



Reporting on the implementation of

THE PRINCIPLES FOR RESPONSIBLE BANKING (PRB) OF THE UNEP FI



CRÉDIT AGRICOLE S.A.

REPORTING AND SELF-ASSESSMENT ITEMS	SUMMARY RESPONSES FROM THE CRÉDIT AGRICOLE S.A. GROUP	RELEVANT REFERENCES / LINKS TO ILLUSTRATE THE RESPONSE
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks</p>		
<p>1.1 Crédit Agricole S.A. business model</p>	<p>OUR MODEL IS A CUSTOMER-FOCUSED UNIVERSAL BANK, WITH A FULL RANGE OF BANKING AND NON-BANKING SERVICES FOR ALL TYPES OF CUSTOMER</p> <p>The Crédit Agricole’s model of a customer-focused universal bank (“BUP”) is based on its retail banks working closely with its specialised business lines. The Regional Banks are at the core of this model, which is based on recognised expertise in being able to provide all the Group’s financial products and services, in France and other countries, in order to serve all types of customer. Through this model, the Crédit Agricole Group has shown its determination to be the trusted partner of its customers and to meet all their financial and investment needs: payment systems, insurance, savings management, credit, real estate and international assistance.</p> <p>All of these standard and specialised financial services are proposed through a customer-focused relationship that is based on the Group’s retail banks in France (Regional Banks, LCL, BforBank) and abroad (Crédit Agricole Italia, CA Bank Polska, Crédit du Maroc, CA Egypt, CA Ukraine, etc.). Knowledge of customers’ expectations and needs, as well as the size of the Group’s networks, makes it possible for Crédit Agricole S.A.’s specialised business lines to continually improve their products, services and competitiveness.</p> <p>With its specialised subsidiaries (in insurance, asset management, real estate, wealth management, corporate and investment banking, financial services for institutional investors and issuers, specialised financing and payment systems), the Group can offer comprehensive, bespoke solutions to all its customers, to assist with their projects or help them in times of need, as part of a long-term relationship.</p> <p>The new “Group Project & 2022 Medium-Term Plan”, which was presented on 6 June 2019, supported the implementation of this model.</p>	<p>See Universal Registration Document, chapter 1</p>

<p>1.2 Alignment of the strategy with Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>The Group incorporated Environmental, Social and Governance (ESG) challenges into the heart of its "2022 Ambitions" strategic plan, which was published in June 2019, with, in particular, the aim of making green financing one of the Group's key growth drivers. To this end, it has introduced an ambitious climate strategy, the aim of which is alignment with the Paris Climate Agreement.</p>	<p>See https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision</p>
<p>Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		
<p>2.1 Impact analysis</p>	<p>The Group identifies and addresses ESG challenges in accordance with the double materiality principle. In order to identify the Group's main non-financial performance risks in light of its activities, its business model and its geographical locations, the methodology implemented by Crédit Agricole is based on a step-by-step approach:</p> <p>Step 1: Formalisation of non-financial areas defined by the Group's Raison d'Etre This step made it possible to define three major themes for its commitments</p> <ul style="list-style-type: none"> • Be the trusted partner of all its customers; • Place human responsibility at the core of its performance model; • Make a deliberate commitment to environmental and societal issues. <p>Step 2: A complementary approach to define the full scope of the non-financial risks/challenges. The focus areas defined in ISO 26000 and the subjects listed in section II of Article R. 225-105 of the French Commercial Code were combined with the three major areas of commitments related to the Raison d'Etre, which allowed us to identify around thirty non-financial risks/challenges.</p> <p>Step 3: Identification of the non-financial risks that could affect the Group's activities</p> <p>Step 4: Combining these risks/challenges with stakeholders' expectations</p> <p>Each of the non-financial themes is assessed, in order to define the fifteen main non-financial risks/challenges for Crédit Agricole and its stakeholders.</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraphs 1.2 and 1.3</p>

→ Impact analysis conclusion

This entire analysis of the non-financial risks/challenges and their materiality has made it possible for the Crédit Agricole Group to define the corresponding impact and risk management policies.

2.2 Target Setting

ESG challenges have been incorporated into the Group’s strategy through quantified targets, an ambitious climate strategy and transparency commitments.

Through its June 2019 climate strategy, the Group committed to aligning itself with the Paris Agreement and progressively reallocating its portfolios to support energy transition.

Three targets are regarded as particularly strategic:

- **Quantified targets for financing energy transition:** doubling the size of the Green Loan Portfolio to €13 billion, and investing €6 billion of the Group’s liquidity portfolio in green, social and sustainability bonds by 2022
- **A goal of reallocating our portfolios** in accordance with a scenario that is compatible with the Paris Agreement (the International Energy Agency’s Sustainable Development Scenario)
- **Withdrawal from coal sector financing** by 2030 for the EU and OECD, and 2040 for the rest of the world. With this in mind, the Group has undertaken to publish its carbon footprint each year.

These various targets, which are designed to enable the Group to adopt a trajectory that is compatible with the Paris Agreement, are reflected in policies that take into account the Group’s intent to support its customers and business sectors in energy transition, and to promote the principles of just transition.

[See the chapter of the Universal Registration Document on Non-Financial Performance, paragraphs 1.3 and 2.3.1](#)

→ Conclusion on target setting

As part of its “2022 Ambitions” strategic plan, the Group adopted ambitious targets, in line with its Raison d’Être.

2.3 Plans for target implementation and monitoring

In order to implement its strategy and steer its targets, the Group introduced innovative tools in 2020:

- A single ESG platform for the entire Group, which was built and rolled out in 2020. This enables the Group to have a quantified, transparent and auditable measurement of ESG performance and a decision-making tool for entities in order to steer ESG strategy, trajectories and performance. It centralises the collection, intake and processing of data from internal and external sources. This innovative tool provides a comprehensive overview of the Group's ESG performance by calculating and generating key indicators, in order to meet the needs of various types of users.
- The energy transition score: this is designed to measure corporate customers' ability to adapt to energy transition and is intended to be used as a tool for dialogue with the Group's counterparties. It also aims to facilitate the application of the Group's sectoral policies and the attainment of the targets set (withdrawal from coal sector financing and reallocation of our portfolios)

These tools have made it possible to define the indicators that are needed for attaining the targets set. They now make it possible for the Group to track annually the changes in our quantitative targets (green loans, and liquidity portfolios invested in social, green and sustainability bonds), our energy mix (with the aim of reallocating our portfolios in accordance with a sustainable development scenario), and our carbon footprint (with the aim of withdrawing from coal sector financing).

[See the chapter of the Universal Registration Document on Non-Financial Performance, paragraphs 2.2.3 and 2.3.2](#)

→ Conclusion on target monitoring

The roll-out of the non-financial performance reporting platform across the Group will make it possible to track the implementation of the societal and environmental commitments transparently.

<p>2.4 Progress on implementing targets</p>	<p>Initial results were already achieved in 2020, in particular due to the implementation of the non-financial performance reporting platform:</p> <ul style="list-style-type: none"> • Quantitative targets: progress in attaining the numerical targets defined in the Group's MTP are published in chapter 4 • Target of reallocating our portfolios in accordance with a scenario that is compatible with the Paris Agreement: for the first time this year, that Group published the energy mix of its portfolios, as well as a comparative analysis with the IEA's global energy forecast for 2040 in its Sustainable Development Scenario (WEO 2019). • Target of withdrawing from coal sector financing: for the practical application of the withdrawal commitments made in 2019, the Group's CSR sectoral policies were updated in March 2020. Moreover, the thermal carbon footprint of the Group's portfolios was published for the first time in its 2019 Statement of Non-Financial Performance. It was updated in its 2020 Statement of Non-Financial Performance. <p>Moreover, an initial version of the energy transition score, which is designed, in particular, to enable the Group to facilitate the attainment of its targets, has been tested on the CACIB and AMUNDI portfolios since December 2020.</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraphs 2.3.6, 2.3.2 and 4.1</p>
<p>→ Conclusion on the progress made</p> <p>Despite the particularly difficult circumstances under which the bank was called on to support its customers, its employees and its stakeholders in response to the pandemic, major progress was made in 2020 in implementing our environmental and societal strategy.</p>		
<p>Principle 3: Clients and customers</p> <p>We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations</p>		
<p>3.1 Overview of the policies and practices the Group has in place and/or is planning to put in place to promote responsible relationships with its customers.</p>	<p>The Group has chosen ethics as one of its strategic priorities, through protection of its customers' interests (combatting corruption, protection of whistleblowers, fraud prevention, combatting money laundering and the financing of terrorism, and compliance with international sanctions) and the promotion of ethical culture among its directors and employees.</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraph 2.4.2</p>

	<p>Our Ethics Charter, which was published in 2017 and is common to all the Group's entities, affirms our commitments, our identity and our values of customer focus, responsibility and solidarity. For practical purposes, each entity has produced a Code of Conduct based on this Charter, which guides the everyday actions, decisions and behaviour of each employee. Our Corpus Fides is a collection of standards and procedures that identify the rules that the entities of the Group, executives and employees must follow.</p> <p>This ethical culture is also shared through a comprehensive programme of mandatory training sessions for all employees in France and abroad. In 2020, the mandatory training sessions covered: everyday compliance, anti-money laundering and combating the financing of terrorism (AML-CFT), international sanctions, the prevention of external fraud and the fight against corruption.</p>	
<p>3.2 Description of how the Group has worked with and/or is planning to work with its customers to encourage sustainable practices and enable sustainable economic activities.</p>	<p>Clients are regularly consulted, either for the purposes of our customer recommendation index (CRI), as part of our strategic plan to be the leading bank for customer satisfaction, or via dedicated surveys that are designed to identify their expectations.</p> <p>A CSR survey of our customers is conducted each year by an independent institute. In 2020, on the basis of a representative sample of 1,700 persons, it shows, among other things, their high expectations concerning CSR (regarded as important by 85% of our customers) and their recognition of the Group's commitment to CSR (64% of customers).</p> <p>Several Group actions have also been implemented:</p> <ul style="list-style-type: none"> • A Group plan to combat customer irritants • Actions to raise customer awareness of environmental issues • As well as actions that are specific to each entity <p>These actions are tracked in our FReD internal monitoring system that measures ESG performance</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraphs 1.2, 1.3 and 2.2.4</p>

<p>Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.</p>		
<p>4.1 Description of the stakeholders (or groups/types of stakeholders) the Group has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving its impacts.</p>	<p>The bank participates in numerous think tanks and coalitions in order to promote and disseminate a cultural of environmental transition and just transition, including:</p> <ul style="list-style-type: none"> • Business for Inclusive Growth (B4IG), a coalition of major international corporations that has committed to fighting against inequalities, promoting diversity in their workplaces and supply chains as part of a G7 initiative led by the French President, Emmanuel Macron, which is supervised by the OECD. • the <i>Collectif des entreprises pour une économie plus inclusive</i>, a coalition of major French corporations that aims to facilitate access to jobs, implement inclusive service and product offerings, and develop inclusive purchasing • <i>La Note Globale</i>, an organisation for joint action by farmers, storage agencies, industrial processors, logisticians, distributors and the other players in the agri-food sector, citizen-consumers and their stakeholders, in order to improve the societal performance of products derived from living matter, enlighten consumers and rebuild trust. <p>It has also set up a multi-disciplinary technical committee made up of recognised experts on climate-related and environmental matters.</p>	<p>https://www.b4ig.org/</p> <p>https://www.at-entreprise-pauvrete.org/toutes-nos-publications/lancement-du-collectif-dentreprises-pour-une-economie-plus-inclusive/</p> <p>https://lanoteglobale.org/</p>
<p>Principle 5: Governance and culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking</p>		
<p>5.1 Description of the relevant governance structures, policies and procedures the Group has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>The governance of our non-financial performance is described in paragraph 2.2.2 of our Universal Registration Document.</p> <p>It is comprised of:</p> <ul style="list-style-type: none"> • Specialised committees that report to the Group’s Board of Directors • Group internal committees for monitoring and rolling out the ESG strategy • A multi-disciplinary technical committee made up of recognised experts on climate-related and environmental matters • The Group’s CSR business line. 	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraph 2.2.2</p>

<p>5.2 Description of the initiatives and measures the Group has implemented or is planning to implement to foster a culture of responsible banking among its employees.</p>	<p>We have an internal tool, the FReD system, for raising awareness of ESG and ensuring the employees’ commitment to attaining our ESG targets.</p> <p>Moreover, the FReD score impacts the remuneration of senior executives and of employees in many group entities, through their performance incentive and profit-sharing agreements.</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraph 2.2.4 and chapter 3 Reward policy</p>
<p>5.3 Governance Structure for Implementation of the Principles</p>	<p>PRB implementation and governance are at the very core of our ESG policy, as described above.</p>	<p>See the chapter of the Universal Registration Document on Non-Financial Performance, paragraph 2.2.2</p>
<p>→ Conclusion The steering of the implementation of the PRB is an integral part of the Group’s ESG policy</p>		
<p>Principle 6: Transparency and accountability We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society’s goals.</p>		
<p>Progress on Implementing the Principles for Responsible Banking</p>	<p>In 2020, the Group thus took numerous initiatives in the implementation of its CSR strategy, which fully reflect the commitments made when its Raison d’Être was published in 2019. The most symbolic achievements are described in the Universal Registration Document, in the chapter on Non-Financial Performance. These include:</p> <ul style="list-style-type: none"> ✓ Launch of the transition score for listed companies and the ESG Analysis for SMEs and ISEs, through which Crédit Agricole has integrated energy transition into its commercial relationship and supports all its customers in their transition strategy. ✓ Issuance of a social bond, which reflects the commitment to a just transition. After becoming a reference issuer on the green bond market, Crédit Agricole expanded its scope of action in the field of sustainable finance by successfully issuing (subscribed two-and-a-half times over), its first social bond, for an amount of one billion euros. The framework of this issue aims to reduce social inequalities and encourage social cohesion. 	<p>Universal Registration Document, chapter on Non-Financial Performance</p>

	<ul style="list-style-type: none"> ✓ In this regard, through its commitment as an investor, the Crédit Agricole Group has to a large extent exceeded its target of investing €6 billion in socially responsible products by 2022 ✓ The implementation of an innovative tool, i.e., the non-financial performance data platform, makes it possible to manage ESG comprehensively for the entire Group, and is a genuine step forward in accelerating the transition process. ✓ Amundi is a pioneer in the field of responsible investment and a European leader in asset management. It has signed the Principles for Responsible Investment (PRI) and placed ESG (Environmental, Social, and Corporate Governance) policy at the core of its growth strategy, with more than €1,653 billion assets under management. ✓ Crédit Agricole CIB, the Group’s Corporate and Investment Banking arm has set up an internal network of 80 Sustainable Banking experts who represent all the bank’s service lines and support functions, in order to increase assimilation and develop innovative products and solutions. And, in order to support of the 150 CSR experts across the Group’s various entities, the CSR team at Crédit Agricole S.A. that provides the Group’s overview doubled in size over the past year. ✓ The transparency commitment to stakeholders was increased: climate reporting follows the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure). Since 2020, the implementation of our Climate Strategy has been certified by an Independent Third Party, which ensures its transparency. 	
<p>→ Conclusion During the 2020 financial year, the Group made significant progress in the implementation of PRB, which are an integral part of its ESG strategy.</p>		