



Research

Crédit Andorra Financial Group

At a Glance 2019

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 over 900 professionals, spread out over a wide geographic area as the result of the recent expansion plan, thus gaining presence in various financial centers: Spain, Luxembourg, Switzerland, the United States (Miami), Mexico, Panama and Chile, 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 900 (471 in Andorra) / 34 nationalities



Corporate Social Responsibility



Fundació Crèdit Andorrà

Crèdit Andorrà Chair at IESE

Company signatory of the Global Compact and UNEP Fi

Company adhering to the Sustainable Development Goals (SDG's) (UN 2030 Agenda)



Fitch ratings BBB-



Awards and recognitions

Best private bank in Andorra 2019*

Best private bank in Andorra 2013-2019**

Best Andorran bank in CSR 2015-2019**



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 2019

Balance Sheet and Results (millions of euro)



17,064

Total Business Volume



200.95

Net Income

14,647

Assets under Management



46.24

Net Profit

2,417

Loan Investment

Ratios



16.79%

Solvency



61.47%

Efficiency



10.92%

ROE

147.04%

Liquidity

0.87%

ROA

Comparative rating

BBB

Andbank

BBB-

Crèdit Andorrà

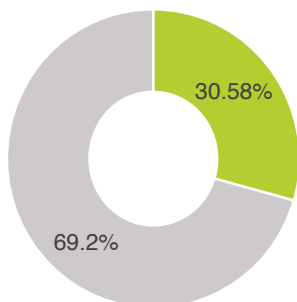
BBB-

Morabanc

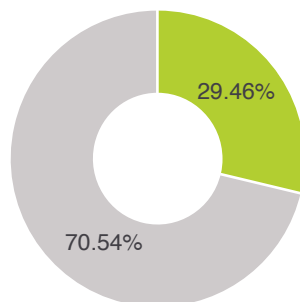
Banc Sabadell Andorra
Vallbanc

Crèdit Andorrà in the Andorran financial sector

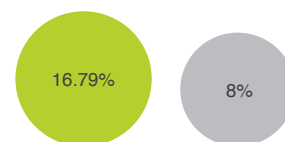
Total Business Volume



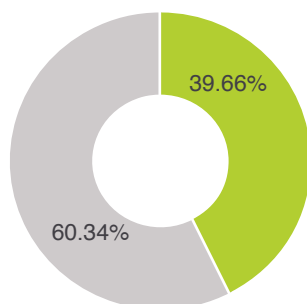
Assets under Management



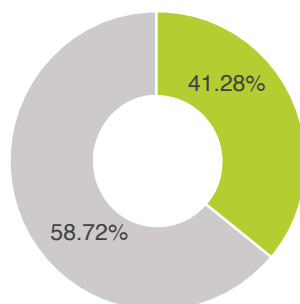
Solvency Ratio vs. Legal Minimum



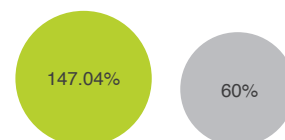
Loan Investment



Net Profit



Liquidity Ratio vs. Legal Minimum



● Crèdit Andorrà ● Other Banks

Source: Annual Report 2019 (Andbank, Morabanc, BancSabadell Andorra, Vallbanc and Crèdit Andorrà)

Awards and certificates

Awards



Best Private Bank Andorra 2019
The Banker / PWM (Financial Times Group)



Best Private Bank in Andorra 2013-2019
Global Banking & Finance Review



Best Andorran bank in CSR 2015-2019
Global Banking & Finance Review

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

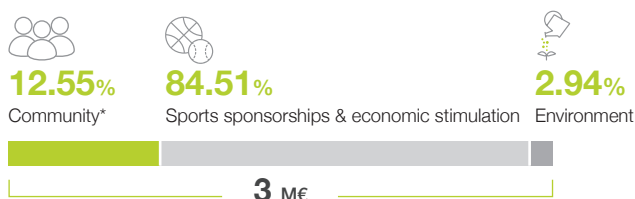
Corporate social responsibility

The Crèdit Andorrà Group considers social action as a commitment to serve the country and its people. In 2019 we invested 3 million euros in social initiatives.

In 2016 we expanded our commitment internationally by signing the

United Nations Global Compact and adopting the UN Sustainable Development Goals in the context of the 2030 Agenda. We have been members of the United Nations Environment Programme Finance Initiative (UNEP FI) since 1994.

Consolidated overall investment



* Chart Investment by the Foundation per field of activity.



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



Crèdit Andorrà Chair at IESE

Created in November 2006, the Crèdit Andorrà Chair aims to encourage interaction between the worlds of business and university, while promoting the exchange of experiences and ideas to foster social progress.

The Crèdit Andorrà Global Forum comprises a series of lectures analyzing the realities in the economy, education, health care, energy, tourism and other topics. The aim is to generate debate and the exchange of opinions with leading speakers in each field.

**EL FUTUR
ET PARLA**
VINE A ESCOLTAR-LO
CRÈDIT ANDORRÀ GLOBAL FORUM

Andorra



468 km²
Area



77,543
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.

Socioeconomic environment

Andorra offers an advanced economy, based on an open and flexible free market. GDP per capita is over €35,000, higher than the European average and that of Spain and France.

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.

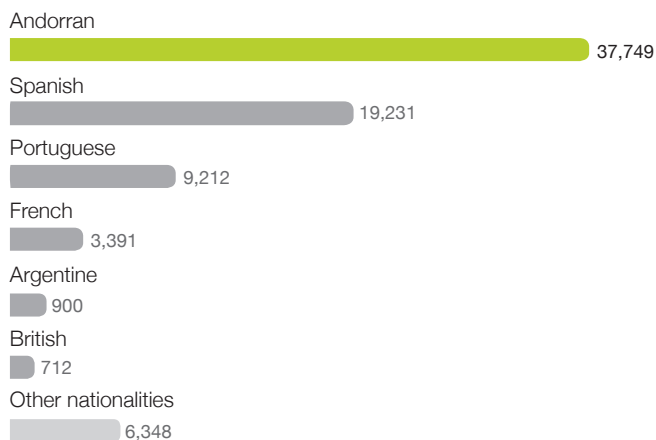
Source: Andorran Chamber of Commerce, Industry and Services

Cosmopolitan population*



50%
Foreign population

100
Nationalities



High quality of life



High life expectancy (+84 years)



Low crime rate



Best health system in the world and 4th healthiest country in the world **



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

*Registered population, December 2019. Source: Department of Statistics. Andorran Government
**The Lancet

Service economy



36,335€
GDP per capita
1.0%
CPI

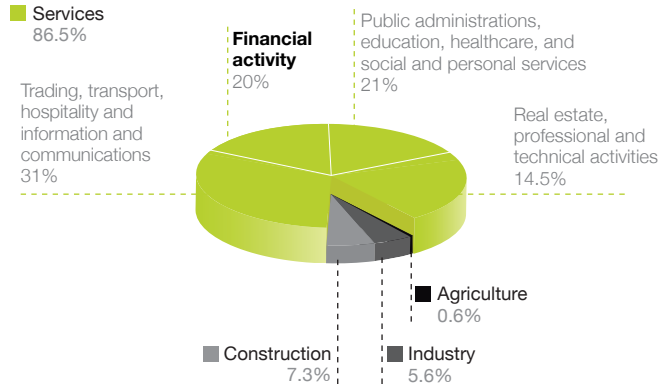


2,143.42€
Average Monthly Salary
1,050.40€
Minimum Salary

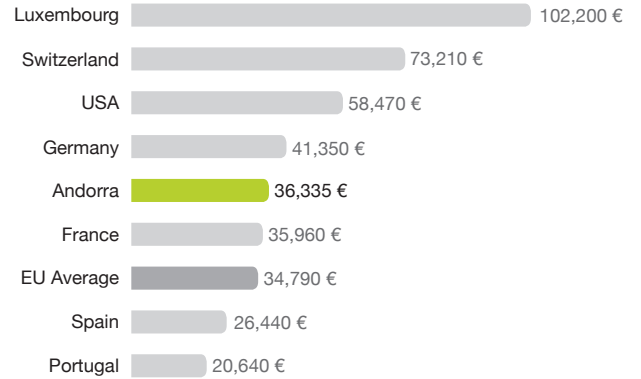


39,655
Employees (+2.07%)
15,483
Companies

Breakdown of GDP



GDP per capita (in euros, 2019)



Source: Department of Statistics. Andorran Government. Eurostat

Outstanding tourist centre



+30.000 beds
Hotel capacity



+8,2 M
Visitors per year

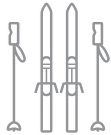


Number of tourists



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 - Pal Arinsal**	45	63	1,149	45	38,480	373	68%
TOTAL	184	273	3,075	121	159,125	373	67%

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

**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)

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

20.00%

Contribution to GDP

17.48%

Solvency ratio
CET 1 (phase-in)

223.05%

Liquidity ratio



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

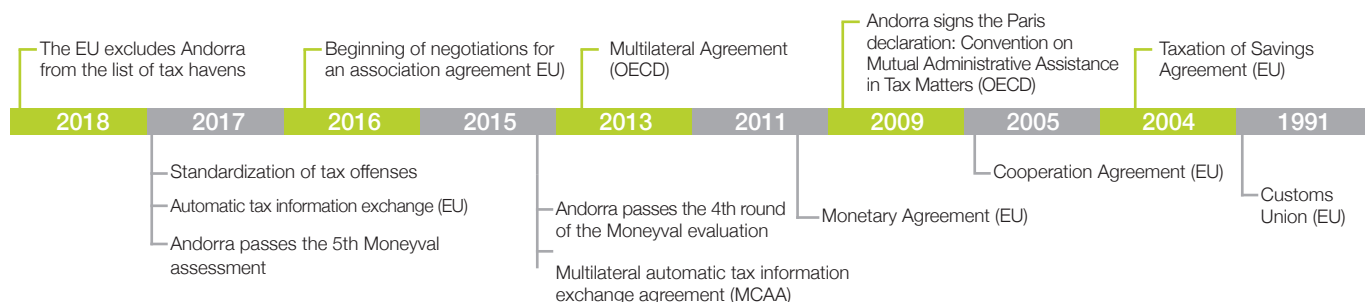
UE

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

Iosco

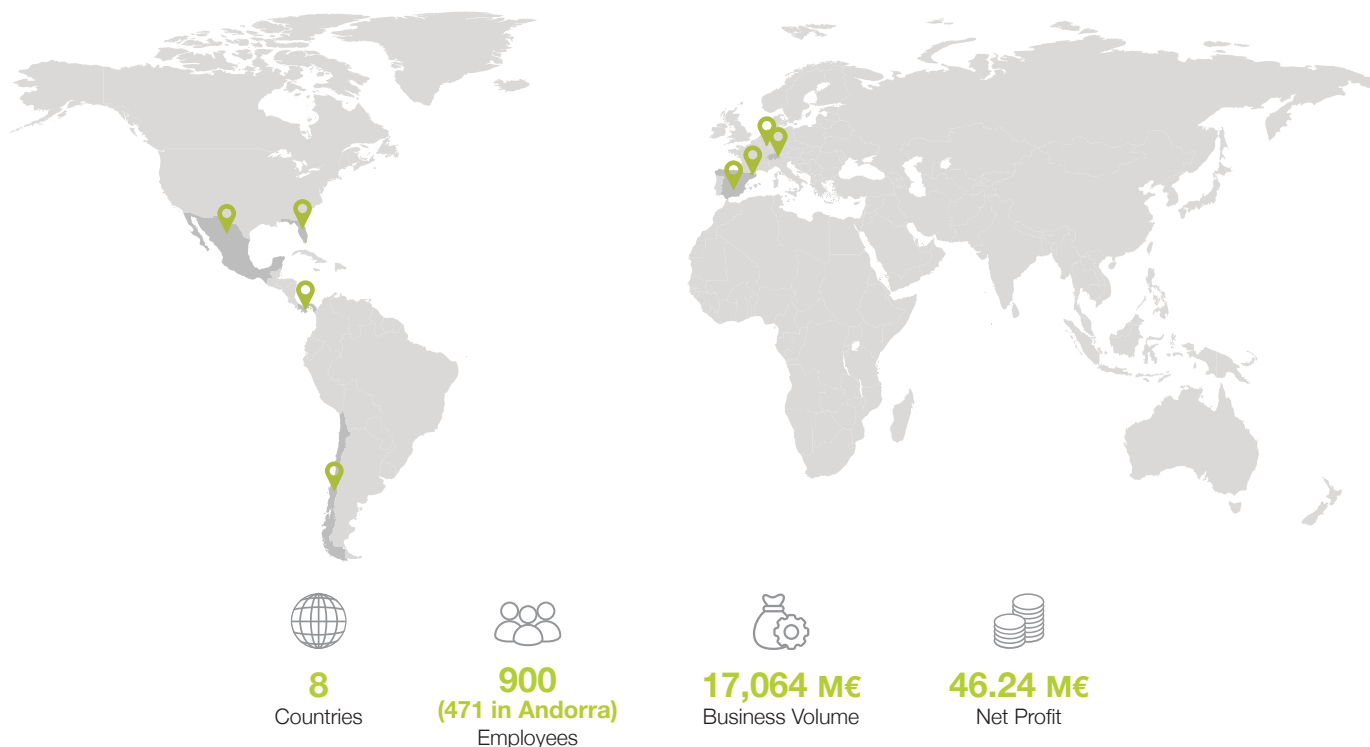
Membership of the International Organization of Securities Commissions

Tax compliance and transparency



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

Crédit Andorrà Group around the world



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