

CRÉDIT AGRICOLE ITALIA: RESULTS AS AT 31 DECEMBER 2024

- Consolidated net income hit 808 million Euros (up by +14% YoY), giving once again evidence of Crédit Agricole Italia's constant ability to generate sustainable profitability.
- 190 thousand new customers were acquired in the year (+7% YoY), Wealth Management placements came to over 12 billion Euros (+47% YoY); new corporate loans grew by +21% YoY, with over 1.2 billion Euros supporting the energy transition.
- Revenues came to over 3 billion Euros (+1.4% YoY) with a strong performance of the fee and commission component (+3.4% YoY), driven by investment services (+13% YoY¹); expenses proved under control and the cost income ratio stood at 51.5%², decreasing YoY.
- Loans to customers continued to develop³, increasing by +2.5% vs Dec. 2023, driven by the residential (+4.0%) and Corporate Banking (+4.2%) segments, against a general decline in the market⁴. Brilliant performance of Asset under Management (+8% vs Dec. 2023), driven by Mutual and Investment Funds (+15% vs Dec. 2023).
- Newly originated home loans up by +8% YoY, with a significant weight of highly energy efficient properties.
- The gross and net NPE ratios continued on a constantly decreasing trend - coming to 2.7% and 1.3%, respectively - and the coverage ratio further strengthened, hitting 53.7% (+288bps vs Dec. 2023); the default rate decreased and firmly stood below 1%.
- A very large liquidity buffer with the LCR at 179% and strong capital position with the *Fully Loaded* Common Equity Tier 1 and the Total Capital Ratio standing at 14.0%⁵ and 18.6%, respectively⁵.
- Crédit Agricole Italia confirmed its excellent level in terms of appreciation from customers, ranking once again no. 1 among universal banks in the Customer Recommendation Index (CRI).

- In the year, the Italian ecosystem of Les Villages by CA further grew to 5 innovation hubs, thanks to the opening, in February, of Le Village by CA delle Alpi in Sondrio and, in October, of Le Village by CA Sicilia in Catania.
- In 2024 Crédit Agricole Italia reached three agreements with the Trade Unions aimed at strengthening its corporate welfare scheme and provided its employees with a total of over 630 thousand hours of training.

Milan – 5 February 2025 – Crédit Agricole Italia's results as at 31 December 2024 have been announced today, giving evidence of its ability to generate profits over time.

Firm growth in profitability

Crédit Agricole Italia proved once again able to generate steady and sustainable profitability in a continuous manner, thanks to its balanced and customer-support-oriented business model. Consolidated statutory net income increased by **+14.1% vs. the same period of the previous year, coming to 808 million Euros**.

Support to businesses and households

In a dynamic and very competitive market, Crédit Agricole Italia continued to appreciably meet the financial needs of **households and corporations** thanks to the wide range of specialist products made available to and designed for its Customers by all the Group's entities in Italy. The commercial activity posted positive results on all business lines:

- Strong development in the customer base with the acquisition of approximately 190 thousand new customers (+7% YoY), thanks also to the substantial contribution from the digital channel (40%), progressively increasing vs the figures for the two previous years (36% Dec. 2023, 30% Dec. 2022);
- Newly originated residential mortgage loans increased by +8% YoY, at a faster pace than the market⁶. The allocations aimed at purchasing houses in *Energy Efficiency Class A and B* markedly increased (up by +83% YoY), with their weight on total outstanding mortgage loans hitting 27% (vs. 16% in 2023);
- Marked growth in new medium/long-term loans to enterprises: +21% YoY;
- Increase of +3.3% YoY in loans to the Agri-Food sector, against a decrease of -1.6% YoY in the market⁷. CAI's market share increased by +11 bps YoY, coming to 7.9%⁸;
- Placements of Wealth Management products came to over 12 billion Euros (+47% YoY), strongly increasing across all the main asset classes. Constant progress in net inflows, which came to +2.4 billion Euros from the start of the year;
- Considerable increase in non-life insurance premium income (up by +14% YoY), benefiting from the digital customer experience and from stronger insurance advisory services;

Performances in terms of volumes:

- **Loans to customers**³ grew by +2.5% YoY, outperforming the market (-1.0%⁴ vs. Dec. 2023); constant improvement in the market share, which came to 7.6%⁹;
- **Asset under Management** hit 53.9 billion in volumes (+7.8% YoY), benefiting from a brilliant placing activity; the growth resulted from positive contributions from all segments, with wealth management performance up by +15.4% YoY, alongside the recovery in the insurance component (+1.3% YoY). Asset under Custody posted steady progress (+12.2% vs Dec. 2023).
- **Direct funding** hit 77.7 billion Euros, increasing by +2.1% YoY, in line with the market performance⁴.

During the year, the Group gave special attention to **supporting energy transition in Home Loans**, with subsidized terms and conditions applying to loans for the purchase of properties in energy efficiency class A or B, and specific **advisory services aimed at supporting energy efficiency upgrading**.

Furthermore, in 2024 the **Mutuo Full Digital** went live, a new fully digital tool that enables to **apply for a mortgage loan directly online** and to **follow the application progress through the APP**, along with all the activable flexibility options, with a **specialist advisor** always ready to help.

Support to enterprises also continued and grew, with over 4.5 billion Euros in loans originated in 2024, plus 800 million Euros in new lease contracts signed.

With the goal of **assisting enterprises in improving their ESG position**, in 2024 lending to support them in their transition came to **over 1.2 billion Euros**, consistently with the Group's strategies and NET Zero targets.

In this scope, considerable support was also given to enterprises interested in seizing the opportunities given by Italy's Recovery and Resilience Plan, having special regard to the subsidies for energy and digital transition, plus the funds intended for actions within Transition Plans 5.0 and 4.0.

In 2024 **Crédit Agricole Italia became an "Authorized Bank" for Supply Chain contracts under the 5th call for applications under Italy's Recovery and Resilience Plan**, addressed to enterprises engaged in **agricultural and agri-food business**, giving evidence of its tangible commitment to supporting the sector. Furthermore, the Bank presented the second "*Agricoltura tra Sostenibilità e Innovazione*" (Sustainability and Innovation in Agriculture) Report, prepared in partnership with Agri Lab Bocconi, concomitantly announcing a new **amount of three billion Euros** plafond for loans to support sustainable development projects.

Giving evidence of its constant attention to keeping high customer satisfaction standards, Crédit Agricole Italia ranked again **no. 1 among universal banks in Italy by Customer Recommendation Index – CRI**, an excellent level that it had already reached in 2023 and that was confirmed by the latest surveys.

Crédit Agricole Italia was awarded the prize as the **Best Issuer of the year** at the 11th Covered Bond Investor Conference, held in Frankfurt. Crédit Agricole Italia was awarded the prize as "the most regular Italian issuer of covered bonds proving innovative – the only one with maturities of

10 years, 12 years, 15 years, 20 years and 25 years in the last decade”, **giving evidence of the strong relationship established over time with Italian and international institutional investors. In 2024, two Covered Bonds *Premium Label* were issued for a total of 1.5 billion Euros, of which 500 million Euros in a Green format.**

Growing revenues and expenses under control

Revenues increased by +1.4% YoY driven by the **fee and commission** component, which grew by **+3.4% YoY**, especially from “management, intermediation and advisory services”, while **net interest income** continued to be essentially stable (**-0.6% YoY**).

Operating expenses² (-0.3% YoY) benefited from the structural efficiency enhancement actions, whereby the cost base could be reduced over time and the effects of renewal of the Italian national collective bargaining agreement could be mitigated; the Administrative expenses and Depreciation and Amortization aggregate decreased by -3.0% YoY², while HR costs increased (+1.2% YoY).

These developments have enabled to keep **gross operating income** on a growing trajectory, **up by +3.2% YoY²**, with the **cost/income** ratio coming to **51.5%²** and improving by approximately -90 bps vs 2023.

Focus on asset quality and capital strength

Net adjustments to loans strongly decreased both in the year (down by -22.6% YoY) and in the last part of 2024 (-16.9% Q4/Q4), thanks to the effective in-house management of non-performing loans, with the **cost of credit** - expressed in basis points - coming to **37bps**, decreasing vs. 49bps as at December 2023. Furthermore, the attention to asset quality enabled to keep new inflows to default at very low levels (default rate at 0.7%), generating a marked decrease in net NPLs (-21.1% vs Dec. 2023), against an increase in NPLs across the sector (+2.0% Nov. 2024 vs Dec. 23)⁴.

The coverage ratio of non-performing loans increased by +288bps vs the end of the previous year, coming to **53.7%** (vs 50.8% as at Dec. 2023), while **the weight of non-performing loans** continued on its **progressively improving trend: gross NPL ratio at 2.7%** (vs. 3.3% as at Dec. 2023) and **net NPL ratio at 1.3%** (vs. 1.6% as at Dec. 2023).

Even further capital strengthening: the **Fully Loaded Common Equity Tier 1 stood at 14.0%⁵**, and the **Total Capital Ratio at 18.6%⁵** with a buffer well above the minimum requirements assigned by the ECB. **High liquidity with the LCR at 179% and the NSFR >125%⁵.**

Giving evidence of the Group’s strength, **Moody’s confirmed its rating of Crédit Agricole Italia at Baa1 with stable outlook**, at the highest levels in the Italian banking system.

Digital Offer

Digital and innovation continued to give a **material contribution to Crédit Agricole Italia’s growth**, still on the **increasing trend** they showed in the past few years, both in terms of **online acquisition of new Customers** and in terms of Customers’ **digitalization**.

Digital acquisition has driven the **arrival of new Customers generating 40% of the Group's total figure**, proving particularly appealing to the under 35 target (which accounted for 59% of the accounts opened digitally). The portion of **digitalized Customers** grew (to over 85%), as did the one of **active Customers on digital channels** (to 64%) and of **transactions made digitally** (overall up to approx. 90%).

The “Le Village” Ecosystems

Since 2018, the Crédit Agricole Italia Group has been substantiating its attention to the regions where it operates and to innovation with the opening of “Les Villages by CA”. Today, the network consists of **5 Les Villages that are in operations in Italy and can accelerate over 190 startups and assist over 80 partner firms in their journey to innovation. In the year**, the ecosystem of Les Villages in Italy further grew, thanks to the opening, in February, of Le Village by CA delle Alpi in Sondrio and, in October, of Le Village by CA Sicilia in Catania.

In the year, **programmes of national activities for the Partner firms and for the accelerated startups** were rolled out for the first time and enabled to generate over 250 new business opportunities and to hold national and international Demo Days involving more than 150 investors and Venture Capital Funds.

Le Village By CA Milano, operating since 2018, is the first expression of CA innovation in Italy: over **46 startups** with the support of **24 partner firms**.

Le Village by CA Parma, which was opened in 2020 and whose shareholders are Crédit Agricole Italia and Fondazione Cariparma, supports **19 partner firms** and **60 startups**; it focuses especially on agrifoodtech, mechanics and mobility, pharma, life science and automation.

Le Village by CA Triveneto, which was opened in 2022 in Padua and whose shareholders are Crédit Agricole Italia, Parco Scientifico e Tecnologico Galileo, Confindustria Veneto Est and Unismart-Fondazione Università degli Studi di Padova, supports **21 partner firms** and **53 startups**.

Le Village by CA delle Alpi, which was opened in February 2024 in Sondrio with the Crédit Agricole Group and Fondazione Pro Valtellina as its shareholders, focuses especially on mountain economy. At present, Le Village supports **14 startups** and **12 partner firms** in meeting their development and innovation needs.

Le Village by CA Sicilia was opened in October 2024 and its shareholders are the Crédit Agricole Italia Group, Amundi and two leading firms based in the region: Irritec spa, global leader in sustainable watering systems, and Ntet spa, the leading player in Italy and in Europe in the design, manufacturing and marketing of innovative telecommunication products/systems. At present, it supports **21 startups** and can rely on **13 partner firms**.

Commitment to People, Training, Diversity & Inclusion

In 2024 Crédit Agricole Italia dedicated a total of **over 630 thousand hours to training**, fostering the growth of specialist skills and the development of behavioural and managerial ones. Furthermore, in 2024 the LinkedIn Learning new platform went live, with over 20,000 broad-spectrum and constantly updated training contents.

In 2024 **three agreements were reached with the Trade Unions** aimed at strengthening the Group's welfare scheme, with a corporate bonus of 2,050 Euros, increasing vs. the previous year, an improving and structural modification of the banking terms and conditions reserved to employees and an extension of the healthcare scheme for the 2025-2026 two-year period.

To continue to foster a more and more inclusive climate, the **Charter of Respect**, which was created for the first time in 2019 with the participation of all personnel, was updated. Amongst the new developments, worth mentioning is the «Time CAre» Outlook feature, whereby available slots in the calendar can be customized to one's working hours, in order to facilitate proper work-life balance. Again in 2024 the Group was the main sponsor of **#RUNFORINCLUSION**, a non-competitive run celebrating and enhancing uniqueness.

During the year, in partnership with ELIS, two projects with two-year duration were started aiming at fostering work inclusion of young generations. The "*Projet Généraction*" involves **about 2,000 students** in their 4th and 5th year of lower secondary school living in the regions where the Group operates and consists in a programme held at the schools orienting the students towards opportunities in the employment market. At the same time, the "*100 Youths Project*" went live, which gives an opportunity to enter the world of work to a total of **100 new secondary school graduates** in the 2024-2025 two-year period through 3-month internships. The partnership with **Jointly** went on and was extended to new regions, thanks to which a network of **qualified nursery schools** from which CAI's employees who are new parents will be able to choose in accordance with their needs.

CAI's attention to the matters and values associated with diversity, equity and inclusion was acknowledged again in 2024 with the obtainment from Bureau Veritas of the **Gender Equality Certification**, an important national recognition. The Group also obtained the Lifeed award as a **Caring Company** and the **recognition from ELIS**, in the presence of representatives of the Ministry of Education and Merit, for its contribution to the inclusion of new generation and school-business cooperation.

Commitment to social responsibility and sustainability

During 2024 sustainability choices of individuals and businesses were supported with an amount of roughly 77 million Euros, within the go-live of the **Parma Climate Neutral 2030 Project**.

CAI's attention to the Communities where it operates materialized in **many social initiatives and corporate volunteering programmes**, including the projects implemented in partnership with **Opera San Francesco per i Poveri**, **Fondazione Francesca Rava-NPH Italia** and **Venice Plastic Lagoon**. Crédit Agricole Italia continues to back all its Stakeholders on their way to a

more sustainable system thanks also to new fundraising campaigns going live on its **CrowdForLife** portal to the benefit of the territories.

To foster inclusion of very young people through the dissemination of financial knowledge, the Group started several projects aimed at providing financial education and orientation to ESG values in cooperation with **FEduF** (a Foundation promoting financial education and savings) and **Civicamente**, involving students from primary schools and lower and upper secondary schools in the regions where it operates.

The commitment to social action went on with the renewal of the Partnership with **Save the Children**, thanks to the *Digital Connections* project, which involves all the Group's Entities in Italy. Aimed at reducing digital education poverty, the project involved 99 schools throughout the Country, over 1,000 teachers and more than 5,800 students between 12 and 14 years old.

The Group continued to promote art and culture in all the regions where it operates, thanks to initiatives such as the "Da Arturo Martini ad Andy Warhol. Il Novecento nelle Collezioni Crédit Agricole" **exhibition**, open to the public at the Crédit Agricole Gallery - Refettorio delle Stelline in Milan from 25 October to 21 December, which attracted about 5,000 visitors. The exhibition put on display about sixty works by some of the most famous, iconic and innovative twentieth century artists, and is part of the wider plan to enhance the Group's art heritage, already implemented in the year with the opening of the **Digital Gallery** (<https://www.credit-agricole.it/galleria>) and the **permanent open-air exhibition** of sculptures in the park of Green Life, the Group's headquarters in Parma.

On an exceptional basis, Green Life was opened to the public on an **Open Day** held last September, which proved a success with the Community. The Open Day featured guided tours, music shows, outdoor activities for families and children on sustainability and biodiversity, with the involvement of important partners, such as the Parma Local Delegation of *Fondo Ambiente Italiano* (the National Trust of Italy), Teatro Regio di Parma and the Parma Football Club.

Parma, 05 February 2025

On 30 January 2025, the Board of Directors of Crédit Agricole Italia, chaired by Ariberto Fassati and upon the proposal made by Giampiero Maioli, the Group CEO and Senior Country Officer of Crédit Agricole in Italy, took note of the Financial Statements for 2024.

The main entities the Group consists of are Crédit Agricole Italia S.p.A. (Parent Company), Crédit Agricole Group Solutions S.C.p.A. and Crédit Agricole Leasing Italia S.r.l., which have been consolidated on a line-item basis.

GROUP FINANCIAL HIGHLIGHTS

Income Statement data

- **Consolidated net income** at Euro 808 million (+14.1% YoY).
- **Revenues** at Euro 3,102 million (+1.4% YoY).
- **Operating expenses** at Euro 1,657 million (-2.8% YoY)
- **Adjustments to loans** at Euro 244 million (-22.6% YoY).

Balance Sheet data

- **Equity** - Group share - at Euro 8.3 billion (+3.6% vs. Dec. 2023).
- **Loans to Customers³** at Euro 65.6 billion (+2.5% vs Dec. 2023).
- **Direct funding** at Euro 77.7 billion (+2.1% vs. Dec. 2023).
- **Assets under Management** at Euro 53.9 billion (+7.8% vs. Dec. 2023).

Group ratios

- **Weight of gross and net NPLs** at 2.7% and 1.3% respectively.
- **NPL coverage ratio** at 53.7%.
- **Fully Loaded Common Equity Tier 1 Ratio** at 14.0%⁵.
- **Total Capital Ratio** at 18.6%⁵.
- **LCR** at 178.6% and **NSFR** >125%⁵.

INCOME STATEMENT RESULTS AS AT 31 DECEMBER 2024

Net operating revenues came to Euro 3,102 million, increasing by +1.4% vs. the same period of 2023.

Net interest income came to Euro 1,790 million, down by -0.6% vs. the previous year.

Net fee and commission income grew vs. the previous year, hitting 1,262 million Euros, up by +3.4% YoY. The aggregate's performance was driven by the "management, intermediation and advisory services" component, which grew by +7.9% YoY, thanks to the brilliant results of Wealth Management placement activity, as well as to a dynamic market. The decreasing trend in the "commercial banking activity and other" component improved (-2.2% YoY).

Financial income came to Euro 25 million, vs. Euro 29 million in FY 2023.

Operating expenses were in line with the previous year (-0.3% YoY²), coming to 1,599² million Euros. The constant rationalization process drove the decrease in Administrative Expenses (down by -4.4% YoY²), while HR costs slightly increased (up by +1.2% YoY); Depreciation and Amortization proved stable (-0.2% YoY). Including the **contribution to the Deposit Guarantee Scheme** (DGS), amounting to 58 million Euros, which had been accounted early in Q2 given the intervened regulatory changes, operating expenses came to 1,657 million Euros down by -2.8% YoY, considering also the contributions paid in 2023 to the **Deposit Guarantee Scheme** (DGS) and the **Single Resolution Fund** (SRF).

As a result of the combined developments in revenues and costs, **gross operating income** came to Euro 1,446 million, increasing by +6.6% YoY; net of the contributions to bank resolution funds, the figure hit 1,504 million Euros, up by +3.2% YoY.

Net value adjustments to loans came to 244 million Euros, firmly on their decreasing trend vs. 316 million Euros in the same period of the previous year (-22.6% YoY). Likewise, the **cost of credit** (the ratio of adjustments to loans recognized in the income statement to loans to Customers) decreased by -12 bps YoY, coming to **37 bps**.

After deducting income taxes amounting to 375 million Euros, **consolidated net income** came to **808 million Euros**, increasing by +14.1% vs. 708 million posted in 2023.

THE BALANCE SHEET AS AT 31 DECEMBER 2024

Total volumes resulting from the sum of loans, direct funding and assets under management, increased vs the previous year across all components by over 7 billion Euros in total, coming to 197 billion Euros.

Loans to Customers³ came to 65.6 billion Euros, growing by +2.5% vs. Dec. 2023 and performing better than the banking system as a whole (-1.0%⁴ vs. Dec. 2023). This performance resulted from the growth both in residential mortgage loans (up by +4.0% vs Dec. 2023), with newly originated loans for over 4 billion Euros (up by +7.6% YoY), and in corporate loans, up by +4.2% vs. the end of the previous year. It was also driven by the Agri-Food segment, which increased by +3.3% YoY despite the -1.6% decrease experienced in this business by the industry as a whole⁷.

Asset quality proved firmly on its progressive and constant improvement trend, as evidenced by the gradual decrease in the gross and net weight of non-performing loans, which came to 2.7% (vs 3.3% as at Dec. 2023) and 1.3% (vs 1.6% as at Dec. 2023), respectively. These results were achieved thanks to the effective in-house management of non-performing loans, whereby net NPLs could be significantly reduced (-21.1% vs Dec. 2023), against an increase in NPLs in the system as a whole (+2.0% Nov. 24 vs Dec, 2023)⁴, with new inflows to default that remained well under control. The NPL coverage ratio increased to 53.7%, up by +288bps vs. 50.8% as at the end of the previous year.

Assets under Management came to 53.9 billion Euros, increasing by +7.8% YoY, driven by an effective placing activity across all the main asset classes. The development in this aggregate resulted from the significant performance of the Wealth Management segment (up by +15.4% vs.

Dec. 2023), progressively growing throughout the year, along with the contribution from the bancassurance component (up by +1.3% vs. Dec. 2023).

Direct funding came to Euro 77.7 billion, up by +2.1% YoY, at a pace in line with that of the market⁴.

More than satisfying **liquidity position** with the LCR at 179% and the NSFR >125%⁵; as early as in the first quarter, Crédit Agricole Italia fully repaid its TLTRO III loans.

CAI's **capital position** strengthened even further, with the capital ratios well above the minimum prudential requirements assigned by the ECB for 2024: *Fully Loaded* Common Equity Tier 1 Ratio at 14.0%⁵ and Total Capital Ratio at 18.6%⁵.

Profile of Crédit Agricole

The Crédit Agricole Group, one of top 10 banking groups worldwide, with 11.8 million mutual shareholders, operates in 46 Countries, including Italy, which is its second domestic market. It operates in Italy with all its business lines: from commercial banking, to consumer lending, from corporate&investment banking to private banking and asset management, all the way to insurance and wealth management services for HNW individuals. The cooperation between the commercial network and the business lines ensures wide-ranging and integrated operations serving 6 million customers, through approximately 1,600 points of sale and over 16,100 employees, as well as support to the economy with about 102 billion Euros in loans.

Besides Crédit Agricole Italia, the Group consists of the entities engaged in Corporate and Investment Banking (CACIB), Specialist Financial Services (Agos, CA Auto Bank), Leasing (Crédit Agricole Leasing, which is part of Crédit Agricole Italia) and factoring (CA Factor), Asset Management and Asset Services (Amundi, CACEIS), Insurance (Crédit Agricole Vita, Crédit Agricole Assicurazioni, Crédit Agricole Creditor Insurance) and Wealth Management CA (Indosuez Wealth Management in Italy and CA Indosuez Fiduciaria).

www.credit-agricole.it

PRESS CONTACTS

External Relations Division – Media Relations Service
Crédit Agricole Italia
E- mail: relazioniesterne@credit-agricole.it
Phone: +39 0521.21.2826 / 2846 / 2801

Notes

¹ Management figure.

² Excluding contributions to bank resolution funds.

³ Excluding securities accounted at amortized cost.

⁴ Source: ABI Monthly Outlook (January 2025).

⁵ Provisional data.

⁶ Source: Bank of Italy, Banche e moneta: serie nazionali (data as at November 2024).

⁷ Source: Bank of Italy.

⁸ Source: Bank of Italy, data as at September 2024.

⁹ Source: Bank of Italy, data as at September 2024 regarding the Provinces in which CAI operates.