



Research

Crédit Andorrà Financial Group

*At a Glance 2020*

---

English

# Crèdit Andorrà Financial Group

The Crèdit Andorrà Group is the leading financial group in Andorra. We offer commercial banking, private banking and asset management services at an international level that are complemented by other lines of business, such as insurance, and significant social activities through the Crèdit Andorrà Foundation.

The Crèdit Andorrà Group workforce comprises 929 professionals, spread out over a wide geographic area as the result of the internationalization plan, thus gaining presence in various financial centers: Spain, Luxembourg, the United States (Miami) Mexico and Panama, as well as our headquarters which are located in the Principality of Andorra.



**Headquarters** Andorra la Vella, Principality of Andorra

**Founding year** 1949

**Business areas** Private banking and asset management  
Commercial banking (Corporate & Retail)  
Insurance group



**Employees** 929 (485 in Andorra) / 29 nationalities



**Sustainability**

Signatory to the Principles for Responsible Banking of the UNEP FI

Member of the United Nations Global Compact

Committed to the Sustainable Development Goals (SDGs) - United Nations 2030 Agenda



**Fitch ratings** BBB-



**Awards and recognitions**

Best private bank in Andorra 2019\*

Best private bank in Andorra 2013-2019\*\*

Best digital bank Andorra 2020-2021\*\*

Best Andorran bank in CSR (2015-2021)\*\*



**Quality management**

**ISO 9001**

Crèdit Andorrà Asset Management

Crèdit Andorrà: departments of Treasury and Capital Market, and Market Administration and Control

**ISO 14001**

Environmental Management System

**GIPS Certificate** Crèdit Andorrà Asset Management

\*The Banker / PWM (Financial Times Group)

\*\*Global Banking and Finance Review

## Significant figures 2020

### Balance Sheet and Results (millions of euro)



**17,470**

Total Business Volume



**175.13**

Net Income

**15,028**

Assets under Management



**31.86**

Net Profit

**2,442**

Loan Investment

### Ratios



**17.63%**

Solvency



**65.03%**

Efficiency



**6.34%**

ROE

**141.66%**

Liquidity

**0.62%**

ROA

## Comparative rating

BBB

Andbank

**BBB-**

**Crèdit Andorrà**

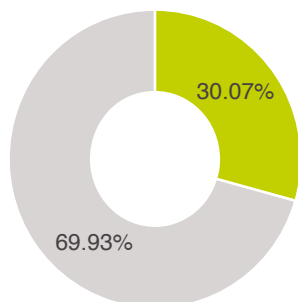
BBB-

MoraBanc

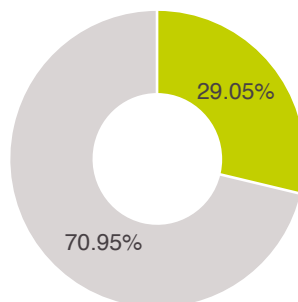
BancSabadell d'Andorra  
Vall Banc

## Crèdit Andorrà in the Andorran financial sector

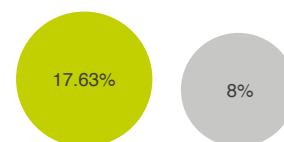
Total Business Volume



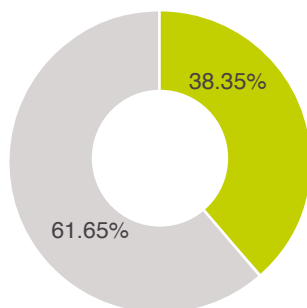
Assets under Management



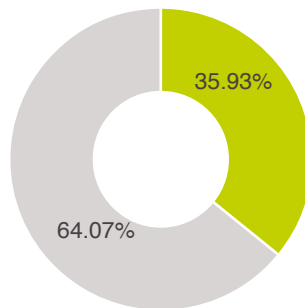
Solvency Ratio vs. Legal Minimum



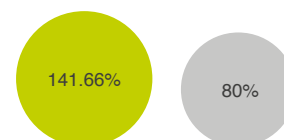
Loan Investment



Net Profit



Liquidity Ratio vs. Legal Minimum



● Crèdit Andorrà ● Other Banks

Source: Annual Report 2020 (Andbank, MoraBanc, BancSabadell d'Andorra, Vall Banc and Crèdit Andorrà)

## Awards and certificates

### Awards



Best Digital Bank Andorra  
2020-2021\*\*



Andorra's Best Private Bank in 2019, 2018  
and 2017\*



Best Andorran Bank in CSR 2021  
(2015-2020)\*\*



Andorra's Best Private Bank 2019  
(2013-2018)\*\*

### Certificates



#### Quality Management ISO 9001

Crèdit Andorrà Asset Management  
Crèdit Andorrà: departments of  
Treasury and Capital Market, and  
Market Administration and Control



#### Global Investment Performance Standards (GIPS)

Crèdit Andorrà Asset Management



#### Environmental Management ISO 14001

Environmental Management System

\*The Banker / PWM (Financial Times Group)

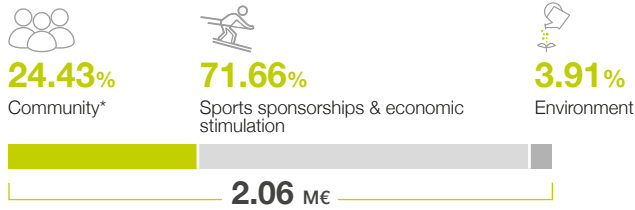
\*\*Global Banking and Finance Review

# Sustainability

Aware of the impact our activity has, we at Crèdit Andorrà have made a commitment to strengthen our contribution to the social, environmental and economic development of Andorra. We were pioneers in introducing social responsibility into our management model by signing the UNEP FI Principles

for Responsible Banking, an international framework for incorporating environmental, social and governance (ESG) criteria into business strategy. We are also members of the UN Global Compact and we have embraced the Sustainable Development Goals (SDGs) in line with the 2030 Agenda.

## Consolidated overall investment



\* Chart Investment by the Foundation per field of activity.

## The Crèdit Andorrà Chair of Entrepreneurship and Banking at IESE Business School

The Crèdit Andorrà Chair of Entrepreneurship and Banking at IESE Business School is intended to respond to the new economic reality. Under the leadership of Albert Fernández, professor of the Accounting and Control and

Entrepreneurship departments, the chair focuses on new enterprise, in which the contribution of value extends beyond the pure scope of business and contributes to the generation of wealth for society as a whole.



## The Fundació Crèdit Andorrà

The Fundació Crèdit Andorrà was founded in 1987 with the aim of contributing to the social and cultural development of the Principality of Andorra. In order to do so, it offers the general community tools and activities aimed at fostering culture, improving citizens' personal growth and well-being and boosting social progress.

It is one of the country's main private foundations, both in terms of the number of programs and the resources allocated. It focuses on three main fields of activity: education and knowledge, social support, and creation and culture.

## Investment by the Foundation per field of activity



# Andorra



**468 km<sup>2</sup>**  
Area



**78,015**  
Population\*



**Euro**  
Official currency



**Catalan**  
Official language



## Political environment

Founded in 1278, the Principality of Andorra has been neutral and independent for over 700 years. In 1993, the Principality of Andorra approved its constitution, thus attaining full international recognition as a sovereign nation following the rule of law.

The country operates as a parliamentary democracy, with a head of government elected by the Consell General (Andorran parliament). The State is structured as a parliamentary co-principality, with two heads of state (the President of the French Republic and the Bishop of Urgell), who jointly hold an indivisible role.

Andorra has been a member of the UN and the European Council since 1993. Although it is not a member of the EU, its legal currency is the euro thanks to a monetary agreement with the EU. It has historically maintained close relations with Europe, and in particular with Spain, France and Portugal.

## Cosmopolitan population\*



**78,015**

**+50%**  
Foreign population

**+100**  
Nationalities

Andorran

37,799

Spanish

19,211

Portuguese

9,083

French

3,423

Argentine

992

British

709

Other nationalities

6,568

## Socioeconomic environment

Andorra offers an advanced economy, based on an open and flexible free market. GDP per capita is over €30,000, similar to the European average.

Its economic activity is mainly based on services. This sector encompasses 90% of the country's businesses and represents 83% of jobs. Trade and tourism account for nearly half of the employment of the services industry. These jobs are dedicated to looking after the over 8 million visitors that visit the Principality every year, attracted by a selection of leisure activities mainly revolving around skiing and alike, also including shopping.

The financial sector is another cornerstone of the Andorran economy, which has been adapted to the standards established by the EU and the OECD. Andorra has been a member of the International Monetary Fund (IMF) since 2020.

Source: Andorran Chamber of Commerce, Industry and Services

## High quality of life



High life expectancy (87 years)



Low crime rate



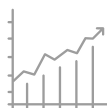
One of the best healthcare systems in the world\*\*



Public, free education system, with 3 teaching models (Andorran, Spanish and French)

\*Registered population, December 2020. Source: Department of Statistics. Andorran Government  
\*\*The Lancet

## Service economy



**32,114€**  
GDP per capita  
**-0.2%**  
CPI

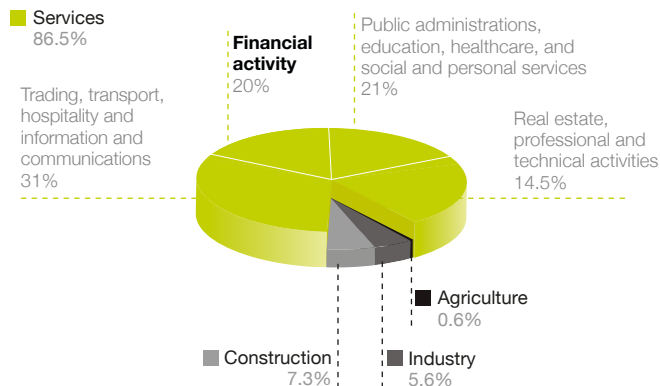


**2,161.82€**  
Average Salary  
**1,083.33€**  
Minimum Salary

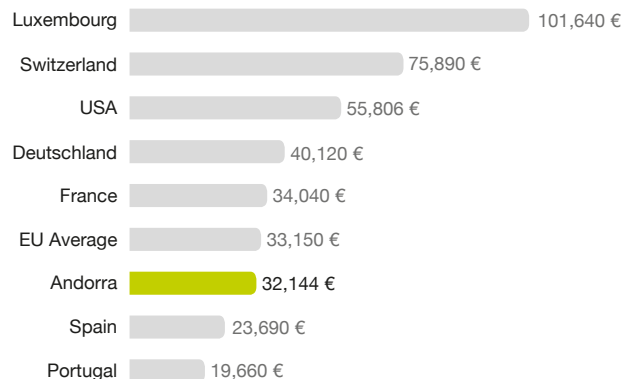


**38,463**  
Employees (-3%)  
**11,800**  
Companies

### Breakdown of GDP



### GDP per capita (in euros, 2020)



Source: Department of Statistics, Andorran Government. Eurostat

## Outstanding tourist centre



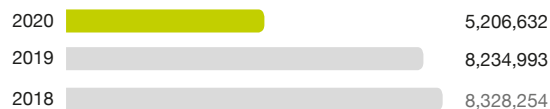
**+30.000 beds**  
Hotel capacity



**+5 millions**  
Visitors per year  
(COVID-19 crisis)

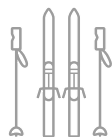


### Number of visitors



Source: Department of Statistics, Andorran Government.

### Ski resorts



2019-2020 Season	Number of slopes	Total length of slopes (km)	Skiing area (ha)	Mechanical lifts	Capacity (skiers/hour)	Snow cannons	Artificial snowmaking (% ski domain)
Grandvalira*	139	210	1,926	76	120,645	-	66%
Vallnord**	44	63	1,149	32	38,480	373	68%
<b>TOTAL</b>	<b>183</b>	<b>273</b>	<b>3,075</b>	<b>108</b>	<b>159,125</b>	<b>373</b>	<b>67%</b>

\*Grandvalira includes the Encamp, Canillo, El Tarter, Soldeu, Grau Roig, Pas de la Casa and Ordino-Arcalis resorts.

\*\*Vallnord includes the Pal and Arinsal resorts.

Source: Grandvalira and Vallnord



The Madriu-Perafita-Claror valley has been declared a **UNESCO World Heritage Site**



**Shopping, leisure, health, nature and well-being** are the main reasons to visit



**Architectural heritage:**  
60 Romanesque churches

## Economic and tax framework

Andorra is undergoing a process of change aimed at boosting the country's levels of modernization, compliance and competitiveness on the international scene. In recent years, the country has taken steps

towards tax and financial compliance with regards to international standards, in parallel with a process that has opened the economy up to foreign investment.



### Country rating (Fitch)

**BBB+**

Stable Outlook



### Tax framework

**10%**

Corporate tax (Profit tax)

**10%**

Personal income tax (IRPF)

**10%**

Non-resident income tax (IRNR)

**4.5%**

Indirect tax IGI (IVA / VAT)



### International relations

**8**

Double tax treaties\*

**95**

Tax information exchange agreements (TIEA)

### Opening of the economy to foreign investment



## Banking system

In the context of global level entity restructuring, the Andorran banking system has adapted to the requirements of the international financial

regulations, in line with the global trend striving towards greater transparency in the sector.



### The Andorran financial sector

**20%**

Contribution to GDP

**18%**

Solvency

(EBA average, 15.5%)

**187.12%**

Liquidity

(EBA average, 173.1%)



### Regulations

**AFA**

Andorran Financial Authority

**UIFAnd**

The Financial Intelligence Unit of Andorra

**2017**

Standardization of tax offenses

### Transparency

**Moneyval**

Measures to combat money laundering and the financing of terrorism

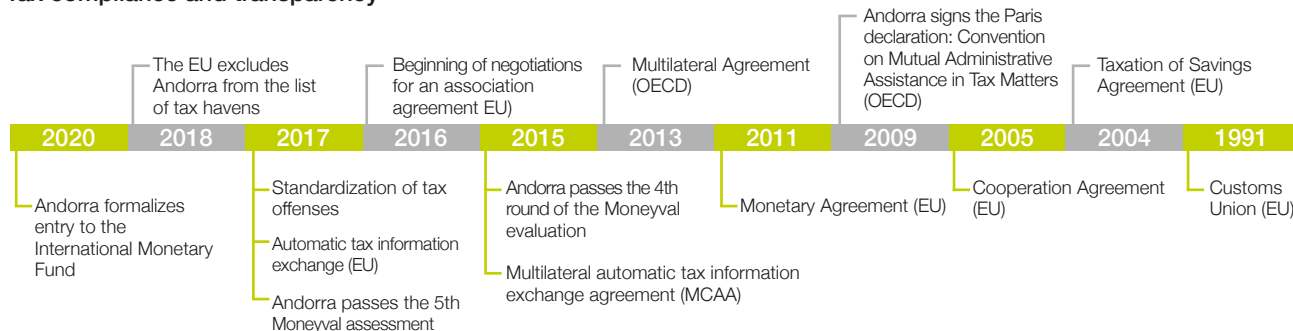
**EU**

Implementation of the Monetary Agreement which validates the Andorran legislative framework in banking and finance

**Iosco**

Membership of the International Organization of Securities Commissions

### Tax compliance and transparency



\*France, Luxembourg, Spain, United Arab Emirates, Portugal, Liechtenstein, Malta and Cyprus

# Crédit Andorrà Group around the world



## Legal advice

This document has been prepared by Crédit Andorrà Financial Group.

This document is for distribution only as may be permitted by law. It is not intended for distribution or use by any person or entity who is a citizen or resident in any jurisdiction where such distribution, publication, availability or use would be contrary to law or regulations or would subject Crédit Andorrà Financial Group to any registration or licensing requirements within this jurisdiction. The information contained in this document represents the opinion of Crédit Andorrà Financial Group's analysts on markets and it may be modified and/or updated without prior warning. This document contains only general information and, although the information herein is obtained from sources believed to be reliable, neither Crédit Andorrà Financial Group nor its analysts guarantee or take responsibility for the completeness or accuracy of the information. Financial analysts and any other competent persons that may be involved in the preparation and dissemination of this document are independent of those holding a significant interest in the subject of the report. Under no circumstances is there any commitment to or engagement with any of the issuers in order to produce favourable reports. Statements included in this document must, under no circumstances, be considered factual and verified, and projections and estimates regarding economic conditions and predictions about industry developments are subject to change without prior notice. Certain information contained herein constitutes "future predictions", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect" or "estimate", the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, certain events, results or their actual performance may substantially differ from those reflected or contemplated in such forward-looking statements. There is no guarantee that past results, whether positive or negative, will be achieved again in the future. Therefore, they cannot serve as a reliable indicator of possible future results nor as a guarantee of achieving such results. Data related to the performance of financial instruments, financial indices, financial measures or investment services that may be contained in this document may be affected by commissions, fees, taxes, associated expenses and tariffs that may be borne by these gross results, prompting, among other things, a decrease in the results, the severity of which will depend on the particular circumstances of the investor in question.

This document does not constitute an offer on behalf of Crédit Andorrà Financial Group nor any of its analysts and it may not, in any case, be regarded as a personal buy or sell recommendation for assets. Furthermore, any investment strategies or recommendations given in this document should not necessarily be considered suitable or appropriate for an investor's personal circumstances. Neither this document nor its contents are to form the basis of any contract, commitment or decisions. Readers of this document shall make their decisions based on their own analysis and with the advice of independent advisors that they deem appropriate.

In no case may it be understood that, in distributing this document, Crédit Andorrà Financial Group or its analysts are providing personal investment recommendations. Trading on financial markets can involve considerable risks and it requires constant monitoring of current positions. Neither Crédit Andorrà Financial Group nor its analysts, employees or directors assume any liability for any investment or disinvestment decisions based on this publication, nor for any losses that may result from any investment or disinvestment decisions based on this document. Any statements contained in this document referring to information, opinions or data issued by a third party will represent, in all cases, Crédit Andorrà Financial Group's interpretation of this information, to which the entity has had access due to its public nature or through a subscription service.

Such use and interpretation of this information has not been reviewed by the aforementioned third party.

Therefore, neither Crédit Andorrà Financial Group nor its analysts offer any guarantees, either express or implicit, regarding accuracy, integrity or correctness.

The information contained in this publication is strictly confidential. Neither the whole document nor any part of it may be reproduced, transformed, distributed, published, forwarded or used in any manner without the prior written permission of its author. The frequency of publication, modification or update of this material may vary and there is no implication of obligation on behalf of Crédit Andorrà Financial Group.

Note for:

Investors in the Principality of Andorra: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by Crédit Andorrà, SA and/or Credi-Invest, SA, both entities authorised, regulated and supervised by the Autoritat Financera Andorrana (AFA).

Investors in Spain: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by Banco Alcalá, SA, entity authorised, regulated and supervised by the Banco de España and the Comisión Nacional del Mercado de Valores.

Investors in the US: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by Beta Capital Management, LLC (IARD No. 154894), a registered investment adviser approved to conduct business on October 2012 and authorised, regulated and supervised by the US Securities and Exchange Commission (SEC).

Investors in Luxembourg: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by Banque de Patrimoines Privés, SA, entity authorised, regulated and supervised by the Commission de Surveillance du Secteur Financier (CSSF).

Investors in Mexico: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by CA México Asesores Patrimoniales en Inversiones Independientes, SA de CV, entity authorised, regulated and supervised by the Comisión Nacional Bancaria y de Valores.

Investors in Panama: this document has been prepared by Crédit Andorrà Financial Group and it is distributed by Banco Crédit Andorrà (Panamá), SA, entity authorised, regulated and supervised by the Superintendencia de Bancos and the Superintendencia del Mercado de Valores (SMV), and/or Private Investment Management Advisors Panamá, SA, entity authorised, regulated and supervised by the Superintendencia del Mercado de Valores (SMV).