariwafa announced that Attijariwafa Bank was acquiring Crédit Agricole S.A.'s stakes in Crédit du Congo and Union Gabonaise de Banque. In return, Sofinco (Crédit Agricole S.A. subsidiary) acquired a 15% stake in Wafasalaf, taking its total stake to 49%.

In late 2009, Crédit Agricole S.A. completed deals to sell its stakes in Crédit du Sénégal and Société Ivoirienne de Banque. The process is continuing, and the stake in SCB Cameroun is also being sold.

In early January 2010, Crédit Agricole S.A. entered into exclusive talks with Banco Bilbao Vizcaya Argentaria S.A. with a view to selling 100% of Credit Uruguay Banco S.A.



"With Cariparma, you can": the Group is showing its commitment to customers suffering in the recession with a series of support measures.



The Kolarceva branch in Belgrade has been trading under the Crédit Agricole brand since September 2009.

# 111

branches opened within the International retail banking network

# 985

projects with International retail banking subsidiaries in 2009

<sup>1</sup> IFCAM : Institut de Formation du Crédit Agricole Mutuel

>> FOR MORE INFORMATION, VISIT [www.credit-agricole.com](http://www.credit-agricole.com)

# Specialised financial services



Although the deterioration in the economic environment led to increased risk-related costs, Specialised financial services achieved a strong performance by offering products closely tailored to customer requirements.

**26.5**  
million customers

### Business areas

**Consumer finance:** Sofinco offers customers and partners a complete range of consumer finance products, distributed at the point of sale, through a branch network and through partnerships. Finaref creates financial services and sells them to customers and partners. It is France's leading issuer of private-label cards and the leading distance-seller of financial products.

**Lease finance:** Crédit Agricole Leasing is France's leading provider of lease finance, offering solutions for financing the investments of businesses, professionals, farmers and local authorities. It operates in France and internationally, with a presence in six European countries and North Africa.

**Factoring:** Eurofactor leads the French market, and supports the development of companies by helping them to manage receivables. It operates in seven European countries and belongs to two international networks of factoring companies.

### Consumer finance in 2009

The recession caused an unprecedented decline in the distribution of consumer finance and an increase in risk-related costs. Against this tough background, Sofinco and Finaref strengthened their commercial positions and increased market share in their specific segments.

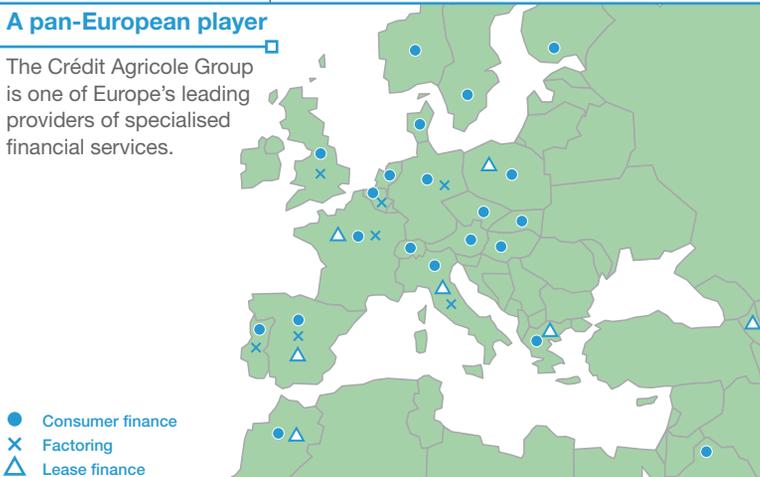
2009 was a landmark year for both companies. A plan to merge Sofinco and Finaref was announced in late May 2009, with the aim of creating one of the world's largest consumer finance companies, to be called Crédit Agricole Consumer Finance. The project reflects Finaref and Sofinco's desire to combine their expertise and know-how in order to help them push into new markets, maintain international expansion and consolidate their areas of excellence, particularly in new technologies, marketing and partnerships with retailers.

In France, Sofinco strengthened its presence in its various markets, and significantly increased its market share. The 2008 agreement with Sodexo Pass regarding gift cards resulted in major

**€76**  
billion of consumer finance outstandings

### A pan-European player

The Crédit Agricole Group is one of Europe's leading providers of specialised financial services.



### Looking to the future

#### E-commerce

Sofinco and Finaref continued to innovate in 2009, strengthening their online services, particularly for the e-commerce market. In 2009, the number of transactions paid for using Receive&Pay (developed by Sofinco and its Fia-Net subsidiary) doubled. Sofinco maintained its strategy of supporting e-commerce with the launch of its "e-solutions" range. Finaref also launched Secur'pay, which is a fully secure, universal online payment card.

commercial success, with more than 500,000 cards produced and six programmes launched with well-known retailers. Finaref continued to support retailer development and offered a range of innovative solutions, with customers including Fnac, Printemps and Club Méditerranée.

Outside France, the merger between Interbank and DMC Groep was completed in the Netherlands, as in Italy between Agos and Ducato. In each country, the aim is to create the leading player in consumer finance. Moreover the agreement between Crédit Agricole S.A. and Attijariwafa Bank enabled Sofinco to increase its stake in Morocco's Wafasalaf from 34% to 49%.

There was strong growth in partnerships with international carmakers. On 1 April 2009, Sofinco took part in the European launch of the financial partnership between Fiat and Indian carmaker Tata, making FGA Capital the captive finance firm for the Jaguar and Land Rover brands. A new development agreement for FGA Capital was reached in October, under which FGA will provide financing for the Chrysler, Dodge and Jeep brands. In late 2009, GAC (Guangzhou Automobile Group Co.) and Sofinco signed a joint venture to set up a car finance company in China, to be owned 50/50 by the two partners. The new company will sell finance to end-customers and dealers selling GAC vehicles in China.

### Lease finance and factoring in 2009

These two businesses were highly resilient in 2009. Through their close ties with partner networks and customers, their strong commercial momentum and their strong product line-ups, they were able to bolster their leading positions in France. In 2010, the combination of Crédit Agricole Leasing and

## Looking to the future

**Cré@nces Services: a service offered exclusively by Crédit Agricole**  
 With this service, professionals have an immediate solution to cash requirements. The service allows businesses to factor invoices of their choice via a secure website, and receive the money within 48 hours. It therefore provides a credit facility that can be easily adjusted to their cash requirements.

Eurofactor will give rise to Crédit Agricole Leasing & Factoring. This merger will underpin the Group's profitability and leadership in terms of serving customers and partners in France and abroad.

### Lease finance

In 2009, Crédit Agricole Leasing granted a record €4.8 billion of lease finance, a year-on-year increase of 6%, taking the amount outstanding to almost €14 billion (+9.5%). The new bank distribution model was rolled out, to ensure more integrated product ranges. As a result, Credit Agricole Leasing has a solid base for further expansion in 2010. Outside France, outstanding lease finance rose by 5% (on a like-for-like basis) to €3.7 billion.

### Factoring

In 2009, Eurofactor performed very well in France, with record production of €8.3 billion and a 4% year-on-year increase in factored receivables in the fourth quarter. Outside France, production rose by 42% to €7.4 billion, including record production in Germany.

## Responsible growth

### Leading player in financing renewable energies

Crédit Agricole Leasing is an established player in financing renewable energy facilities. It has provided €390 million of finance for projects generating a total of 350 MW. It has financed 80 MW of solar photovoltaic projects, and is providing increasing financing to the biomass segment. Crédit Agricole Leasing's experience, which it has gained through a number of projects in the last few years, makes it a leading expert in the field of sustainable development.

>> FOR MORE INFORMATION, VISIT

[www.sofinco.com](http://www.sofinco.com)  
[www.finaref.com](http://www.finaref.com)  
[www.ca-leasingfactoring.com](http://www.ca-leasingfactoring.com)

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in lease finance and factoring in France



Half of all direct personal loan applications are made on the [sofinco.fr](http://sofinco.fr) website.

# Asset management, insurance and private banking

All three of these businesses achieved strong performance throughout 2009, strengthening their leading positions in France and Europe.

€837

billion of assets under management

### Business areas

#### Asset management

Asset manager Amundi, 75%-owned by Crédit Agricole Group, ranks third in Europe. Asset servicing specialist Caceis, 85%-owned by Crédit Agricole S.A., is the leading player in its field in Europe.

#### Insurance

Crédit Agricole Assurances is Europe's ninth-largest insurer, and covers all of its customers' insurance needs: life insurance (Predica), Property and Casualty insurance (Pacifica) and creditor insurance (Crédit Agricole Creditor Insurance). It is developing all of these businesses outside of France. Since 1 January 2010, Crédit Agricole Assurances has included *Crédit Agricole Assurances Gestion, Informatique et Services* (Caagis).

#### Private banking

In France, the Group works with *Banque de Gestion Privée Indosuez* (BGPI) and LCL. Outside France,

it operates under the Crédit Agricole Private Bank brand.

#### Asset management in 2009

In early 2009, Crédit Agricole announced a plan to combine Agricole Asset Management with Société Générale's asset-management subsidiary SGAM, to create a unit aiming to become Europe's leading asset manager. The resulting company, Amundi, was born on 31 December 2009.

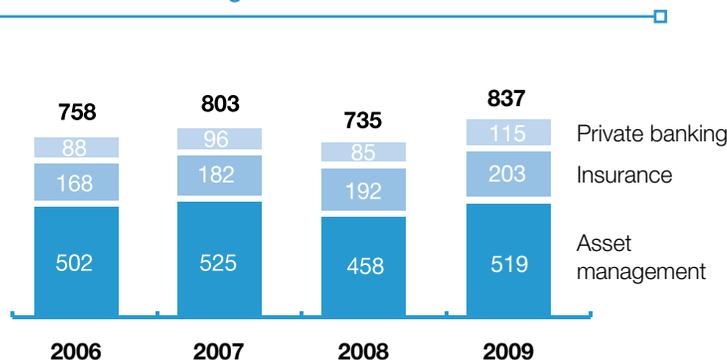
CAAM's assets under management rose by 13.3% to €500.3 billion at end-2009, beating the broad market growth rate as calculated by AFG and Europerformance. Its share of the French mutual fund market was 19%, representing a one-point increase since end-2007 and confirming its leading position in collective asset management in France and Europe.

In 2009, despite the tough environment, sales performance was very firm, and Crédit Agricole Asset Management generated €21.9 billion of new money. Most of that money came from institutional investors in France and abroad, following efforts

>> FOR MORE INFORMATION, VISIT

- [www.amundi.com](http://www.amundi.com)
- [www.ca-assurances.com](http://www.ca-assurances.com)
- [www.bgpi.com](http://www.bgpi.com)
- [www.ca-privatebank.com](http://www.ca-privatebank.com)
- <https://banque-privée.lcl.fr>

### Assets under management



In billion of euros, before elimination of double counting

### Looking to the future

#### Bond-linked life insurance investments

Crédit Agricole Assurances was the first to offer this kind of product in 2009. The aim is to offer customers a safe, attractive investment that combines the benefits of bonds with those of life insurance. The product gives investors security by offering a rate of return that is known at the outset and fixed over the term of the policy, with interest rolled-up and paid out after 8 years, limited exposure to stockmarket fluctuations and low volatility. Investing via a life insurance policy is highly tax-efficient.

to strengthen marketing operations in the last two years. Most of the new money went into equity, diversified and bond funds.

The creation of Amundi increases the global commercial reach of the asset management business. It has a presence in more than 30 countries, and has management centres covering the main financial markets in Europe (Paris, London, Milan), Asia (Japan, Hong Kong, Singapore), Australia and the USA.

### Insurance in 2009

The insurance business was able to withstand stockmarket turbulence due to its diversified operations, its long-standing rigorous approach to financial management, and its growing percentage of international sales. Assets under management rose by 6% to €203 billion, while those of bancassurers slipped 1%. Its share of the French life insurance market reach 15%, and its share of the French Property and Casualty insurance market climbed 0.3 percentage points to 4%. Revenue coming from outside France rose by 27% and made up 22% of the total in 2009.

Predica outperformed the market, with a 16% increase in premium income (12% for the market). This was driven by adjustments to the savings range, including the new *UC Obligataires* product, which offers excellent long-term returns and very low issuer risk. LCL made a major contribution to this performance, with a 38% increase in new money. Predica maintained its leading position in the death, dependency, and funeral cover market. The Regional Banks marketed *Vers l'Avenir*, a life insurance policy that allows adults to build savings for young people.

## Responsible growth

### Sustainable development at Crédit Agricole Assurances

Crédit Agricole Assurances will continue to develop its three business areas while maintaining its firm grip on financial and underwriting risks. It will also strengthen its commitment to CSR, focusing on the four issues of human resources, products, the environmental and social responsibility. Predica will step up its marketing of long-term products so as to maintain its leading positions in life insurance and disability insurance. It will introduce SRI products into its range.

## Responsible growth

### Amundi's values

Amundi aims to set the benchmark among European asset managers, not just in terms of scale but also in four key areas:

- product quality,
- close relationships with clients, partner networks and institutional investors,
- an efficient organisational structure,
- a commitment to integrate sustainable development and social utility criteria into its investment policies, alongside financial drivers.

Amundi plans to make full use of all these strengths as it pursues its global development strategy.

In Property and Casualty insurance, Pacifica grew its business despite the overcrowded market, achieving record production (1.6 million new policies) and a 7% increase in its portfolio to 7.6 million policies. This growth was supported by new health insurance and personal accident insurance products.

Creditor insurance revenues rose by 24%. In France, Caci launched a range of mortgage, personal loan and business loan insurance products in early September, distributed throughout the LCL network.

### Private banking in 2009

The Group confirmed the strength of its private banking model in 2009. By focusing on the interests of its customers, the business was able to limit the impact of market declines in 2008 and to seize opportunities arising from the rally in 2009, while keeping risk firmly under control. As a result, customer funds grew by 9% over the period.

In France, *Banque de Gestion Privée Indosuez* (BGPI) and its asset management subsidiary GPI maintained their marketing efforts in wealth management, offering products and services specially designed for high-net-worth Regional Bank customers, particularly with the launch of the Crédit Agricole Banque Privée brand in late 2009.

# N.1

In 2009, CAAM became France's leading provider of open-ended SRI products and employee savings plans.

## Amundi

ASSET MANAGEMENT

At end-2009, Amundi's assets under management totalled €670 billion, making it the third-largest asset management player in Europe and among the top ten in the world.

# 1st

Crédit Agricole is the 1<sup>st</sup> bancassureur in France



Crédit Agricole Private Bank operates in the main financial markets in Europe, Asia, the Middle East and Latin America.

# Corporate and investment banking



The refocusing and development plan adopted in September 2008 proved its worth throughout 2009. The business model is customer-focused, and aims to give customers throughout the world access to Crédit Agricole Corporate and Investment Bank's acknowledged expertise in all its business areas.

50

Presence in more than 50 countries

12,000

employees worldwide

## Business areas

Crédit Agricole CIB's activities are based around four centres of expertise, as defined in the September 2008 refocusing and development plan:

- Coverage and investment banking
- Equity brokerage and derivatives
- Fixed income markets
- Structured finance

## Crédit Agricole CIB in 2009

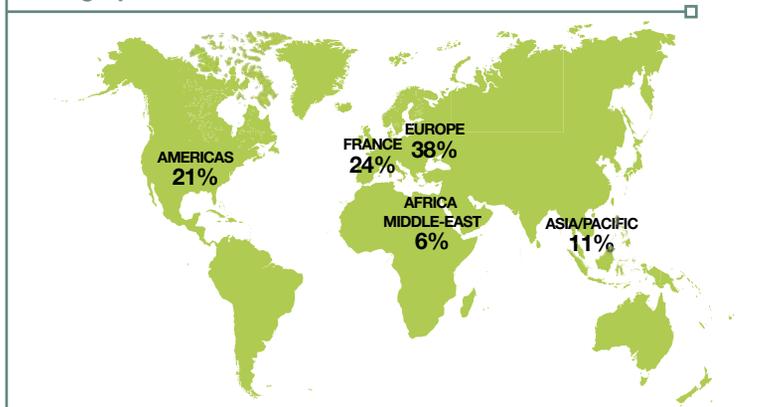
In 2009, results were in line with the targets set in the customer-focused development plan presented in September 2008. In 2009, the financing business achieved ongoing revenue growth, while capital markets and investment banking maintained recurrent revenue base and benefited from the return-to-normal in market activity. The volume of cross-selling doubled in 2009 relative to 2008.

Crédit Agricole CIB ran down activities that do not form part of the new model in an orderly and controlled manner. It discontinued activities involving risky exotic products, structured credit products and some equity derivatives. The value of these assets remains dependent on market conditions, and some of them must be held until maturity. Exposure has been gradually reduced, and the negative impact on earnings will gradually decline. In 2010, Crédit Agricole CIB will enhance its offering and its distribution capacity in order to boost its development. The refocusing plan will ensure that Crédit Agricole CIB is in a strong position to resume with sustainable profitability.

## Coverage and investment banking

In very tough market conditions, this business made the changes that were needed to meet the financing and risk-coverage needs of its customers,

Geographical distribution of revenues from clients



## Looking to the future

### Example of a strategic partnership

Crédit Agricole CIB signed a partnership agreement in the energy sector with EDF Trading. Under the agreement, Crédit Agricole CIB provides customers with products to hedge risks in the European electricity and gas markets, and in the coal market. EDF Trading's contribution to the partnership is to provide expertise in executing trades and managing risks in the wholesale energy markets, as well as its IT infrastructure.

i.e. corporates and financial institutions. The primary equity market was very busy, and the unit was involved in managing all major share issues in the French market, as well as several elsewhere in Europe and the United States. In France, Crédit Agricole CIB strengthened its collaboration with the Regional Banks through a partnership agreement, and worked hard to support the Group's corporate customers internationally.

### Equity brokerage and derivatives

Although Crédit Agricole CIB's equity brokerage business was not immune to the crisis, it achieved good results in 2009. The business has a high profile worldwide and is organised around two leading subsidiaries: CA Cheuvreux, covering Europe and the Middle-East, and CLSA, which operates in Asia including Japan. The Group's other brokerage units are Crédit Agricole Securities (USA) Inc. and Newedge, which is jointly owned by Crédit Agricole CIB and Société Générale. Crédit Agricole CIB is also working with Amundi Investment Solutions, which houses the Crédit Agricole Group's expertise in terms of structured asset management, alternative investments and ETFs (exchange-traded funds).

### Fixed income markets

The fixed income markets unit had a very good year in 2009, in exceptional market conditions. The foreign exchange, interest rate derivatives and commodities activities saw firm recurrent business levels. The treasury and bond businesses performed particularly well. For example, Crédit Agricole CIB was bookrunner for the World Bank's first euro-

## Looking to the future

### Commercial banking

Crédit Agricole CIB has helped companies get through the recent recession, making it easier for them to find innovative solutions and adjusting to their needs in terms of financing, domestic and international guarantees and cash management. Its aim is to help customers manage liquidity, and to process and retrieve information even more effectively, regardless of the language used. Crédit Agricole CIB is already equipped to deal with Single Euro Payments Area flows across all of its European and international network.

denominated bond issue in 2009. Primary-market activity was very strong in the debt and credit markets business, which ranked 6<sup>th</sup> in terms of euro-denominated bond issues in 2009 (Thomson Reuters).

### Structured finance

Crédit Agricole CIB's activities in this area held up well, as a result of its strategy of diversifying business and geographical exposure. The business maintained its market positions, due to the multi-discipline nature of its organisation and its sector expertise. As a result, it was able to develop the service it provides to customers by addressing all of their requirements. The portfolio of structured transactions was strengthened through active management, new production featuring conditions appropriate to the risks, and the gradual return of liquidity. Business levels in export and trade finance, natural resources, infrastructure and power were high in 2009. Crédit Agricole CIB's expertise in aviation and rail financing was recognised by Jane's Transport Finance. In 2009, Crédit Agricole CIB financed around 160 aircraft.

## Looking to the future

### Acknowledged core skills:

Crédit Agricole CIB's global rankings are as follows:

- No.2 bookrunner for project financing (Project Finance International)
- No.6 bookrunner for euro-denominated bond issues (Thomson Reuters 2009).

CA Cheuvreux ranks:

- No.1 in European Small & Mid Caps research (Thomson Extel Survey 2009)
- No.1 for its recommendations and earnings forecasts on European equities (Starmine 2009).

CLSA was acknowledged as the best broker in the Asia-Pacific region (excluding Australia, New-Zealand and Japan) in the last 20 years (AsiaMoney, July 2009).

>> FOR MORE INFORMATION, VISIT  
[www.ca-cib.com](http://www.ca-cib.com)

# 5%

increase of the revenues from structured finance in 2009

# 8%

reduction in operating expenses since 31/12/2008 (excluding restructuring charges)



On 6 February 2010, Calyon became Crédit Agricole Corporate and Investment Bank



In project financing, Crédit Agricole CIB was named «Bank of the Year» by Project Finance International (December 2009)

# Crédit Agricole S.A.'s brand policy

In 2009, Crédit Agricole made major efforts to strengthen its brand and raise its profile, particularly outside France. These efforts came mainly in three areas:

- a brand consistency
- a common visual identity
- an international advertising campaign

## A brand consistency

Although Crédit Agricole is one of the world's largest financial groups, its profile is lower than its status merits. This lack of visibility arises partly because the Group uses a number of brands, which do not adequately reflect the fact that the involved businesses belong to the Crédit Agricole Group. In 2009, the Group started to increase brand consistency, in order to emphasise the extent of the Group's businesses and to increase overall visibility.

**The convergence of the brands passes on one hand by the change of name and, on the other hand, by the graphic harmonisation.**

Before	After
<p>Initial brand consistency efforts involved changing the name of certain subsidiaries. For example, Serbian retail bank Meridian Bank adopted the Crédit Agricole brand in September 2009.</p> <p> <b>MERIDIAN BANK</b> →  <b>CRÉDIT AGRICOLE</b></p>	
<p>Calyon, the Group's corporate and investment banking division, changed its name to Crédit Agricole Corporate and Investment Bank in February 2010.</p> <p> <b>CALYON</b> CRÉDIT AGRICOLE CIB →  <b>CRÉDIT AGRICOLE</b> CORPORATE &amp; INVESTMENT BANK</p>	
<p>Other subsidiaries have incorporated the CA logo, or have adopted Crédit Agricole's visual identity, which is dominated by the colour green.</p> <p> <b>CRÉDIT AGRICOLE</b> PRIVATE EQUITY →  <b>CRÉDIT AGRICOLE</b> PRIVATE EQUITY</p>	
<p>Some entities with strong local roots have maintained a separate identity, but are demonstrating their membership of the Group more clearly.</p> <p> <b>CARIPARMA</b> &amp; PIACENZA →  <b>CARIPARMA</b> CRÉDIT AGRICOLE</p>	

### A common visual identity

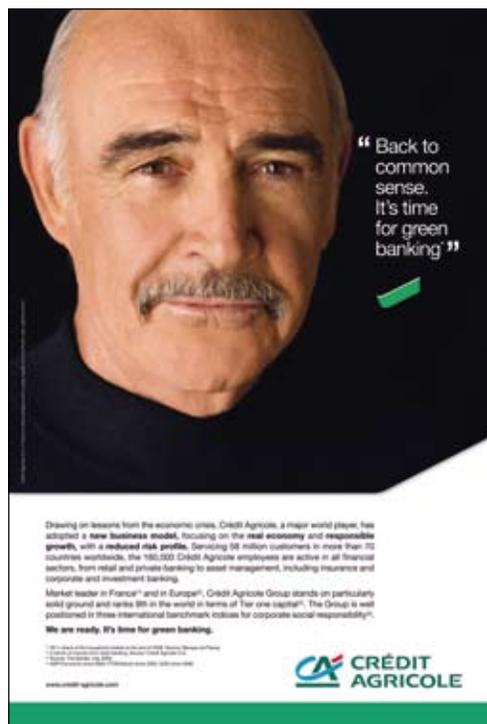
To enhance visual consistency, Crédit Agricole has introduced a visual identity for all the Group entities starting in early 2010. It is based on the green colour. The visual identity means that any communication by a Group entity can be easily

identified as coming from Crédit Agricole. Its first application will be in the 2009 annual reports published by Group entities in 2010.



### An international advertising campaign

In November 2009, Crédit Agricole launched a global advertising campaign to support the adoption of its brand by its major business lines and its various international retail banking subsidiaries. As a result, the Group's major business lines now enjoy the visibility of the Crédit Agricole brand, which in turn benefits from the high profile and strong image of its business lines.



The campaign's main target audience consisted of economic and financial opinion leaders. Adverts were placed on international news TV channels, financial websites, and major financial press titles. The 2009-2010 campaign covers three areas, i.e. Europe, the Middle East and major Asian markets.

To attain its objective in these widely varying regions, the campaign was based on an international concept that expresses the group's commitment to responsible growth, i.e. «green banking». The adverts involve three essential ingredients that reflect the Group's international scale and status as a major bank:

- A slogan that conveys the Group's clear vision and sensible approach: "Back to common sense. It's time for green banking."
- The use of Sean Connery, an internationally renowned film star with an aura of wisdom, to increase brand recognition.
- A piece of music that is well known throughout the world.



● **50% of space allocated to gardens. This environmentally friendly site fits with the Group's focus on sustainable development.**

# Evergreen: new premises for Crédit Agricole



In late 2009, Crédit Agricole S.A. acquired the Evergreen site, with the intention of bringing the Group's various entities together in the same location. The site has the potential to house 150,000 m<sup>2</sup> of office space.

The main reason for bringing entities together in this way is to increase co-operation between teams, and create more efficient working methods. The aim is to provide excellent working conditions for staff.

The site is environmentally friendly, featuring energy-efficient buildings and four hectares of green space, in line with the Group's focus on sustainable development. 50% of the site, located on the outskirts of Paris, will consist of gardens.

The overall economics of the project involve optimising the available amount of office space and its cost. The project will substantially reduce the Group's property costs.



A draft masterplan for the development has been presented to the works councils of the entities concerned. Subject to their response, entities will move to Montrouge in three phases.

Initially, Crédit Agricole S.A.'s senior management will move to the new site, along with Crédit Agricole S.A., Crédit Agricole Immobilier, Crédit Agricole Private Equity (CAPE) and Crédit Agricole Capital Investissement et Finance (CACIF). These teams\* will move into the first zone, consisting of 40,000 m<sup>2</sup> of office space that has already been built, from September 2010.

In the second phase, in late 2011, staff from Crédit Agricole Leasing and Eurofactor will arrive.

In the third phase, from June 2013, staff from Crédit Agricole Corporate and Investment Bank\* and CA Cheuvreux\*, currently working in La Défense, will move.

\* except for staff at the Saint-Quentin-en-Yvelines site



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[www.credit-agricole.com](http://www.credit-agricole.com)

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Figures and rankings are available for consultation with their sources in the 2009 registration document of Crédit Agricole S.A.

