

**2020**

# **STATEMENT OF NON-FINANCIAL PERFORMANCE**



**WORKING**

EVERY DAY IN THE INTEREST OF  
OUR CUSTOMERS AND SOCIETY



CRÉDIT AGRICOLE  
S.A.

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## ABOUT CRÉDIT AGRICOLE GROUP

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# Our business model serving sustainable value creation

## OUR RESOURCES



### OUR DNA

Mutualist and cooperative Group serving all.



### OUR TALENTS

**142,000**  
Crédit Agricole Group employees.



### OUR GEOGRAPHIC FOOTPRINT

In France:

- **39** Regional Banks, LCL and BforBank
- **8,200** retail banking branches

Abroad:

- **48** countries
- **52%** of Crédit Agricole S.A. employees



### OUR TECHNOLOGICAL CAPITAL

Single centre of IT expertise serving all of the Group's business lines.



### OUR GOVERNANCE

Solid majority shareholder ensuring long-term commitment.



### OUR CAPITAL

Shareholders' equity  
Group share:

- Group: **€119.6bn**
- Crédit Agricole S.A.: **€65.2bn**



### OUR MULTI-PARTNERSHIP MODEL

An organic growth model reinforced by external expertise and distribution partnerships in France and abroad.

## OUR ACTIVITIES



## OUR FOUNDATION THE REGIONAL BANKS

### SOLID COMMITMENTS

**Utility**  
at the service  
of everyone

• **Sound**  
and diverse range  
of expertise

• **Protecting**  
our customers'  
interests and assets

**Human responsibility**  
at the heart  
of our model

• **Supporting**  
the economy and  
social cohesion

• **Supporting** the  
transition to other  
sources of energy

« Working every day in the interest of our customers and society. »



SUPPORTING AND ADVISING  
OUR CUSTOMERS DURING  
THEIR KEY LIFE MOMENTS

ELABORATING  
INVESTMENT  
SOLUTIONS

PROPOSING  
COMPLEMENTARY  
FINANCIAL SERVICES,  
PAYMENT SERVICES, REAL ESTATE, ETC.

PROVIDING FINANCING,  
SAVINGS AND  
INSURANCE SOLUTIONS

#### OUR 3 STRATEGIC PILLARS

Excellence  
in customer relations  
•  
Empowered  
teams  
•  
Commitment  
to society

## OUR VALUE CREATION

### CUSTOMERS

- 1<sup>st</sup> provider of financing to the French economy (€707bn loans outstanding in retail banking)
- 1<sup>st</sup> European asset manager (€1,729bn assets under management)
- 1<sup>st</sup> insurer in France

### SHAREHOLDERS AND INVESTORS

- Crédit Agricole Group revenues: **€34bn<sup>(1)</sup>**
- Crédit Agricole S.A. market capitalisation: **€30.1bn**
- Crédit Agricole S.A. net income: **€3.8bn<sup>(2)</sup>**
- **€0.80/share** distributed to shareholders, with a scrip dividend option<sup>(3)</sup>

### EMPLOYEES

- **80%<sup>(4)</sup>** participation rate in the Engagement and Recommendation Index (ERI)
- **5,383<sup>(4)</sup>** hired on permanent contracts
- Capital increase reserved for employees with an exceptional 30% discount

### PUBLIC AUTHORITIES AND PARTNERS

- Group procurement: **€7.6bn<sup>(5)</sup>**
- Group taxes and social security expenses: **€6.8bn**

### CIVIL SOCIETY AND THE ENVIRONMENT

- **€355.9bn** of outstanding ESG multi-criteria solutions<sup>(6)</sup>
- **+57%** outstanding green loans portfolio for **€11.4bn**
- Patronage: almost **€34.4m** for local and regional initiatives
- Almost **192,000** subscriptions to EKO and LCL Essentiel (entry-level offers)<sup>(7)</sup>

2020 data.

(1) Underlying revenues. (2) Underlying net income Group share. (3) Subject to the approval of the General Meeting of 12 May 2021. (4) Crédit Agricole S.A. scope. (5) External expenses. (6) Assets under management invested by Amundi in funds with an "ESG integration" investment process. (7) Cumulative data at end-2020.



## THE BUSINESS LINES OF CRÉDIT AGRICOLE GROUP AT 31 DECEMBER 2020



## ASSET GATHERING

## INSURANCE

**MISSION:** as France's leading insurer<sup>(1)</sup>, Crédit Agricole Assurances is highly focused on the needs of its customers, whether they are individuals, SMEs and small businesses, corporates or farmers.

**GOAL:** to be useful and effective, from designing solutions and services to handling claims.

**OUR OFFERING:** a full and competitive range, tailored to customers' needs in terms of savings/retirement, death & disability/creditor/group and property & casualty insurance, and backed by the efficiency of the largest banking network in Europe and international partnerships outside the Group.

## KEY FIGURES:

Turnover <b>€29.4bn</b>	Life insurance outstandings <b>€308bn</b>	Number of property and casualty insurance contracts <b>14.6 million</b>
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## ASSET MANAGEMENT

**MISSION:** Amundi is the leading European asset manager in terms of assets under management and ranks in the top 10 worldwide<sup>(2)</sup>. The Group manages €1,729 billion and has six main management platforms (Boston, Dublin, London, Milan, Paris and Tokyo).

**OUR OFFERING:** Amundi offers its customers in Europe, Asia Pacific, the Middle East and the Americas a full range of savings and investment solutions in active and passive management, in traditional or real assets. It constantly strives to have a positive impact on society and the environment. Amundi's customers can also access a full range of high added value services.

## KEY FIGURES:

Assets under management <b>€1,729bn</b>	<b>No. 1</b> European asset management company <sup>(2)</sup>	Present in more than <b>35</b> countries
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## WEALTH MANAGEMENT

**MISSION:** Indosuez Wealth Management comprises Crédit Agricole Group's wealth management activities<sup>(3)</sup> in Europe, the Middle East, Asia-Pacific and the Americas. Renowned for the breadth of its offering and its international reach on a human scale, it operates in 13 territories around the world.

**OUR OFFERING:** the tailored approach of Indosuez Wealth Management allows individual customers to create, manage, protect and pass on their wealth in a manner which best fits their aspirations. Embracing a global vision, its multidisciplinary teams draw on excellence, experience and expertise to provide customers with appropriate, sustainable solutions.

## KEY FIGURES:

Assets under management <sup>(3)</sup> <b>€128bn</b>	<b>3,060</b> employees	Present in <b>13</b> countries
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## RETAIL BANKING

## REGIONAL BANKS

**MISSION:** with locations throughout the country, the 39 Regional Banks are co-operative entities and fully-fledged banks that provide support for the plans of their customers: individuals, high-net-worth customers, farmers, SMEs and small businesses, corporates and those working in the public sector and the social economy.

**OUR OFFERING:** an advisory approach based on a full range of products and services, available in-branch or remotely, that are designed to meet our customers' needs in terms of banking (payments, savings, financing, corporate finance, international), insurance (property and casualty and personal risk) and real estate (including advisory and valuation of real estate assets, real estate management and lease management).

## KEY FIGURES:

<b>24.8</b> million customers, including <b>21</b> million individual customers	<b>10.9</b> million mutual shareholders	<b>23.5%</b> <sup>(4)</sup> Market share of household credit
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## LCL

**MISSION:** LCL is the only domestic network bank in France to focus exclusively on retail banking and insurance. It covers all markets: individual customers, SMEs and small businesses, and private and corporate banking.

**OUR OFFERING:** a complete range of banking products and services covering finance, insurance, savings and wealth management, payments and flow management. With branches nationwide and an online banking service, the aim is to develop a close customer relationship (mobile app and website).

## KEY FIGURES:

Loans outstanding <b>€143bn</b> (including <b>€86bn</b> in home loans)	Total customer assets <b>€220bn</b>	≈ <b>6</b> million individual customers
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## INTERNATIONAL RETAIL BANKING

**MISSION:** Crédit Agricole's international retail banks are primarily located in Europe (Italy, Poland, Serbia, and Ukraine), and in selected countries of the Mediterranean basin (Morocco and Egypt), where they serve all types of customers (individuals, small businesses, corporates – from SMEs to multinationals), in collaboration with the Group's specialised business lines and activities.

**OUR OFFERING:** the international retail banks offer a range of banking and specialised financial services as well as savings and insurance products, in synergy with the Group's other business lines (Crédit Agricole CIB, CAA, Amundi, CAL&F, etc.).

## KEY FIGURES:

Loans outstanding <b>€57.2bn</b>	On-balance sheet deposits <b>€58.5bn</b>	<b>5.3</b> million customers
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(1) Source: L'Argus de l'Assurance, 18 December 2020 (data at end-2019). CAA was already the 1<sup>st</sup> insurer in France based year-end 2018 data (source: L'Argus de l'assurance, December 2019).

(2) Source: IPE "Top 500 Asset Managers" published in June 2020 and based on assets under management at 31 December 2019. Amundi was already the 1<sup>st</sup> European asset manager based on assets under management as of 31 December 2018 (source: palmarès IPE "Top 400 asset managers" June 2019).

(3) Excluding LCL Private Banking Regional banks activities within international retail banking.

(4) Source: Banque de France, September 2020.



## SPECIALISED FINANCIAL SERVICES

### CONSUMER FINANCE

**MISSION:** a major player in consumer finance in Europe, Crédit Agricole Consumer Finance offers its customers and partners a range of flexible, responsible solutions, tailored to their needs. Digital is a strategic priority, particularly through investments, in order to build with the client a credit experience which meets their expectations and new consumption trends.

**OUR OFFERING:** a complete multi-channel range of financing and insurance solutions and services available online, in branches of CA Consumer Finance subsidiaries and within its banking, institutional, distribution and automotive partners.

#### KEY FIGURES:

Assets under management  
**€91bn**

Including **€21bn** on behalf of the Crédit Agricole Group

Present in **19** countries

### LEASING, FACTORING AND FINANCE FOR ENERGIES AND REGIONS

**MISSION:** Crédit Agricole Leasing & Factoring (CAL&F) provides solutions for businesses of all sizes for their investment plans and the management of their trade receivables, through its offering of lease financing and factoring services in France and Europe. CAL&F is also one of France's leading providers of finance for energies and regions.

**OUR OFFERING:** in lease financing, CAL&F offers financing solutions to meet property and equipment investment and renewal requirements. In factoring, CAL&F provides trade receivable financing and management solutions for corporates, both for their day-to-day operations and for their expansion plans. Lastly, CAL&F, via its subsidiary Unifergie, helps corporates, local authorities and farmers to finance renewable energy and public infrastructure projects.

#### KEY FIGURES:

**1 out of 3** mid-caps funded by CAL&F in France

**Over 50 years'** experience in leasing and factoring

**No. 2** in the financing of renewable energy<sup>(1)</sup>



## LARGE CUSTOMERS

### CORPORATE AND INVESTMENT BANKING

**MISSION:** Crédit Agricole Corporate and Investment Bank is the corporate and investment bank of the Crédit Agricole Group and which has chosen to focus more financing activities and corporate clients, and which is based on a powerful and well-coordinated in France and abroad in the major countries of Europe, Americas, Asia-Pacific and Middle East.

**OUR OFFERING:** products and services in investment banking, structured finance, international trade finance and commercial banking, capital market activities and syndication, and known worldwide "green" finance expertise.

#### KEY FIGURES:

**2<sup>nd</sup>** largest bookrunner worldwide for green, social and sustainability bonds (all currencies), both in volume and market share  
(source: Bloomberg)

**3<sup>rd</sup>** largest bookrunner in syndicated loans for the EMEA region<sup>(2)</sup>  
(source: Refinitiv)

**8,604** employees

### ASSET SERVICING

**MISSION:** CACEIS, a specialist back-office banking group, supports management companies, insurance companies, pension funds, banks, private equity and real estate funds, brokers and companies in the execution of their orders, including custody and management of their financial assets.

**OUR OFFERING:** thanks to its presence in Europe, in North America, in South America following the combination with Santander Securities Services and in Asia, CACEIS offers asset servicing solutions throughout the full life cycle of investment products and for all asset classes: execution, clearing, forex, security lending and borrowing, custody, depositary bank, fund administration, middle-office solutions, fund distribution support and services to issuers.

#### KEY FIGURES:

Assets under custody  
**€4,198bn**

Assets under administration  
**€2,175bn**

Assets under depositary  
**€1,585bn**

## SPECIALISED BUSINESSES AND SUBSIDIARIES

### Crédit Agricole Immobilier

- €1 billion in annual fees
- 3 million sq. m. under management at end-2020
- 1,553 homes sold

### Crédit Agricole Capital Investissement & Finance (IDIA CI, SODICA CF)

- IDIA Capital Investissement: €1.8 billion in assets under management – Approximately 100 companies supported by the Group's equity capital
- SODICA CF: 26 M&A transactions (SME/mid-caps) in collaboration with the Group's networks in 2020

### Crédit Agricole Payment Services

- France's leading payment solutions provider with a 30% market share
- More than 11 billion payment transactions processed in 2020
- 21.9 million managed bank cards

### Crédit Agricole Group Infrastructure Platform

- 1,600 employees at 17 sites in France
- 6 data centres
- 60,000 open servers + 6 mainframe servers
- 194,000 workstations

### Uni-médias

- 13 market-leading publications with nearly 2 million subscribers
- 10 million readers, 12 websites

(1) CAL&F is No. 2 on the Sofergie market (source: CAL&F at end-2019). CAL&F was already No. 2 on the Sofergie market based on end 2018 data.

(2) Crédit Agricole CIB was the second largest bookrunner in syndicated loans for the EMEA regions in 2019 (source: Refinitiv).

## ASSET GATHERING

### INSURANCE

#### Business and organisation

Crédit Agricole Assurances (CAA) is France's leading insurer<sup>(1)</sup> in terms of premium income and the leading bancassur<sup>(2)</sup> in Europe.

Crédit Agricole Assurances's positions are supported by a full and competitive range of products, tailored to the specific requirements of each domestic market and each local partner, as well as by the power of Crédit Agricole Group distribution network.

#### Savings and retirement

In France, Crédit Agricole Assurances is strengthening its position as market leader in personal insurance<sup>(3)</sup>, a position it has held since 2019.

It offers its customers a wide range of policies for saving, transmitting capital, financing projects or preparing for retirement.

In France, CAA primarily distributes its products to customers of Regional Banks and LCL: individual customers, high net worth customers, farmers, SMEs and small businesses and corporates.

Internationally, Crédit Agricole Assurances is present through the Crédit Agricole Group entities in Italy, Luxembourg and Poland, where it continues to export and adapt its bancassur know-how and is continuing its development via distribution agreements with external partners in Italy, Portugal, Japan and Luxembourg.

In addition, it is expanding through alternative networks: independent wealth management advisers, BforBank online bank, network dedicated to health professionals.

#### Death & disability/creditor/group insurance

Crédit Agricole Assurances is the leading provider of individual death & disability insurance in France<sup>(4)</sup> and second-largest provider of creditor insurance<sup>(5)</sup>. After five years of operation, group insurance covered approximately 745,000 individuals at 1 January 2021.

Individual or group insurance solutions cater for customers wishing to:

- protect themselves and their families from the financial implications of a serious personal accident;
- repay a loan in the event of short-term disability, long-term disability, unemployment thanks to guarantees linked to consumer or home loans;
- provide employees with a supplementary group health and death & disability insurance contract.

The death & disability/health offering works through the banking networks of Crédit Agricole Group, in France and abroad, supplemented in metropolitan France by a network of general agents dedicated to health professionals. In group insurance, CAA and Amundi have joined forces to become a leading provider of social protection for companies. With expertise in creditor insurance, CAA offers its services through more than 50 partners, retail banks and specialised finance companies in seven countries.

#### Property & casualty insurance

Crédit Agricole Assurances is the leading car, home and healthcare bancassur<sup>(6)</sup> and the fifth-largest insurer of property and liability in France<sup>(7)</sup>.

It offers a full range of property & casualty insurance policies to individual customers and SMEs and small businesses: protection of personal property (car, home, etc.), protection of farming and business assets, protection of mobile electronic devices in the home, legal protection, supplementary health insurance, personal accident cover, specialist policies for the agricultural market, professional liability insurance, card theft protection (in case of fraudulent use of lost or stolen payment instruments).

It markets its products to customers of the Regional Banks, LCL and via a network of general agents for the health professionals sector.

Internationally, CAA is capitalising on the success of its bancassur model by also deploying its expertise in property & casualty insurance, especially in Spain following the partnership formed in 2019 with the Abanca banking group.

## 2020 highlights

- Crédit Agricole Assurances helps its customers and the French economy get through the current crisis through a variety of support measures and a contribution to solidarity funds totalling close to €350 million for the Crédit Agricole Group.
- Signature of a strategic partnership agreement with Europ Assistance to provide assistance services in the French market.
- Launch of property & casualty insurance for corporates in the Regional Banks' network.
- Crédit Agricole Assurances continues to expand into international markets by increasing its stake in GNB Seguros to 100% after signing an agreement with Novo Banco.



Introduction of a support system on the "Ma Santé" app to help policyholders during the crisis (COVID-related news, psychological support). The platform has enabled more than 3,000 medical consultations to be carried out online.



Crédit Agricole Assurances continues its commitment to inclusion with the 10<sup>th</sup> edition of its call for "Caregiver" projects. Since 2010, it has financed 170 local projects for caregivers, with almost €2.5 million distributed.

(1) Source: *L'Argus de l'Assurance*, 18 December 2020 (data at end-2019).

(2) Internal source: data at end-2019.

(3) Source: *L'Argus de l'Assurance*, 10 April 2020 (data at end-2019).

(4) Source: *L'Argus de l'Assurance*, 04 September 2020 (data at end-2019).

(5) Source: *L'Argus de l'Assurance*, 23 October 2020 (data at end-2019).



## ASSET MANAGEMENT

### Business and organisation

#### A customer-centric model

Amundi's customer-centric organisation means that it can offer individual and institutional investors and corporate customers a broad range of savings and investment solutions to meet their needs. Present in the main global financial markets, Amundi disseminates its know-how through all investment universes: active management strategies, including so-called alpha management (bonds, equity or multi-asset), passive management (ETF, index management and Smart Beta), and real assets management (real estate, private equity, private debt, infrastructure), as well as services and consulting.

Amundi's know-how is further enhanced by its unique expertise in research and financial and non-financial analysis, allowing it to support its customers in their investment decisions without losing sight of its goal to have a positive impact on society and the environment.

For its retail customers, Amundi draws on its experience and close partnerships with distribution platforms and retail bank networks in Europe, Asia-Pacific and North America to offer tailored solutions, innovative services and added-value investment advice; these offers help meet the needs and risk profiles of its individual customers, taking the market environment into account.

For its institutional and corporate customer base, Amundi draws on its extensive international expertise and research-based investment culture to provide a comprehensive and objective approach.

Listed since November 2015, Amundi remains the leading market capitalisation (€13.5 billion as at 31 December 2020) among traditional listed asset managers in Europe. In bearish stock markets, Amundi's share price closed 2020 at €66.8, a slight drop of -4% from end-2019.

#### Strategic ambitions

In 2020, the COVID-19 crisis confirmed the soundness of Amundi's business model: the company operated normally, continued to provide a high level of customer service and adapted well to the circumstances. The impact of the crisis on results has been moderate, with business proving resilient, profitability remaining high and a robust financial position.

Amundi also pressed ahead with its strategic plan.

In China, the new joint venture with Bank of China was launched, in line with objectives, and the first wealth management products were marketed across the Bank of China networks at the end of 2020.

In Spain, the strategic partnership with Banco Sabadell (a 10-year distribution agreement) got off to a successful start, while the integration of Sabadell Asset Management (acquired on 1 July 2020) is now well under way.

With its unique business model, its industrial approach and its customer-centric organisation, boasting operational efficiency and combining a local presence with a global reach, the Group is well placed to continue its profitable growth.

Amundi's ambition is to become a leader in the worldwide asset management industry, recognised for its quality of expertise and services offered to customers, its momentum in terms of development and profitability, and its positioning as a committed financial player.

### 2020 highlights

- Amundi and Bank of China create the first wealth management company in China with a foreign shareholder holding a majority stake.
- In Spain, Amundi acquired Sabadell Asset Management and signed a 10-year partnership agreement to distribute Amundi products via the Banco Sabadell network.
- Société Générale and Amundi renewed their partnership agreement for five more years with the aim of further developing their relationship in the distribution of investment solutions.
- CPR AM launched the world's first "Social Impact" fund dedicated to tackling social inequality.
-  In partnership with the AIIB<sup>(1)</sup>, launch of a reference tool to assess the risks related to climate change in accordance with the objectives of the Paris Agreement.
-  Launch of Mandat PEA Sélection, an innovative Group wealth management product (online marketing, digitised customer journey and adviser support).

(1) Asian Infrastructure Investment Bank.

## WEALTH MANAGEMENT

### Business and organisation

Shaped by 140 years of experience in supporting families and entrepreneurs worldwide, the Indosuez Wealth Management Group offers a tailored, international approach across 13 territories, allowing individual customers

to manage, protect and pass on their wealth in a manner which best fits their aspirations.

Embracing a global vision, its 3,060 employees provide expert advice and first-class services in both private and professional wealth management.

### 2020 highlights

- Proactive and targeted support of customers throughout the world during the crisis.
- Continued expansion of the value proposition for high net worth individuals through easier access to all areas of Crédit Agricole Group expertise, from asset management to financing.
- Expansion of the offer in favor of a more sustainable development and more responsible economy, to address customer expectations and creation of an international range dedicated to sustainable development and the Societal Project.
- Implementation of strategic digital projects: roll-out of a new investment proposal tool in Monaco and a new CRM system in Luxembourg with fully digital new business relationships, launch of new global internet and intranet sites, digitisation of the management mandate subscription process at the Regional Banks.
- Substantial increase in solidarity initiatives on top of the joint action of the Indosuez Foundations in Switzerland and France.
- Ramping up of the dissemination of a culture of innovation: opening of the Innovation Lab in Paris and the *Coeur Collaboratif* (collaborative hub) in Luxembourg, creation of a community of 150 Transformers to act as ambassadors and mouthpieces for the cultural transformation, and organisation of innovation-related Lunch & Learn events.
- Launch of an Equal Opportunity Charter within the Indosuez Group and continuation of the action plan to promote gender equality.

## RETAIL BANKING

### REGIONAL BANKS

#### Business and organisation

The Crédit Agricole Regional Banks (*Caisses régionales de Crédit Agricole – CRCA*) are co-operative entities and fully-fledged banks that have a leading position in retail banking markets in France: large individual customers with a market share of 27.9% (source: Sofia Kantar 2020), small individual customers with a market share of 25.6% (source: *Baromètre Jeunes* 2019 CSA), SMEs and small businesses, farmers and corporates.

Drawing on the Group's business lines, they market a range of products and services designed to meet the financial and asset management needs of their customers: payment instruments, insurance, savings, financing, equity financing, real estate and international support. They have a network of nearly 6,600 branches, reinforced by about 6,000 in-store servicing points at retailers, and provide their customers with a full range of remote banking services.

With almost 21 million individual customers, the Regional Banks account for 23.3% of the household bank deposit market and 23.5% of the household credit market (source: Banque de France, September 2020).

As the business bank for 81% of farmers (source: *Adéquation 2018*), the Regional Banks have a network of over 2,000 advisers dedicated to the farmers and are by far the leader among this group of customers for personal banking.

The Regional Banks are also a leader in the SMEs and small businesses market, both in assisting personal and professional needs with a market share of 35% (in global banking, source: *Pépites* CSA 2019-2020). Every day, Crédit Agricole's 4,400 professional advisers and experts help our self-employed customers take their business to new heights.

In the corporates market, the Regional Banks also rank first, tied with the Banque Populaire banks, with a 36% market penetration rate (source: Kantar TNS 2019). Thanks to more than 2,000 corporate account managers, the Regional Banks are specifically organised to advise and support all the companies in their region (start-ups, SMEs and mid-caps) and provide support to local authorities and, more broadly, to players in the local public sector and the social economy.

### 2020 highlights

The year 2020 was marked by the COVID crisis, which underscores the importance and power of our Customer Project, one of the three key pillars of our strategic plan and of our global relationship model. The fact that Crédit Agricole is the only banking player among the 25 brands cited as useful by French people is proof of this. We have delivered our *Raison d'Être*<sup>(1)</sup> – “Working every day in the interest of our customers and society”.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.

## Customer Project

The Customer Project, the maximum amount of digital technology augmented and secured by human effort available and accessible locally, will enable us to become the preferred bank for individuals, the self-employed and corporates.

To achieve this and be first in the NPS (Net Promoter Score) rankings, Crédit Agricole mobilises around three main targets:

1. **Collectively managing relational excellence;**
2. **Becoming a leading digital bank;**
3. **Offering our customers a wide range of banking and non-banking services.**

### Collectively managing relational excellence

**Human banking:** offering our customers access to an adviser to guarantee a responsible, locally based relationship.

The Group has chosen to make customer satisfaction and the culture of excellence the guiding thread of its actions to establish or maintain a solid relationship with its customers based on closeness, responsibility, support at every stage, and trust.

- The ninth national-level **NPS** survey was carried out across all markets in 2020. Regional NPS surveys have also been completed: 39 Regional Banks have a retail banking NPS mechanism, 27 Regional Banks have an asset NPS (+2 compared to 2019), 30 Regional Banks have a professional NPS (+6 compared to 2019), 23 Regional Banks have an agricultural NPS (+2 compared to 2019), and 28 Regional Banks have a corporate NPS (+2 compared to 2019). At the national level, the Regional Banks are currently ranking third among the private network banks in France.
- During the lockdowns, the Regional Banks mobilised to ensure **continuity of service** and stand by their customers, with around 90% of branches open physically or remotely during the spring lockdown (80% in the first days of lockdown) and 99% of branches open physically during the second lockdown at the end of 2020.
- The aim of the **"Relationship Model"** project is to improve the customer experience whatever the point of contact, both within the branches and through digital tools, and to make Crédit Agricole's promises clearer. In line with its digital transformation, Crédit Agricole deploys practices and postures that show its close attentiveness to customers and employees. Work is also under way on multi-channel consulting for excellence and priorities for excellence, such as availability and support, proactiveness and recognition of loyalty.
- The **Group's plan to tackle pain points**, which is based on continuous improvement through the implementation of Zero-Irritant procedures in all entities, has now identified 100 major pain points for analysis, prioritisation and treatment. Special attention is given to handling of complaints and reviewing of customer correspondence.
- To support Group entities in the enhancement of the "culture of relationship excellence by CA", the **Académie de l'Excellence Relationnelle** now has 81 Customer Champions to promote the collective management of relationship excellence at all the Group's banks in France and abroad and all subsidiaries, business lines and divisions.

## Becoming a leading digital bank

**Omni-channel banking** allows our customers to access our solutions digitally or through any channel of their choice for the entire relationship. For the Group, this means raising its tools and applications to the highest standards in all markets, being present where customers and prospects are (social networks, e-commerce sites and search engines) and capitalising on data to better serve our customers.

- Faced with the economic emergency linked to the lockdown, Crédit Agricole was able to adapt quickly and strongly with the digitalisation of the **State Guaranteed Loans (PGEs)**. The Group has played a major role in their distribution, with a 28% market share of the total number of loans and a total amount granted of €27 billion at the end of December 2020. This support was especially welcomed by its customers, with 90% of Crédit Agricole's corporate customers feeling supported and three-quarters of them feeling "fully" supported (source: quantitative survey conducted by 18 Regional Banks among 1,000 corporate customers between 15 April and 15 May 2020).
- In addition, a **series of measures** was quickly put in place to help our customers get through this exceptional period, including repayment of e-banking subscriptions that had become inactive, payment holidays (for mortgages and consumer loans), kick start loans, maintenance of insurance coverage in cases of late payment and special measures for customers weakened by the crisis.
- With **Digiconso**, Crédit Agricole offers a new digitalised consumer credit process. The customer/advisor experience is streamlined and simplified, the multi-channel offering can be accessed from any device at the customer's leisure, and the whole application process now takes only 15 minutes.
- The **New Customer Portal (NCP)** is a unique new website adapted to all types of terminals that Regional Banks can regionalise and customise. It is now deployed by all Regional Banks. This multi-market site (individuals, wealth management, SMEs and small businesses, corporates, associations and farmers) offers a new ergonomic interface with an improved, smooth customer experience. It makes it easier to personalise editorial content to be closer to customers and enables a remote customer service approach thanks to the green button.
- In 2020, the **websites** of the Regional Banks and the national website [www.credit-agricole.fr](http://www.credit-agricole.fr) had 897 million annual visits. This was down -9% compared to 2019, due mainly to automatic redirection of customers to their Regional Bank's website. Conversely, the number of users of the MaBanque application continued to grow strongly over the months, with 5.9 million customers now using the MaBanque application, 16% more than in 2019.
- On **social networks** (Facebook, Twitter and Instagram), Crédit Agricole is followed by 1.167 million people, making it the number one French bank in terms of number of followers. With a monthly average of 700,000 interactions on these three networks, Crédit Agricole also became the bank with the highest engagement rate in 2020. A second YouTube channel designed to showcase our *Raison d'Être*<sup>(1)</sup> was also launched. In six months, the channel generated 28.7 million minutes of time spent with the Crédit Agricole brand, making Crédit Agricole a leading banking player on the channel.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.

## Offering our customers a wide range of banking and non-banking services

**Universal banking** provides answers to all of our customers' day-to-day concerns, whether wealth-related or entrepreneurial in nature. Our offering and service strategy focuses on two dimensions: (i) adapting our offerings to new uses and societal concerns and (ii) providing services and usefulness to customers around a universe of needs.

### ■ Strong mobilisation to support our small retailers:

- The **J'aime mon territoire** platform was launched to support our local retailers, with a 100% local community for sharing, a free social network open to all and a platform to foster social links and boost local commerce.
- **J'aime mon producteur local** is a short-circuit platform that supports local producers, artisans and retailers, buying directly from them through this solidarity-based online market.
- Through **Click & Collect** (online ordering, in-store pick-up), Crédit Agricole promotes the local economy and the continued activity of local shops by facilitating digitalisation and helping them to adapt to new methods of consumption.
- For our SME and small business customers that are currently operating, the promotion of **distance selling** has offered them the possibility of continuing their business remotely, with Pay by Link or Up2Pay Mobile for click and collect and home delivery.

### ■ Platforms dedicated to a universe of needs:

- **Youzful**, the platform for young people, a space for guidance and job searches where young people can get information, find out about job offers in their region, talk with professionals and access Crédit Agricole solutions to help them make their plans a reality.
- **BLANK**, a new kind of banking for the self-employed, a digital bank with a simple offering (a payment account, a card) and management tools at a reasonable price, to manage your activity and finances independently, instantly and simply.
- **KLS**, a marketplace for those who finance the economy. KLS aims to offer a unique meeting place and expert, useful and risk-free solutions to players in financing so that they can support more corporates and public authorities in their high-impact transactions.

### ■ Support for new uses:

- As part of the CA Group's societal project, CAL&F offers **Green Solutions** to support Professionals, Farmers and Corporates in their energy transition and help them to combine economic performance and environmental impact. Three equipment lease financing offers are currently being offered: (i) the LED offer is for improving the energy performance of buildings and reducing energy bills through renovation of the lighting system, (ii) the green mobility offer is for reducing the environmental impact of travel and means of transport through electric vehicles, hybrids and recharging stations, and (iii) the solar self-consumption offer is for producing and consuming one's own electrical energy locally. Educational and digital content is also made available to provide new ideas and support our customers in the preparation of their projects.
- **Financing** to support the **transition and economic development of regions**:
  - Climate Action financing with EIB funding, a €200 million package for farmers to refinance projects that favour customers (methanisation, photovoltaic, more energy-efficient buildings, etc.).
  - IDIA Transition Fund, a Crédit Agricole proprietary fund with a target size of €200 million that supports regional transition in energy, agriculture and food processing.
  - EIF – Transition guarantee scheme, a €625 million package for farmers to finance so-called agricultural transition projects and diversify farms.

- EIB *Déserts Médicaux*, a €250 million package granted by the EIB to Regional Banks to support self-employed health professionals in their financing of regional health projects.

- The **Bien Vivre à Domicile** initiative supports elderly people and their caregivers via an approach that is 100% human and 100% digital. This new approach is based on a free assessment performed by a bank advisor using a tablet application.
- With **Globe Trotter**, for just €2 per month, Crédit Agricole supports young people aged 18-30 who travel, offering total exemption from transaction fees worldwide.

### ■ New features are always being added to core offerings.

In addition, in the form of a film, a declaration of love to the French people and a tribute to great people everywhere, Crédit Agricole revealed its **new signature "Working every day in your interest and in the interest of society"**. This commitment, which took on its full meaning in 2020, has generated emotion and launched an in-depth discourse.

### ■ Transformations related to the crisis in the different markets

**In the individual customers market**, the health crisis has led to a deepening of divisions, uncertainty, changes in behaviour and priorities, with a refocusing on the essential, whether it is experienced or chosen.

The acceleration in digital usage observed this year will not be reversed and is accompanied by new appreciation for the value of human beings. Even though consumption and credit (consumer goods and housing) are declining, savings are on the rise with increased expectations of security and liquidity.

In 2020, the NPS in this market went up 7 points, putting Crédit Agricole in the lead.

**The high-net-worth customers market** is a growing market, always concentrated and coveted by multiple players, especially online and neo-banks. This attack is more pronounced among the younger portion of this market.

In an environment that weighs on margins and sees an acceleration of generational changes and changes in behaviour, demands are reinforced: very personal remote advice, a dedicated advisor, fluidity/stability and sustained relational intensity.

Due to the COVID crisis, with no ability to consume and uncertainty about the future, record levels of demand deposits and bank savings were recorded in 2020.

**The professional market** has been heavily affected by the health crisis. Between massive loss of activity in certain sectors (shops, tourism, out-of-home catering), a fall in revenues or rapid changes in the profession (teleconsultations, e-commerce, take-away sales), resilience will be selective.

Crédit Agricole stood out from its competitors when it came to structural aspects of the relationship, such as the proportion of customer contacts and support in the event of difficulties (distribution of €27 billion in State-guaranteed loans).

**As for the agricultural market**, alongside the impact of the COVID crisis on many sectors, fundamental trends remain unchanged or are even stronger, such as demand for local consumption and short circuits, the dynamism of organic farming, the agricultural transition encouraged on a European scale by the Green Deal, as well as violent movements (wine, beef, sugar) and the emergence of a debate on agricultural and food sovereignty.

**On the corporate market**, almost the entire economy was affected by the supply and demand shock, with strong sectoral disparities. Faced with the global recession that is impacting consumer markets, production and supply chains and with political tensions (US/China and post-Brexit negotiations), the corporate market is experiencing a climate of anxiety and mistrust. Faced with this unprecedented shock, Crédit Agricole is amplifying its role as a leading bank by proposing sector- and industry-specific approaches.



As regards the public sector and the social economy, Crédit Agricole is in contact with two in three local authorities, 45% of public health establishments and one in two social housing organisations. Crédit Agricole supports over 450,000 associations, or nearly one in three.

The 2020 business line presentation of the other subsidiaries and divisions is taken from page 16 of the 2020 Universal registration document.

## LCL

LCL is a domestic network bank, with a leadership position in cities, focused exclusively on retail banking and insurance.

As part of its “LCL Demain 2022” Medium-Term Plan, the ambition of LCL is to be the leading bank and insurance company in the city, which cultivates and develops its expertise thanks to the excellence of its customer relations, in a collective dynamic of development to strengthen its attractiveness and sustainable profitability.

### Business and organisation

As a universal bank and insurer, LCL offers its customers solutions that are tailored to their needs, drawing on its expertise and the wealth of know-how of Crédit Agricole Group. LCL caters for all kinds of customers, from individuals and SMEs and small businesses to private banking and wealth management, corporates and institutional customers.

LCL's ambition is to offer customers a personalised relationship experience that is a combination of human contact and remote access. Its six million individual customers thus have the choice of using the bank how they want, where they want and when they want via their preferred channel.

Capitalising on its strategic urban presence, LCL has adapted its approach and services to cover the whole of mainland France, as well as the West Indies-French Guiana.

LCL now has a network of nearly 1,600 branches, plus remote “LCL Mon Contact” customer service centres and digital solutions such as the “LCL Mes Comptes” app and websites, giving its customers complete freedom in using its banking services. Whether in-branch or online, LCL is committed to fully understanding the needs of its customers. By rethinking and digitising

certain processes such as opening an account or taking out a mortgage loan, a commercial loan or insurance, it seeks to facilitate subscription to its main products.

LCL Banque Privée has 214,000 private banking clients. Dedicated advisers work with regional centres of expertise to offer comprehensive, tailored advice on finance, day-to-day banking and management of real estate and financial assets. The 73 private banking centres offer peace and quiet and complete privacy for analysis, advice and decision-making.

The 364,000 SMEs and small businesses – skilled craft workers, retailers, professionals and other small businesses – also benefit from the support of 1,275 specialist advisers and the creation of 92 “Espace Pros” business areas. Advisers serve as a single contact point to help their customers manage their daily business and achieve their business and personal projects. LCL is a major player in the financing of professionals, granting loans of €2.7 billion through its subsidiary Interfimo.

LCL Banque des Entreprises relies on its national network of 62 geographic locations to provide its 29,900 customers with its full range of expertise in Paris and throughout the rest of France: corporate finance for SME takeovers and acquisitions, market activities, international trade and payments, employee savings. As a player of choice in the mid-cap sector, LCL is today the bank to nearly half of all mid-caps. LCL Banque des Entreprises also reaffirms its comprehensive approach and its desire to assist executives with their wealth management plans by expanding its Wealth Management teams in Paris and across France.

To assist the networks, the back-office, electronic payments and flow management and support functions serve all customers and make an active contribution to operational excellence.

## 2020 highlights

- LCL implemented a series of measures to help its customers during the public health crisis: **uninterrupted service** with specific arrangements for visiting branches, tailored offers (consumer loans, fee caps, etc.), greater operational agility to allow for loan repayment extensions, and the implementation of state-guaranteed loans (*prêts garantis par l'État — PGE*) with **38,000** applications totalling **€8 billion**.



LCL adapts to the public health crisis by introducing a raft of new digital initiatives available for use by customers: “**LCL Mes Comptes**” app, enhanced with new features such as Apple Pay, new card section, and “**LCL Visio**”, which offers a new way to make appointments, and for better employee agility (ramping up of softphone systems and chatbot availability).

- LCL reaffirms the strong positioning of the “**LCL. Ma vie. Ma ville. Ma banque**” brand by continuing to sponsor the “Ma ville, notre idéal” short TV programmes on France 3 and creating new events (launch of the *Ville Makers 2* book and a virtual real estate trade show).
- LCL supports local businesses by continuing to create a bond with its customers through **CityStore**, France's largest urban shopping network, and by forging new partnerships, particularly with Monoprix. LCL supports its customers in their energy transition efforts by launching a range of innovative investments called “**LCL Impact Climat**” and by continuing to pursue its **LCL Smart Business** programme through partnerships with Greenflex, Global Climate Initiatives and Voltalia.
- LCL continues to refurbish its network: at end-2020 810 branches had been modernised, or almost half the entire network.



## INTERNATIONAL RETAIL BANKING

### Business and organisation

Within Crédit Agricole S.A., the “International Retail Banking” (IRB) division is responsible for overseeing and developing IRB entities according to the Group’s standards and guidelines. It has three main tasks:

- to act on behalf of Crédit Agricole S.A. as shareholder and integrator with the Group’s operations;
- to draw up strategic guidelines in consultation with the international retail banks to optimise their market performance;
- to create added value for the international retail banks and deliver results through synergies with the Group’s business lines, LCL and the Regional Banks, as well as within the different international retail banks themselves.

The IRB division is therefore operationally responsible for the smooth running and performance of these banks and controls and supports their development. It also ensures that IRB entities properly apply the Group’s standards, particularly with regard to transaction management and regulatory aspects, and plays a key role in implementing new customer service and customer relationship models.

The main activities and characteristics of the international retail banks – located in Italy, Eastern Europe (Poland, Serbia and Ukraine), Morocco and Egypt – are as follows:

### Crédit Agricole Italia

Retail Banking in Italy integrates the networks of Gruppo Bancario Crédit Agricole Italia (“CA Italia”), namely CA Cariparma, CA Friuladria and CA Carispezia (legal merger with CA Italia in July 2019) and the three banks (Cassa di Risparmio – CR) of Cesena, Rimini and San Miniato that merged into CA Italia in 2019. They all now operate under the brand name Crédit Agricole.

CA Italia is active in the Emilia Romagna and Tuscany regions, among the richest in Italy. It is the masthead for the Group’s presence in Italy, Crédit Agricole’s second domestic market after France, where all the Group’s business lines are present (consumer finance, corporate and investment banking, asset management, insurance, custody and fund administration, and private banking services).

The close collaboration and synergies developed between the commercial network of the banks and the business lines enable Crédit Agricole to offer a wide and integrated product range in Italy, aimed at all economic players.

Through its distinctive customer-led positioning, Crédit Agricole Italia is a retail bank covering all market segments: individuals, small businesses, SMEs, large corporates, agricultural and food processing, and private banking.

CA Italia has 924 branches and 9,388 employees and serves over 2 million customers, with a balance sheet totalling €75.7 billion.

### 2020 highlights

- Programmes totalling €10 billion introduced to support all customers, comprising financing lines for all sizes of company, including VSEs with fewer than 10 employees, liquidity provisions so businesses can protect their cash flow, and moratoria for corporate and individual customers (six months renewable).
- Development of a omni-channel model with new remote sales processes such as Nowbanking, web collaboration, mortgage loans and electronic signature of contracts for businesses.
- Rating: Baa1 stable – Moody’s, March 2020
- Announcement of the launch of a cash voluntary public tender offer for all shares of Credito Valtellinese.
- Opening of a second Italian Village by CA in Parma, where 18 start-ups, selected from all over Italy, are accommodated.

### Prizes and awards

- Ranked second (among universal banks) on the strategic 2020 Net Promoter Score.
- Long-term commitment to Plastic Odyssée with the entities of the Crédit Agricole Group.
- Donations of €2 million made by Crédit Agricole entities in Italy to the Italian Red Cross and various hospitals, mainly to purchase ambulances and build a temporary hospital.
- Signature of the Italian Banking Association’s Protocol, which provides for the deferral for up to 18 months of loan repayments for women who are victims of gender violence as part of its commitment to diversity and inclusion.

## Crédit Agricole's six other international retail banks:

Entity	Number	Total assets (in billions of euros)	Highlights of 2020	Positioning/Rating
CA Bank Polska	321 branches <sup>(1)</sup> 1,394,000 customers 3,961 employees	5.9	<ul style="list-style-type: none"> <li>■ Opening of the first cashless branch in Warsaw</li> <li>■ Continued expansion of mobile payments (in-app feature, FitbitPay and Garmin Pay systems, etc.), online account opening and appointment booking.</li> <li>■ Long-term commitment to Plastic Odyssée with the entities of the Crédit Agricole Group</li> <li>■ Launch of an educational campaign on plastic waste #mniejplastiku</li> <li>■ Purchase of intensive care equipment for the specialist hospital in Wrocław</li> </ul>	<ul style="list-style-type: none"> <li>■ Rating A3- (May 2020)</li> <li>■ Customer satisfaction: number 3 in the market in NPS</li> <li>■ "Power of attraction" first prize awarded by Polish newspaper Puls Biznesu for initiatives aimed at strengthening employee engagement and loyalty in the past two years (most notably PowerOn, #ijatoszanuję, "New styles of work" and Power People)</li> <li>■ Plain Polish Lab's "Plain language standard" certification for its account agreements and regulations</li> </ul>
CA Egypt	83 branches 386,000 customers 2,499 employees	2.7	<ul style="list-style-type: none"> <li>■ 10 new branches under the "Banki Store" innovative concept</li> <li>■ Number of connections on digital channels up by 70% to more than 6 million in 2020</li> <li>■ Publication of the first integrated sustainability report for 2017-2019</li> <li>■ "Thank You" initiative in recognition of healthcare professionals</li> <li>■ Management bodies 25% female</li> <li>■ Inclusion initiatives spearheaded by the Crédit Agricole Egypt Foundation: initiatives to promote education and support for the healthcare sector as well as the entrepreneurship of young people and women (partnership with the Ministry of Social Solidarity)</li> </ul>	<ul style="list-style-type: none"> <li>■ One of only two banks in the flagship index of the Cairo Stock Exchange (EGX 30)</li> <li>■ Fitch rating: BB- stable (June 2020)</li> <li>■ Best Mobile Banking Adaptive Site and Best Digital Trade Finance Service<sup>(2)</sup></li> </ul>
CA Ukraine	147 branches 397,000 customers 2,343 employees	1.4	<ul style="list-style-type: none"> <li>■ Launch of the new mobile application, CA+</li> <li>■ Launch of a leasing business retailed by CAU and first local agreement with John Deere Bank</li> <li>■ We Care programme singled out from the top 25 CSR programmes in Ukraine and most notably for its initiatives to help the medical sector</li> <li>■ Signature of the Equality Charter to guarantee rights and opportunities equivalent to European standards (Take Care)</li> <li>■ The "You can rely on Crédit Agricole" initiative in light of the pandemic (new offers and revised processes)</li> <li>■ Donation for the purchase of medical equipment for Ukrainian hospitals</li> </ul>	<ul style="list-style-type: none"> <li>■ Fitch rating: "B" Local Currency LT Issuer Default Rating with positive outlook (April 2020)</li> <li>■ No. 1 in car loans with 40% market share</li> <li>■ "Best Leader Development Program" award for the in-house "Agro School" educational programme</li> <li>■ 2<sup>nd</sup> place in the overall rating of Euromoney's Private Banking and Wealth Management Survey – 2020</li> </ul>

(1) Excluding 97 specialist branches.

(2) Global Finance Award (September 2020).

Entity	Number	Total assets (in billions of euros)	Highlights of 2020	Positioning/Rating
Crédit du Maroc	323 branches 684,000 customers 2,488 employees	5.2	<ul style="list-style-type: none"> <li>■ Inclusion in the United Nations Global Compact Index</li> <li>■ Year of the 90<sup>th</sup> anniversary of Crédit du Maroc</li> <li>■ Commitment to Moroccan microfinance with the Fondation Grameen Crédit Agricole</li> <li>■ Laying of the foundation stone for the new Les Arènes head office, which is aiming for HQE certification</li> <li>■ Contribution of 85 million dirhams (€8 million) to the special fund for managing the coronavirus pandemic</li> <li>■ Support for the healthcare sector by subsidising a group of young entrepreneurs and providing medical equipment</li> </ul>	<ul style="list-style-type: none"> <li>■ Moody's rating: Ba2 stable outlook (March 2020)</li> <li>■ Vigeo Eiris "Top Performers 2020" for CSR (November 2020)</li> </ul>
CA Serbia	74 branches 341,000 customers 859 employees	1.3	<ul style="list-style-type: none"> <li>■ Launch of the new MBank app which includes instant payment by QR code</li> <li>■ Initiatives to help the medical sector and customers (dedicated offers, moratoria)</li> </ul>	<ul style="list-style-type: none"> <li>■ Fitch Rating "B+" (June 2020)</li> <li>■ Customer satisfaction: number 1 in the market in NPS</li> <li>■ No. 1 in agricultural financing: Approximately 23% market share</li> <li>■ No. 1 in car financing</li> </ul>
CA Romania	14 branches 13,000 customers 267 employees	0.5	<ul style="list-style-type: none"> <li>■ Reorientation of corporate activity and agricultural and food processing activities</li> <li>■ Sale operation announced in January 2021</li> </ul>	<ul style="list-style-type: none"> <li>■ Bank focused on companies and the agricultural and food processing markets</li> </ul>

Crédit Agricole S.A. also has holdings in other European countries alongside the Regional Banks. It owns 5% of Bankoa<sup>(1)</sup> in the Spanish Basque region and 5% of Crédit Agricole Next Bank in Switzerland.

(1) Disposal in January 2021.

## SPECIALISED FINANCIAL SERVICES

### CONSUMER FINANCE

#### Business and organisation

A key player in consumer finance in Europe, Crédit Agricole Consumer Finance (CA Consumer Finance) offers its customers and partners a range of flexible, responsible financing solutions, tailored to their needs.

CA Consumer Finance is composed of the following entities: Agos<sup>(1)</sup> (Italy, 61% owned), Creditplus Bank (Germany), CA Consumer Finance Nederland (Netherlands)<sup>(2)</sup>, CA Consumer Finance S.A. (activities in France and Group consolidation, head office services), Credibom (Portugal), Wafasalaf (Morocco, 49% owned), FCA Bank<sup>(3)</sup> (50/50 joint venture with Fiat Chrysler Automobiles, present in 19 countries in Europe and Morocco), GAC-Sofinco AFC<sup>(3)</sup> (50/50 joint venture with Guangzhou Automobile Group CO in China) and Soyou (Spain, 51% owned).

Present in 19 countries in Europe, as well as in China and Morocco, CA Consumer Finance draws on its know-how and expertise to improve its own customer satisfaction, its commercial success and the customer retention policies of its banking, institutional, distribution, and automotive partners. Committed to helping its customers balance their budgets, the Group supports its most vulnerable customers by teaching them how to manage their finances and avoid taking on too much debt.

CA Consumer Finance is a robust and socially cohesive company, with a strong customer base, solid and diversified partnerships and modern tools and processes. It knows how to anticipate new consumer trends as well as the expectations of its partners. It has been particularly resilient during the COVID-19 crisis, supporting its customers as well as its partners and protecting its employees:

■ **A profitable leader in consumer finance in Europe, with employees fully committed to customers, partners and society:**

- 15 million customers;

- employee engagement and recommendation index at the record level of 81% in 2020;
- €91 billion in gross managed loans at end-2020 with a comprehensive omni-channel and digital offering to meet new consumer uses, driver of the Crédit Agricole Group's development;
- €42 billion in car loans end 2020 and a contribution to net income Group share from the automotive joint ventures that rose by 14% per year between 2014 and 2020.

■ **A robust situation at end-2020, a springboard for major business-line ambitions by 2022, supported by digital technology, with four levers for development:**

- strengthening of partnerships by digital technology and cross-selling, set to double in France by 2022 versus 2019;
- expansion in the mobility sector thanks to expertise in car financing: an additional +€4.5 billion in loans managed by the automotive joint ventures by 2022 versus 2018, +€500 million in additional automotive production in 2022 versus 2019 excluding joint ventures;
- roll-out in all countries of the servicing model: +1 percentage point in additional market share for the Group's banks in France in 2022 versus 2018 and 10 new international banking partners by 2022 versus 2019;
- leader in green financing, with €1 billion in production per year in 2022.

■ **Ambitious financial targets for 2023:**

- managed loans up by €20 billion to €108 billion in 2023;
- cost/income ratio excluding SRF of 46% achievable by 2022;
- cost of risk assumption at a low level, below 160 basis points;
- high profitability, with RoNE at 15% achievable by 2022.

#### 2020 highlights

- Exemplary resilience during the crisis, with production level continuing to show strong momentum (2020 production more than 86% of that of 2019 and a very limited decline (-1%) in loans managed by CA Consumer Finance in 2020 compared with 2019).
- Strong customer support with 380,000 moratoria granted for more than €1.5 billion in extended maturities.
- Support recognised by customers: No. 1 or No. 2 in customer recommendations in its markets.



A production digitised at 65%.



More than 5,000 financially vulnerable customers supported in France.



Signature in January 2020 with French government authorities of the "Engagé pour FAIRE" charter to facilitate the financing of private individuals' energy-related refurbishment projects.

(1) Consolidated entity.

(2) Entity held for sale.

(3) Equity-accounted entity.

## LEASING & FACTORING

### Business and organisation

With €22.5 billion in managed assets, 24% of which is international, Crédit Agricole Leasing & Factoring (CAL&F) is a major player in leasing, factoring and the financing of renewable energy in France and in Europe.

CAL&F supports companies of all sizes, both in their investment projects in equipment and real estate, and in the financing and management of their trade receivables.

CAL&F works closely with the Group's retail banks in France and internationally, as well as with non-banking partners. With its regional presence, it is close to economic actors and supports its customers outside France via nine entities in Europe and Morocco.

### Lease financing

CAL&F offers lease financing solutions designed to meet the needs of businesses looking to invest in and replace equipment. These include equipment lease financing, finance leasing, IT operational leasing and property lease financing.

### Factoring


CAL&F provides trade receivable financing and management solutions for corporates and small businesses, both for their day-to-day operations and for their expansion plans, in France and internationally: financing, dunning and collection of trade receivables, guarantee against insolvency risk and managed services.

Through its international network, CAL&F supports its customers and partners in the main European countries and overseas.

### Financing for energies and regions

Through its subsidiary Unifergie, CAL&F assists corporates, local authorities and farmers, actors in the energy transition, with the financing of renewable energy projects (wind or solar farms, biomass projects, etc.) or energy efficiency schemes (cogeneration plants, etc.), as well as public infrastructure projects (funding for local authorities or their private-sector partners in the context of public/private partnerships or public service outsourcing).

## 2020 highlights

- Implementation of measures to support economic recovery, including the granting of moratoria for equipment and property leases and new offerings designed specifically to help businesses, such as order financing and an extended range of factoring products.
- Increased market share in France, despite the COVID-19 situation (+1.2 percentage point in market share), particularly in leasing.
- The 2020 customer recommendation index was up +12 points, a sharp increase.
- Signature of a strategic partnership between CAL&F's Polish entity, EFL, and the DBK group, the leading supplier of products and services in Poland's transport, shipping and logistics sector.
-  Creation of Green Solutions, a new range to support the energy transition: offerings in green mobility, lighting renovations and solar-powered home consumption.

## LARGE CUSTOMERS

### CORPORATE AND INVESTMENT BANKING

#### Business and organisation

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) offers the corporate and financial institution customers of the Crédit Agricole Group a wide range of products and services in the areas of investment banking, structured finance, international transaction and commercial banking, capital markets and syndication. Crédit Agricole CIB is based on a predominantly Corporates client base (67% of the 2020 commercial revenues), on revenues driven by financing solutions (69% of revenues) and a powerful and well-coordinated international network (57% of the revenues generated outside of France).

Customer relations are the responsibility of Senior Bankers. In 2019, their regrouping into a single entity marks a new step in the implementation of a customer-centric organisation. The strengthening of links with the Investment Banking teams also enables the strategic dialogue with clients to be intensified.

The main tasks of the **Structured Finance** division include originating and structuring complex finance deals, mostly backed by collateral, advising on

strategy and financing, and providing global coverage of the aviation and rail, infrastructure, oil and gas, maritime, utilities and power, and real estate sectors. In 2020, against a backdrop of a worsening economy that was having a major impact on certain structured finance sectors, the division retained its market positioning while actively managing risks.

The **debt optimisation & distribution** business line is responsible for originating, structuring and arranging medium and long-term bilateral and syndicated loans for customers, as well as the underwriting and primary and secondary distribution of syndicated loans with banks and non-banking institutional investors. Despite the impact of the public health crisis on the global syndication and M&A market (significant drop in volumes to their lowest level since 2012), the business line held on to its leadership by maintaining its positions while supporting its customers. At end-December, it was the largest bookrunner in France and the third largest bookrunner in the EMEA in the syndicated loan sector. It also rose in the league tables in other regions and sectors.





**Transaction banking and international trade** mainly assists customers with managing their international trade and guarantee needs, in their working capital financing needs, in particular through trade receivables repurchase solutions (receivable and supply chain finance), and in their cash management needs. In 2020, business in this sector continued to grow, thanks mainly to the efforts of all teams and to the roll-out of new offerings in different geographic regions, despite an environment severely disrupted by the effects of the public health crisis.

The main mission of the **Investment Bank** is to offer a full range of high value-added solutions to deal with the strategic issues of our major

customers. A large number of equity capital market/equity-linked and M&A transactions took place in 2020, particularly in CACIB's main areas of expertise.

**Market banking** covers all sales, structuring and trading activities on the fixed income, foreign exchange, credit and equity derivatives markets, as well as securitisation and treasury activities. Capital market activities had a record year in 2020 first position in All French Corporate bonds, first position worldwide in All Financial bonds, and second position worldwide in Green, Social and Sustainability Bonds.

## 2020 highlights

- Support for customers by financing their cash flow requirements stemming from the public health crisis. All Bank teams were fully committed to awarding customers **state-guaranteed loans** (*prêts garantis par l'État; PGE*) set up by the French government.
- Combining of the expertise of Crédit Agricole CIB and Indosuez Wealth Management to create **Private Investment Banking**. This new division aims to help family holding companies and their shareholders implement long-term strategies.
-  Continuation of the **Data Architecture Convergence** programme designed to review data architecture. The programme is central to the Bank's long-term digital strategy and enables it to better respond to the challenges of the 2022 Medium-Term Plan.
- Receipt of several **prestigious awards in the Asia-Pacific region**, where most of the growth in our 2022 Medium-Term Plan is concentrated. A total of 20 transactions receive awards from The Asset magazine, including a large number of flagship environmental and socially responsible transactions, demonstrating Crédit Agricole CIB's strong commitment to building a more sustainable economy and more sustainable bank in the region. CACIB was also named "RMB House of the Year" at the Asia Risk Awards for its commitment and leading role in the internationalisation and innovation of the RMB (renminbi).
-  Crédit Agricole CIB remains one of the **global leaders in the structuring and distribution of green, social and sustainability bonds** (all currencies). Crédit Agricole CIB indeed arranged \$28 billion of green, social and sustainable bonds in 2020 and accounted for €11 billion of green loans in portfolios at end-2020. Crédit Agricole CIB also supported the issue of the **first blue bonds** in Asia and joined the **Hydrogen Council**, a global hydrogen energy initiative bringing together more than 80 companies from the energy, transport, industry and finance sector. By supporting its customers, Crédit Agricole CIB is contributing to the energy transition and, by extension, to the achievement of the Crédit Agricole Group's climate objectives, in line with the Paris Agreement.

## ASSET SERVICING

### Business and organisation



For 69.5% owned by Crédit Agricole S.A. and 30.5% by Santander, CACEIS is an international banking group and a European market leader in custodian bank and fund administration services. CACEIS is a major partner in several Crédit Agricole S.A. Group entities.

With more than 4,500 employees (FTEs) in 15 countries, CACEIS offers a complete range of Asset Servicing solutions. The Group's competence

centres in Europe provide uniform, reliable services to all customers, regardless of their geographical location. A local commercial team and local experts are present in each establishment to enhance local relations with customers.

CACEIS is taking part in a process of innovation and digital transformation for its customers and employees. It is at the forefront of technological developments such as artificial intelligence, robotics and big data to ensure greater security, reliability, efficiency and transparency for its customers.

## 2020 highlights

- Formalisation on 1 November of the merger of KAS Bank and the CACEIS branch in the Netherlands under the name CACEIS Bank Netherlands Branch.
-  Creation of new features for the TEEPI Market Place platform providing investors with a fully digital solution for opening registered accounts and placing orders in funds administered by CACEIS.
-  Award of Platinum category, given only to the top 1% of all companies assessed by EcoVadis, the assessment platform of corporates CSR performances.
- Completion of major asset migrations in an unprecedented context of teleworking by all teams (Candriam, Groupama, Popular Asset Management and Popular Pensiones).

## CORPORATE CENTRE

### CACIF – CRÉDIT AGRICOLE CAPITAL INVESTISSEMENT & FINANCE

CACIF holds the investments of Crédit Agricole S.A., the Regional Banks and LCL in unlisted companies through dedicated funds, most of which are managed by its subsidiary IDIA Capital Investissement (capital development supporting French mid-caps and SMEs in all business sectors, with recognised expertise in food processing, wine-making and the energy transition).

CACIF also provides services through SODICA Corporate Finance, which specialises in M&A advisory services and financial and stock market engineering for medium-sized companies in all business sectors, with teams based in Paris and regional France. It also has teams specialising in the food, wines and spirits, health, aeronautics, renewable energy and real estate sectors. SODICA is the Group's listing sponsor on Euronext Growth.

#### 2020 highlights

##### IDIA Capital Investissement:

- Creation of the Développement Filière Bois fund: an investment fund dedicated to the development of the timber industry's entire value chain in France.

##### SODICA Corporate Finance:

- Establishment of the SODICA ETI department, dedicated exclusively to upper-mid-cap transactions.
- e-RIS: LCL joins the Regional Banks' intermediation network led by SODICA CF. e-RIS supports the handover of VSE/SMEs (valued between €1 million and €5 million).
- Launch of the SODICA AGRIMANAGERS business, dedicated to transactions by large companies and farm holdings.

##### CACIF:

- Participation in the Aéronautique de Place fund alongside other Group entities (total investment of €100 million). Subscription at end-2020.
- Digitisation of contracts and signatures, and wide-scale expansion of teleworking to maintain business despite the public health crisis.
- Establishment of sponsorship with "Espérance Banlieues" to support the inclusion and education of young people.

### CRÉDIT AGRICOLE IMMOBILIER



As the Group's real estate specialist, Crédit Agricole Immobilier builds, sells and manages housing and offices for its territories and customers, incorporating new urban and environmental constraints.

As a trusted partner, it supports real estate projects of private individuals through its residential property development and property administration services (Crédit Agricole Immobilier and Square Habitat), while businesses,

local authorities and institutions benefit from its office development, property management and commercial property services.

A major player in providing access to housing and regional economic development, Crédit Agricole Immobilier is shaping the city of tomorrow by offering innovative and sustainable solutions.

#### 2020 highlights

- New procedures for holding co-ownership general meetings during the public health crisis: organisation of the first remote General Meeting at the Nouvel Angle residence in Cergy (95).
- Signature of the sale of the Campus de l'Aqueduc in Gentilly (94), a 40,000-sq. m. office complex with an ambitious environmental design, including features that promote wellbeing in the workplace.
-  Deployment of electronic signatures for customers of its Square Habitat property agency network, making it easier for customers buying or leasing a property to complete administrative formalities.
-  Initiation and support of the process by which Campus Evergreen obtained the BiodiverCity® Life label in recognition of the consideration given to biodiversity on this 8-hectare site located in central Montrouge (92).

## CRÉDIT AGRICOLE PAYMENT SERVICES

Payments are central to the customer relationship and a key means of building loyalty and acquiring new customers. Crédit Agricole Payment Services (CAPS) designs payment solutions for Crédit Agricole customers,

helps the Group's banks launch them on the market, and processes transactions. CAPS develops innovative service offerings that are both secure and easy to use and meet the highest market standards.

### 2020 highlights

- Management of new payment solutions tailored to the public health crisis situation (contactless up to €50, daily reporting, hotline for retailers on "CA Mon Commerce").
- Launch of Apple Pay.
- Acquisition of Linxo the French fintech leader for account aggregation services and payment initiation
- Remote POS offerings developed for retailers: Up2pay by link and Up2pay Mobile.
- Acquirer Authorisation Server (AAS) certified to Europe's Nexo standard.
- Acquisition of payment institution status enabling the Group to complete its payment services offer especially directed to marketplaces, as well as strengthening its distribution measures by building a service provider of central payments for the whole Crédit Agricole Group.
- Alongside the Group's banks, success in a number of tender bids for major accounts: Décathlon, Total, Thiriet.

## CRÉDIT AGRICOLE GROUP INFRASTRUCTURE PLATFORM

Crédit Agricole Group Infrastructure Platform comprises 80% of the Group's IT production, infrastructure and technology platforms.

Its goal is to meet the challenges of the digital transformation by developing new platforms adapted to digital practices while at the same time guaranteeing a high degree of security and confidentiality for entities.

The CA-GIP operating model is divided into:

- clusters, which handle the production of business applications, ensuring quality of service and day-to-day operational maintenance. They also help IT departments and entities implement business projects and assist with transformations;
- shared service hubs, which support CA-GIP's technological activities, both operationally (RUN) and in their construction (BUILD). They also pool technological platforms that are shared throughout the Group.

### 2020 highlights

- Increase in teleworkers throughout the Group from 4,000 to 30,000 in March to ensure all essential activities continue uninterrupted in the unprecedented context of the lockdown. Increase in infrastructure capacity to 80,000 simultaneous connections.
- Roll-out of the "Webex" videoconferencing solution to 15,000 LCL bank advisers deployment in progress within the Regional Banks.
- Participation of CA-GIP in the development of the responsible digital technology MOOC offered by France's Institute for Responsible Digital Technology (INR).

## UNI-MÉDIAS

Uni-médias, a press subsidiary of Crédit Agricole S.A., is one of the top eight magazine publishers in France (source: Plimsoll) and continues to be one of the most profitable in the industry, with revenues of €87 million.

Fully integrated with the Group's Customer Project, in 2020 Uni-médias accelerated its digital transformation to become the expert media group for key moments in customers' lives.

### 2020 highlights

- Sustained proactivity and editorial support to help its readers deal with the public health crisis.
- No. 1: *Santé Magazine*, *Parents*, *Maison créative*, *Détente Jardin*, *Régat*, *Détours en France* and *Secrets d'Histoire*.
- 🔗 A digital transformation that is getting results:
  - websites outperforming, with 303 million visits in 2020, up +35% from 2019;
  - marketing of titles via the Uni-médias store, with sales doubling in one year.
- Promotion of brand content through new expertise in videos, podcasts, social media and webinars.

See the detail of operating segment information on page 498 of the Universal Registration Document of Crédit Agricole S.A.

## NON-FINANCIAL PERFORMANCE

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## Methodology

The purpose of this chapter is to present the policies and actions undertaken by the Crédit Agricole S.A. entities and the way in which corporate social responsibility has been placed at the heart of the value creation model. It presents the expectations of the stakeholders included in the materiality analysis. The main Crédit Agricole S.A. non-financial risks in accordance with its business model (detailed in Chapter 1), its business relationships and the services that it provides are detailed in Part 2. The Group has identified these risks using methods developed by Crédit Agricole S.A.

**Risks related to climate issues are analysed and described in Part 3.3 “TCFD Chapter: climate risk management”.**

Crédit Agricole’s environmental, social and governance strategies are also presented. For each of these, the policies and actions that respond to the main risks identified, together with the corresponding performance indicators, are detailed. In addition, and pursuant to the law of 27 March 2017, Crédit Agricole S.A. has established and is implementing a vigilance plan to identify risks and prevent serious violations of human rights and fundamental freedoms, harm to personal health and safety, and damage to the environment that could potentially result from the Group’s activities. This vigilance plan is described in Chapter 3.

**The Statement of Non-Financial Performance (DPEF) allows Crédit Agricole S.A. to present specific social, societal and environmental information according to how consistent it is with the principle risks or the policies carried out. It helps provide better information to stakeholders about the management of social and environmental risks.**

The DPEF covers the scope of Crédit Agricole S.A. (holding company) and its subsidiaries<sup>(1)</sup>. Where useful, however, we have also chosen to mention information relating to the policies and action plans of the Regional Banks to inform our stakeholders about the highly integrated dimension of our operations and present the social, environmental and societal impacts of the Group as a whole.

The DPEF is structured according to a specific plan:

Business model	The business model is the systematic and synthetic representation of the origin of value added by a company as well as its partition between the various stakeholders in a clearly identified field of business and period. <i>The Business Model is available in Chapter 1 of this Universal Registration Document.</i>
Key Risks	In order to identify the key non-financial risks for our activities, our business model and the geographical areas where we operate, we used a methodology based on a three-step approach. <i>The methodology and key risks are presented on pages 45 to 50 of the Universal Registration Document.</i>
Policies and Action Plans	Building on its ambitious ESG strategy, the Group has put in place policies and action plans that reduce identified risks while helping to promote socially acceptable and sustained decarbonised growth. <i>The Policies and Action Plans are presented throughout pages 56 to 89 of the Universal Registration Document.</i>
Results and performance indicators	To illustrate the ambitious policies put in place, the DPEF presents the key indicators that are monitored rigorously by the Group. <i>The performance indicators are presented on pages 96 and 97 of the Universal Registration Document.</i>

(1) Data related to the direct environmental footprint correspond to Crédit Agricole S.A. entities with more than 100 FTEs, excluding Crédit Agricole Vita S.p.A., Sabadell Asset Management S.A., S.G.I.I.C., CA Indosuez Wealth Italy S.P.A., EFL Finance S.A., Europejski Fundusz Leasingowy (E.F.L.), Crédit Agricole CIB AO, and Crédit Agricole Securities Asia BV (Tokyo).



## INTRODUCTION

The fight against large-scale climate change, environmental degradation and loss of biodiversity has become an urgent one. We are faced with a totally new equation, which we are scrambling to solve. In the space of a few years, we must successfully **disconnect economic growth, the agent of progress and social integration, from the production of greenhouse gases, which bring climate chaos and social upheaval.**

In this worldwide race, in which everyone is more or less in agreement on the solutions to long-term challenges, short-term pressure is an obstacle. This pressure is nothing new. But the current pandemic has plunged us into an economic environment of unprecedented harshness. If a return to growth must be sought out as a prerequisite for a return to social peace, the scale of climate challenge and our common destiny must encourage us to start adopting coherent trajectories, with a goal of bringing global warming under control by the end of the century. To avoid the “tragedy of the horizons”, the disharmony between the short and the long term, **we need to fundamentally rethink the nature of growth and perceptions of progress: we must succeed in building a sustainable future under duress.** Climate transition requires first and foremost that we take into account our constraints and interdependencies and the limits of our planet's resources.

**Faced with this challenge, we are neither pessimistic nor optimistic, but bearers of our responsibility** to support the metamorphosis of our economic model while avoiding any brutal disruptions. To be successful, this metamorphosis must be accepted and supported by society. The issue of social justice and the climate issue are intimately linked. In the face of the measures increasingly required by the climate emergency, we must be very vigilant in maintaining the principles of justice and, more generally, the values that underpin our social cohesion. We want to **be the committed player in a just climate transition.**

This is the whole meaning of **our *Raison d'Être*<sup>(1)</sup>, which places usefulness to our customers on the same level as our usefulness to society.**

Our ambition is to integrate corporate social responsibility into our value creation model. We know that this ambition is a complex one to realise, and that supporting the transition of the economy also involves the gradual but necessary transformation of our own business lines. We must include the issue of climate and social cohesion at the heart of our value-creating activities.

It is **this ambition that is the foundation of our climate strategy, and scientific knowledge is its backbone.** The Crédit Agricole Group and, by extension, Crédit Agricole S.A., is committed to gradually aligning all of its financing and investment portfolios on a trajectory compatible with the target adopted by the Paris Agreement in 2015. This target is based on the rigour of the IPCC's scientific work, which recommends rapidly reducing our GHG emissions so that we can hope to limit global warming and its terrible consequences for life to less than 2°C by the end of the century.

**It is a challenge for any financial institution to succeed in following this decarbonisation trajectory based on day-to-day financing and investment decisions,** especially for a customer-focused universal bank with multiple business lines and an extensive local presence such as Crédit Agricole. This is why we have chosen to use the International Energy Agency's sustainable development scenario, which seems to us to be both the most ambitious and the most realistic to date, to determine the reallocation trajectory of our assets in the energy sector in particular. We have also created a scientific Committee comprised of independent academic climate experts. This committee assists us in the choice of our guidelines and major objectives and in the regular revision of our sector policies, based on the evolution of scientific knowledge.

**The Crédit Agricole Group and, by extension, Crédit Agricole S.A., wants to fully play its role in supporting the climate transition and influencing a more sustainable economy.** However, it is only through coherent action on a global scale that we can hope to respond collectively tomorrow to the climate and social challenges we face today.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.

## 1. NON-FINANCIAL RISKS

### 1.1 CONSULTATION OF STAKEHOLDERS

The needs of stakeholders are constantly changing. Crédit Agricole S.A. listens to them in various ways:

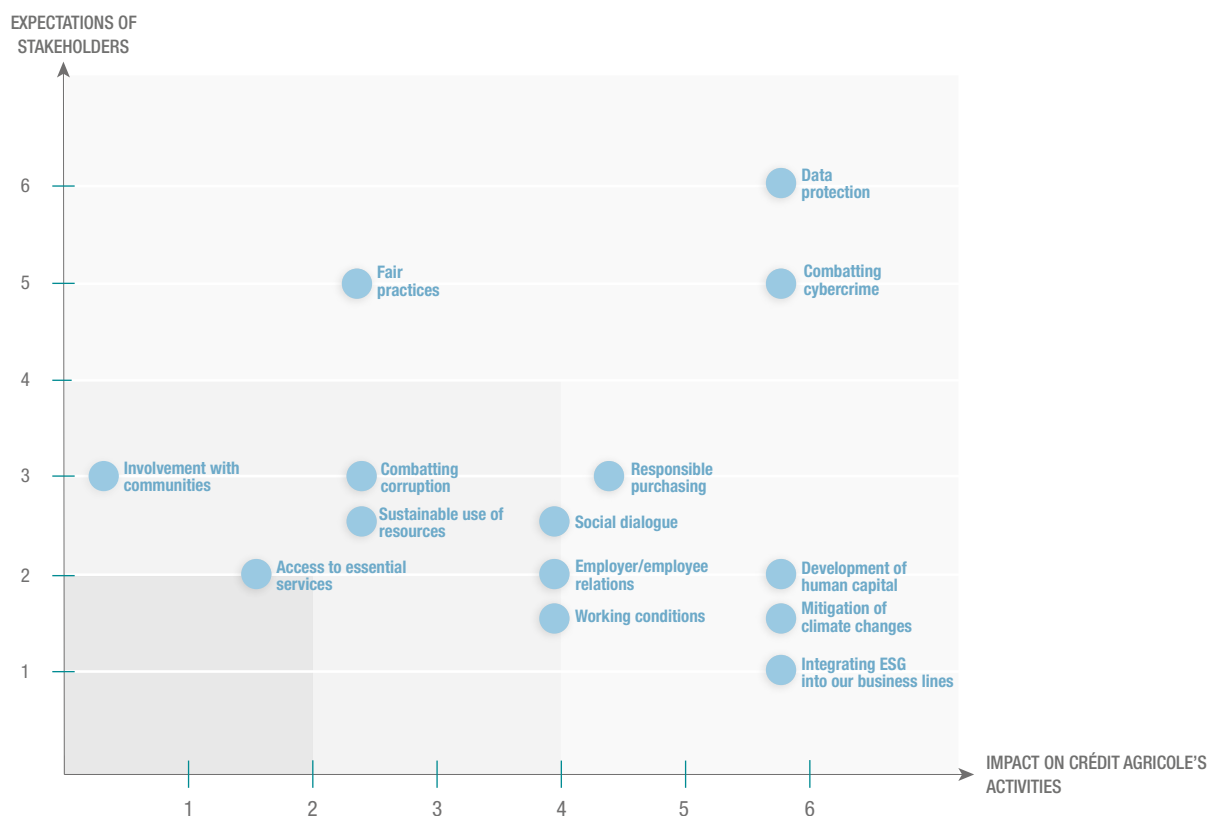
- regular meetings with civil society actors (professional unions, associations, NGOs);
- customer consultation (including through special questionnaires that allow us to monitor Net Promoter Score (NPS)) and economic players (through our participation in national or international working groups);
- regular consultation of employees through an annual questionnaire (Engagement and Recommendation Index - ERI);
- the thorough handling of controversies by Crédit Agricole S.A.;
- relations with shareholders/investors;
- dialogue with the ECB and supervisory authorities;
- relations with our commercial partners and suppliers as part of sustainable partnerships.

Assessment of stakeholder expectations identified through a national survey. Launched at the end of 2014, this consultation process is carried out every two years to identify changes in stakeholder expectations and the possible appearance of new challenges.

Even though Crédit Agricole's reputation and familiarity remain stable, **its positive image is growing strongly and it ranks first in the banking sector<sup>(1)</sup>**. Crédit Agricole's bonding social capital increased on almost all of the dimensions tested. Crédit Agricole is identified first and foremost as a retail bank, accessible to everyone and economically useful. To exit from the public health crisis and aid economic recovery, French people expect banks to take action: 92% consider their role to be important, and 57% even consider it essential. **The fight against climate change emerges in this context as a real challenge** that French people would like to see taken on by companies as part of economic recovery (90% of them consider it to be an important issue).

### 1.2 MATERIALITY MATRIX

The results of the stakeholder consultation and the analysis of the main non-financial risks enabled us to represent them in a materiality matrix structured along two axes: the intensity of stakeholder expectations and the impact of the risk determined by Crédit Agricole S.A.



(1) Source: CSA Research.

### 1.3 ANALYSIS OF NON-FINANCIAL RISKS

#### Methodology

In order to identify the Group's main non-financial risks with regard to its activities, business model, geographical locations and stakeholder expectations, Crédit Agricole's methodology is based on a structured step-by-step approach:

#### Step 1: Formalisation of non-financial areas defined by the *Raison d'Être*<sup>(1)</sup> of the Group

In 2019, the Crédit Agricole Group formalised its *Raison d'Être*<sup>(1)</sup>, and on that basis, the Group Project was developed around three pillars defining a unique relationship model:

- *excellence in customer relations: becoming the bank of preference for individuals, entrepreneurs and institutions;*
- *empowered teams for customers: supporting the digitisation of business lines by offering customers human, responsible and accessible skills;*
- *commitment to society: amplifying our mutualist commitment by nurturing our position as the European leader in socially responsible investment.*

#### Step 2: Complementary procedure to define a comprehensive scope for non-financial risks

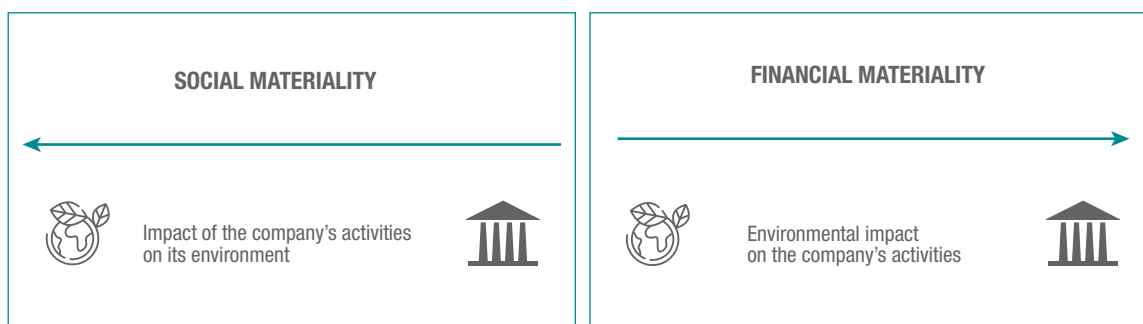
The issues defined in ISO 26000 and the subjects listed in section II, Article R. 225-105 were combined with the three pillars of our Group Project, which allowed us to identify some thirty non-financial risks.

#### Step 3: Identification of non-financial risks that may affect the Group's activities

This step enabled us to identify some fifteen significant short-, medium- or long-term risks for Crédit Agricole. The risks identified were assessed on the basis of two criteria: their potential severity and their probability of occurrence. A time dimension was also used for certain risk factors that are less important today but could become more significant in the future. The assessment was made using "gross criteria" that did not include the Group's risk mitigation mechanisms.

#### Step 4: Integration of stakeholder expectations into the analysis

The results of the stakeholder consultation conducted in 2020 enabled us to add stakeholder expectations to the analysis described in the previous three steps. **Following this analysis, each of the non-financial themes was assessed on an intensity scale with six levels and represented in the materiality matrix here above.**












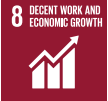


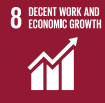


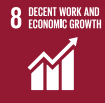



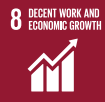


The non-financial themes identified at the end of Step 4 were analysed using the **principle of double materiality**. **Social materiality** presents the impact of Crédit Agricole S.A. activities on its ecosystem. **Financial materiality** formalises the impact of the ecosystem on Crédit Agricole S.A. business lines. This work was carried out as part of a participatory process

involving the Group's CSR, Risk, Compliance and HR departments<sup>(2)</sup>. It is also used to assess the material risks directly related to our activities, as part of updating our vigilance plan (see Chapter 3 "Corporate governance", part 1.4 "Vigilance Plan").

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.






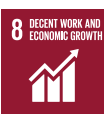

(2) As the risk of tax evasion is a requirement in the regulation pertaining to the Statement of Non-Financial Performance, we have published a "2.4.4 Taxation and responsible lobbying policy" and a related performance indicator.

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Integrating ESG risks and opportunities into our business lines	<p><b>SOCIAL MATERIALITY</b> Financing and investment activities generate environmental and social externalities that have to be identified and estimated. The financial sector also has an ability to exert influence through the integration of ESG criteria in financing and investment decisions, which gradually orients the economy towards a more sustainable development model.</p> <p><b>FINANCIAL MATERIALITY</b> Climate change and the occurrence of natural events may affect the financial statements. The integration of ESG criteria helps to provide a better understanding of the exposure of assets to non-financial risks. Responsible investment is an opportunity for positive value creation because it responds to a growing demand from investors and customers, especially individual customers, who want to direct their savings to support sustainable economic activities. In addition, supporting corporate customers in the development of sustainable business models helps to prevent the deterioration of counterparty risks.</p>	Major risk with short-, medium- and long-term impact	2.5. Integration of ESG criteria in investment and asset management policies	  
Mitigation of climate changes and adaptation	<p><b>SOCIAL MATERIALITY</b> The activities of Crédit Agricole S.A. may have an impact on the climate, either directly (direct carbon footprint) or indirectly (indirect carbon footprint related to the financing and investment portfolios). Failure to take these negative externalities into account may generate an image risk for Crédit Agricole S.A. in the short, medium and long term.</p> <p><b>FINANCIAL MATERIALITY</b> Climate change is likely to affect Crédit Agricole S.A.'s financial statements in the long term. Climate risks are mapped as major risks. Understood as risk factors that influence existing risks (counterparty, market, operational, etc.), they cover physical and transition risks. These risks are considered material in the short term for acute physical risks, in the long term for chronic physical risks, and in the potentially short/medium or long term for transition risk.</p>	Major risk with short-, medium- and long-term impact	2.3.1 The Group's climate strategy 3.2 The integration of ESG issues into the analysis of SME and MID-CAP counterparty risk	  
Access to essential services	<p><b>SOCIAL MATERIALITY</b> Access to financial services and products (current accounts, payment instruments, credit, insurance) is one of the essential levers in the fight against exclusion. Opening a savings account, for example, is part of setting up personal or professional projects and makes one more aware of life's ups and downs. Because it compensates for the consequences of damage or loss, insurance contributes to a more resilient society.</p> <p><b>FINANCIAL MATERIALITY</b> In addition to the impact on Crédit Agricole S.A.'s reputation and loss of attractiveness, the exclusion of the most modest customer groups would result in a significant loss of customers and, by excluding people from economic and social life, heighten the fragility of the regions in which the Group operates.</p>	Major risk with short-, medium- and long-term impact	2.4.1. A universal approach to our businesses: being there for everyone	  
Employment and employer/employee relations	<p><b>SOCIAL MATERIALITY</b> Crédit Agricole S.A. strives to maintain a working relationship with all of its employees based on trust, respect, involvement and recognition. Without these elements, our impact on the labour market in France would be negative as a leading recruiter in the private corporate market, particularly among young people.</p> <p><b>FINANCIAL MATERIALITY</b> Against a backdrop of profound change, losing employee engagement is a risk that can impact the Group's results. This engagement is essential to the success of Crédit Agricole S.A.'s organisational and managerial transformation.</p>	Major risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility  An organisational transformation to be closer to customers	  

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Working conditions and social protection	<p><b>SOCIAL MATERIALITY</b></p> <p>Safeguarding the health and safety of its employees is one of Crédit Agricole S.A.'s priorities. In addition to health and safety, Crédit Agricole S.A. attaches great importance to the quality of working life and working conditions, which are major drivers of team performance and commitment. There are several kinds of risks associated with this: a decline in team commitment and individual and collective performance; economic risks related to loss of productivity and the imbalance of existing insurance schemes; and legal risks related to Crédit Agricole S.A.'s obligation to provide security for its employees.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>The role of private companies in social protection is increasingly important. Because of the number of our employees, our insurance system has to be an effective complement to public schemes.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility Strengthening the framework of trust between employees and the company	  
	<p><b>SOCIAL MATERIALITY</b></p> <p>The quality of social dialogue depends on the smooth functioning of relations (negotiation, consultation or simple exchange of information) between Crédit Agricole S.A. and all employee representatives. Failure to comply with the rules in this area presents legal and reputational risks for Crédit Agricole S.A. and impacts the labour climate and Crédit Agricole S.A.'s ability to generate employee support and cohesion around its strategic projects. Strengthening the social compact is one of the ambitions of the Group's Human Project, which illustrates the importance the Group attaches to developing and maintaining a rich social dialogue.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>Quality social dialogue can prevent and mitigate the impact of conflicts that originate outside Crédit Agricole S.A.'s entities.</p>			 
Development of human capital	<p><b>SOCIAL MATERIALITY</b></p> <p>Crédit Agricole S.A.'s human capital is one of the key sources for its business model and its value creation. Inadequate career and skills management (integration, mobility and career paths, skills management, etc.) and the loss of key talent and resources could impact Crédit Agricole S.A.'s business continuity, its performance, and its ability to attract and retain employees. This dysfunction in HR management would be detrimental to the labour market in France.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>Changing work patterns and digital transformation are reconfiguring the talent market with increased competition, which can lead to risks for our company if we do not have an appropriate human capital development policy.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility Encouraging responsibility	 
Promotion of corporate social responsibility in the value chain (responsible purchasing)	<p><b>SOCIAL MATERIALITY</b></p> <p>An increase in trade and production leads to strong pressures on the environment and resources. It also creates risks for people in terms of working conditions and safety, especially in areas where local regulations do not guarantee respect for human rights.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>The supply and subcontracting chains are becoming increasingly long and complex, which inevitably brings with it a multiplication of risks for Crédit Agricole S.A. The identification and control of risks in our value chain with respect to human rights, health, safety, security, fundamental freedoms and environmental protection are essential in order to create value for our company and ensure the sustainability of our supplies.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.5. Responsible purchasing	  



Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Combating corruption	<p><b>SOCIAL MATERIALITY</b></p> <p>Exposure to the risk of corruption is all the more important as there is a multiplicity of trades and countries. It must therefore be given particular attention to control its effects on fair trade practices (violation of competition rules) or fraud. Commitments in the fight against corruption strengthen the confidence of customers, employees and institutions.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>A presence in some countries where the risks of corruption are high encourages increased rules of vigilance. The application of the so-called Sapin II Law therefore requires the strengthening of mechanisms and tools for the prevention and detection of corruption. Reputational and financial risk is considerable. Obtaining ISO 37001 certification is a sign of confidence for stakeholders.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	
Fair practices in marketing, information and contracts	<p><b>SOCIAL MATERIALITY</b></p> <p>Customers have high expectations of the bank and insurer as a trusted partner in climate transition financing and elsewhere. Compliance with the duty to advise is of paramount importance in banking and insurance activities, including the consideration of ESG preferences. This advice must be fair, lest a risk of loss of confidence on the part of customers be created that impacts approvals for the distribution of financial instruments, which may result in penalties by regulators.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>The training of employees is essential with respect to marketing practices and advisory duties. The same is true for the need to adapt tools. Regulations are strict and image and financial damage can be high.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	
Protection of consumer data and privacy	<p><b>SOCIAL MATERIALITY</b></p> <p>The alteration of customers' personal data (destruction, loss, theft, misuse, etc.) is likely to infringe on their rights and privacy. They therefore have a right to control the use of their personal data with respect to such areas as information on collection and its purposes; right of access, rectification and right to erasure.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>The image and financial damage resulting from a loss of integrity of personal data held by an institution can be considerable. Provisions such as the GDPR and IT security rules are indispensable.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	
Exposure to cybercrime	<p><b>SOCIAL MATERIALITY</b></p> <p>The protection of their data and banking transactions is a major concern for our customers who, as users of digital tools, are exposed to various forms of cyber malevolence (phishing, fake sites, fake investments, fake loans, etc.) used for the purposes of fraud, swindling or identity theft, which may cause them financial and moral damage.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>Any intrusion or attack against Crédit Agricole S.A.'s information systems and communication networks and/or any resulting disclosure of confidential information of customers, counterparties or employees could cause significant losses and could have an adverse effect on Crédit Agricole S.A.'s reputation, operating results and financial position.</p>	Highly significant risk with short-, medium- and long-term impact	2.4.6. Combatting cybercrime	

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Sustainable use of resources	<p><b>SOCIAL MATERIALITY</b></p> <p>Our planet faces many challenges related to human activities (overexploitation of natural resources, rising costs of access to drinking water, air, water and land pollution, soil sealing, loss of biodiversity, etc.), directly impacting not only the economic activities of companies but also our food and health security. Through the ecosystem services rendered to our society (food, wood, pollination, soil formation, water and air quality, photosynthesis, etc.), the protection and restoration of natural resources is essential to maintain sustainable economic activities, prevent the emergence and spread of diseases and fight against global warming.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>As an investor, financier and insurer in all sectors of the economy and agriculture, maintaining biodiversity and natural resources is essential to Crédit Agricole S.A.'s activities. Their deterioration would impact the financial results of companies and farmers and foresters, which are Crédit Agricole S.A.'s customers. The integration of the concept of resource sustainability in sector policies and ESG criteria, as well as raising awareness of these subjects among our customers, are essential acts.</p>	Significant risk with medium- and long-term impact	2.3.7. Measures and targets related to our direct environmental footprint	   
	<p><b>SOCIAL MATERIALITY</b></p> <p>A balanced economic development model based on a region's assets is a source of social cohesion, prevents fragility and promotes sustainable development.</p> <p><b>FINANCIAL MATERIALITY</b></p> <p>Involvement by Crédit Agricole S.A. with communities is a strong expectation of its stakeholders, whose absence would have a negative impact on its attractiveness and reputation and would generate a rejection of its economic activities by local stakeholders.</p>			  

Crédit Agricole S.A.'s support for SDGs (Sustainable Development Goals) is in line with these priority issues. Launched by the United Nations in 2015, it consists of 17 goals, broken down into 169 targets, to create a fairer and more prosperous world by 2030. To strengthen its actions, the Group has mapped these links between the SDGs, the main non-financial risks identified and the policies implemented. The Group contributes directly to the SDGs through concrete actions that appear in each of the parts of this document and are presented in the table above.

The risk linked to tax evasion being a regulatory obligation Non Financial Performance Report, we publish a policy 2.4.4 "Taxation and responsible lobbying policy" and an associated performance indicator.

## 2. ESG STRATEGY: BEING A COMMITTED PLAYER IN A SOCIALLY ACCEPTABLE CLIMATE TRANSITION

### 2.1 AN ESG STRATEGY DRIVEN BY THE GROUP PROJECT

To combat climate change, the social, environmental and governance components of an economic model must evolve. In this context of transition, Crédit Agricole's ESG strategy is to support climate transition while promoting social cohesion, which is a factor in the resilience of our society. The Group is implementing this strategy by:

- **giving support** to all of its individual customers and corporates in France and abroad;
- **contributing its expertise and proactive approach** to the various ecosystems in which it participates, its involvement in the definition of European standards and its cooperation and transparency in the dialogue with its stakeholders;
- **influencing and promoting** the transformation process by integrating ESG criteria into all of its business lines and developing innovative tools.

This strategy revolves around three axes:

#### 1. Governance committed to building a solid and sustainable business model

Conducted at the highest level by the Group's senior executives, the deployment of the ESG strategy is driven by a dedicated governance structure that guarantees long-term commitments.

#### 2. Consideration of scientific analyses

In 2020, the Crédit Agricole Group established a Scientific Committee made up of independent experts to support and guide decision-making and the implementation of its climate strategy. The work of that Committee contributes to the corporate governance of Crédit Agricole S.A.

#### 3. An inclusive approach that promotes social cohesion

Faithful to its mutualist values of solidarity and in line with its *Raison d'Être*<sup>(1)</sup>, Crédit Agricole adopts a universal approach and caters to all customers, from the most modest to the most affluent.

### 2.2 GOVERNANCE

#### 2.2.1 Governance that is representative of the Group's identity and guarantees long-term commitments

The governance of Crédit Agricole S.A., which is the central body of the Crédit Agricole Group, a listed company that is a member of the CAC 40 index and the holding company for the business line subsidiaries, makes it possible to reconcile the interests of the customers, the consideration of social and environmental issues, and respect for the mutualist values that form the basis of Crédit Agricole's identity.

It is based on a clear separation between executive and non-executive control and supervisory responsibilities. The Chairman of the Board of Directors is Chairman of the Regional Bank and also Chairman of FNCA<sup>(2)</sup>. In addition, the majority representation of the Regional Banks on the Board of Directors reflects the Group's cooperative basis and ensures a sustainable and fair development model for the Crédit Agricole Group entities for the benefit of all stakeholders: customers, member customers, shareholders, investors, suppliers and employees. The Chairmen of a Regional Banks who are Directors of Crédit Agricole S.A. – although they are not considered independent Directors – contribute to Crédit Agricole S.A.'s Board of Directors the visions of entrepreneurs with strong ties to their regions in sectors other than banking.

The Board also benefits from the technical expertise and managerial skills provided by the six independent Directors who hold or have held senior positions in major international groups. Added to this is operational knowledge of the business lines and corporate bodies of the

three employee Directors. Moreover, the Board has incorporated ESG/sustainable development expertise into the range of skills required for its proper functioning.

The Board has balanced representation of women (47% of members) and men. With the exception of the Strategy and CSR Committee, which is chaired by the Chairman of the Board, the five other Specialised Committees of the Board are chaired by independent Directors. Detailed information on corporate governance and the composition of the Board can be found in Chapter 3 "Corporate Governance". The Board has integrated ESG/sustainable development expertise into its grid of skills permanently necessary for its proper functioning.

#### 2.2.2 Governance of non-financial performance

At the Company's highest levels, **the Board of Directors** ensures that the Group's strategy and business take its environmental and social concerns and risks into account. The Board ensures the consistency of the Company's commitments and project as part of the monitoring of the implementation of the Societal Project, which is a major component of the Group Project set forth in the "Ambitions 2022" Medium-Term Plan. It takes environmental and social concerns and risks into account in its strategic decisions. To that end, it relies on the strategic analyses and risk management policies presented to it and on the review of the risk strategies submitted for adoption. Finally, it reports on the Company's ESG strategy and non-financial performance to the General Meeting and ensures the transparency and fairness of that communication.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.

(2) Fédération Nationale du Crédit Agricole - Federative organisation of Crédit Agricole Group.

In order to facilitate the inclusion of social and environmental concerns and risks in its decisions, the Board has chosen to entrust the review of its ESG strategy to a dedicated committee, the Strategy and CSR Committee, while maintaining a cross-functional approach that involves, depending on the topic, most of its **Specialised Committees**, in particular the Appointments and Governance Committee, the Risk Committee and the Compensation Committee.

- The **Strategy and CSR Committee**, chaired by the Chairman of the Board of Directors, reviews the Group's ESG strategy and analyses the results of all policies implemented and actions taken with regard to the Group's non-financial performance. It monitors the preparation of non-financial reporting as well as changes in non-financial ratings.
- The **Risk Committee** reviews the overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group, which includes social and environmental risks. It analyses the Risk Strategies of the entities and business lines, in particular the Climate Strategy, before proposing their adoption to the Board.
- The **Compensation Committee** assesses the general principles of the compensation policy applicable to all Crédit Agricole S.A. entities and monitors the implementation of that policy to ensure compliance with regulatory provisions, including the principle of fairness. It ensures that the Group's ESG performance criteria are taken into account in the compensation policy.

The Group's non-financial performance is supervised by the **Executive Committee** and the **Management Committee**, which monitor the definition of the ESG strategy and its operational implementation as part of the oversight of the Group Project and more specifically the Societal Project, which is presented quarterly.

The implementation and deployment of the ESG strategy in the business lines is coordinated within **cross-functional committees**, which are under the authority of senior executives at the highest levels of the Group.

- The **Group Societal Project Committee**, which is chaired by a Regional Bank Chairman, is made up of 12 members, half are Chief Executive Officers of Crédit Agricole S.A. and the other half of whom are Regional Bank senior managers. It monitors the implementation of the Group's

employment-related commitments and the consistency of its ESG strategy. It meets quarterly and monitors the implementation of the Group's climate strategy, relying on the work performed by two specialised committees: the Scientific Committee and the Climate Strategy Monitoring Committee.

- The **Group Risk Committee**, chaired by Crédit Agricole S.A.'s Chief Executive Officer, approves the risk strategies presented by the entities and business lines. These strategies require the prior approval of the Risk department and, in the case of strategies that apply to business sectors in which the social and environmental impacts are potentially high, the approval of the CSR department. It approves the Climate Risk Strategy prepared jointly and reviewed each year by the Risk department and the CSR department (see Part 3 "ESG risk management").
- The **CSR Committee**, which is chaired by the Crédit Agricole S.A. Corporate Secretary and made up of representatives of the Executive Management of the subsidiaries and business lines, proposes the Group's ESG strategy, coordinates its deployment and monitors its progress within Group entities. It is based on the work carried out by the CSR department, which is made up of ten employees who report to the Head of CSR, who is a member of the Group Management Committee. This Committee, with the support of the managers and a network of 150 CSR contributors (20 CSR officers and reference persons), is responsible for disseminating the Group's ESG strategy to all employees, who all contribute to its implementation.

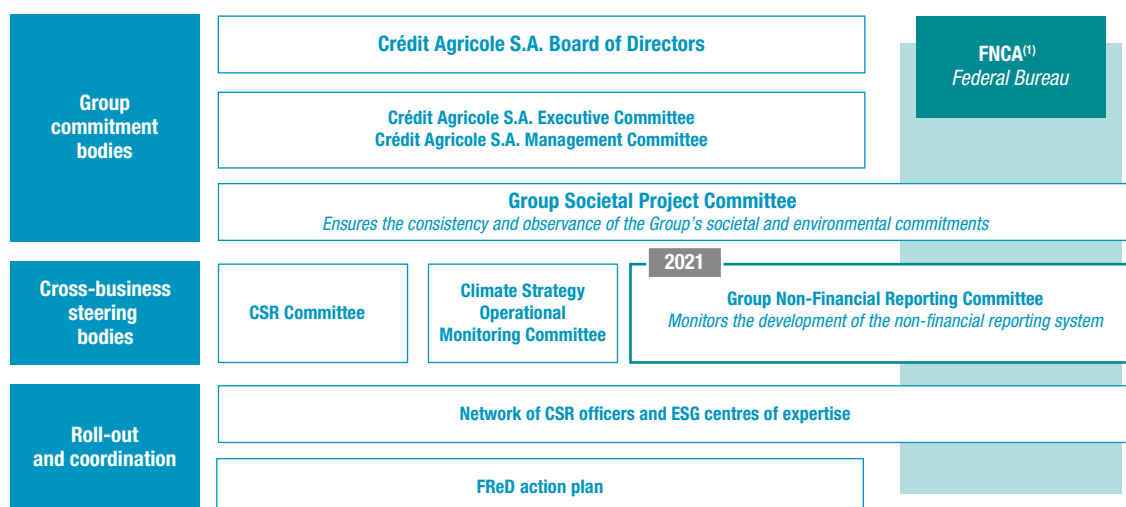
The human resources devoted to the development of CSR in the Crédit Agricole S.A. have increased considerably. Accordingly, to actively contribute to the transformation of a less carbon-intensive economy, the Group is strengthening the expertise within its teams: Crédit Agricole CIB, for example, has set up an internal network of 80 experts in Sustainable Banking who represent all of the bank's business lines to expand the knowledge of ESG culture and increase creation of innovative product solutions.

To support the 150 CSR experts across the various Group entities, Crédit Agricole S.A.'s CSR department, which ensures the consistent implementation of the Crédit Agricole S.A. ESG strategy and is in charge of the implementation of the societal pillar of the 2022 MTP, has increased its staff from four to nine experts.

### Main ESG strategy and risk bodies



## Governance and oversight of non-financial performance



(1) Fédération Nationale du Crédit Agricole - Federative organisation of Crédit Agricole Group.

## Climate strategy governance

## The governance of ESG strategy, with a special focus on climate strategy

The Group has established a dedicated governance structure with the specific mission of overseeing the implementation of its climate strategy. The work of the two Committees created within this framework informs the discussions of the **Group Societal Project Committee**, which is its umbrella committee.

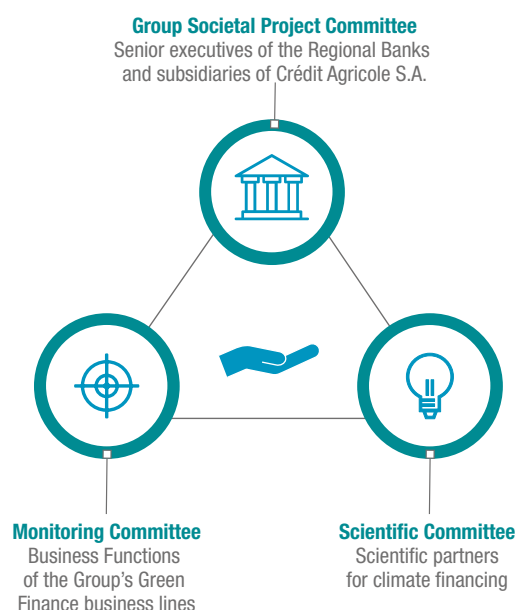
- **The Group Societal Project Committee** is comprised of 12 Chief Executive Officers and Chairmen from the Regional Banks (six) and Crédit Agricole S.A. Group entities (six). It coordinates the societal pillar of the Group Project and oversees its implementation.
- **The Climate Strategy Operational Monitoring Committee** brings together the entities' expertise related to the various business areas. Held *at least* every two months, it ensures the consistent operational implementation of the Crédit Agricole S.A. entities' climate commitments.
  - *In 2020, the Committee considered the operational consequences of the decisions arising from the climate commitments made in June 2019. Most of the sessions were devoted to the implementation of the coal policy in the relevant entities and to the verification of the construction stages of the climate transition rating.*
- **The Scientific Committee is a multidisciplinary body composed of 11 external members** who are recognised experts in climate and environmental issues (academic partners or individuals) and meet on a quarterly basis.

Philippe Drobinski	Professor at the <i>École Polytechnique</i> Director of the Dynamic Meteorology Laboratory of the Pierre Simon Laplace Institute (PSLI)
Jean-Charles Hourcade	Researcher at the International Center for Research on Environment and Development (ICRED)
Philippe Ithurbide	Senior Economic Advisor Amundi
Pierre Jacquet	Professor at the <i>École des Ponts</i> ParisTech President of the Global Development Network
Sylvie Lemmet	Senior Advisor to the Court of Auditors
Hervé Le Treut	Member of the Academy of Sciences Professor at the <i>École Polytechnique</i> and at the University of Paris Sorbonne
Emmanuelle Porcher	Deputy Director and Professor, National Museum of Natural History/Center of Ecology and Conservation Sciences
Valérie Quiniou-Ramus	Foresight and Research Executive Director of ADEME (French Environment and Energy Management Agency)
Stéphane Siebert	Director of technological research at the French Atomic Energy and Alternative Energies Commission (CEA)
André Sobczak	Academic and Research Director Holder of the CSR Chair of Audencia Business School, Nantes
Stéphane Voisin	Head of the interdisciplinary program on green and sustainable finance at LBI (Louis Bachelier Institute)

Its mission is to shed light, through the specific expertise of each of its members, on issues related to the implementation of the climate strategy and to draft recommendations on its objectives for the Group Societal Project Committee.

- *In 2020, the main tools deployed following the June 2019 climate commitments (the coal policy and the climate transition rating) were presented to the Scientific Committee. The experts approved the rigour and relevance of the objectives adopted for the implementation of those tools. The Scientific Committee was also asked to review in the context of the COVID pandemic the doctrinal document drafted by the Group Societal Project Committee and to analyse the consequences of the crisis for the Group and its climate strategy.*





In addition to the oversight provided through dedicated governance, the Group's climate strategy is monitored by the **CSR Committee** and the Group's Board of Directors through its **Strategy and CSR Committee**.

Presentations on the Group's climate strategy are also given to the Executive Committee and the Management Committee on at least a quarterly basis. The definition of the strategy as well as its operational implementation are discussed during these presentations.

Finally, the governance of climate risks, which could have a negative impact on the Group's activities, is treated in a chapter dedicated to ESG risk management (see Part 3 "ESG risk management").

### Contribution of ESG performance to the compensation of executive corporate officers

Aligned with the Company's social interest, the reward policy for executive corporate officers takes into account the dimensions of sustainable performance beyond short-term economic results alone. It integrates non-financial criteria including criteria related to ESG performance, in particular the criteria for the implementation of the Societal Project. Moreover, a portion representing 60% of the variable compensation awarded for one

year is deferred over three years to strengthen the alignment with the Group's long-term performance. The acquisition of this deferred portion is subject to the achievement of three complementary performance targets, which include a target linked to Crédit Agricole S.A.'s societal performance. This is measured by a target index to be achieved, which is calculated as part of the internal ESG performance reporting system (FReD). Detailed information on rewards for corporate officers is available in Chapter 3 "Corporate governance", part 4 "Rewards policy".

### Annual variable compensation criteria for 2020

			CEO	Deputy CEO
FINANCIAL CRITERIA 60%	Financial performance	Underlying net income Group share	20%	20%
		RoTE	20%	20%
		Cost/income ratio, excl. SRF	20%	20%
	NON-FINANCIAL CRITERIA 40%	3 pillars of the Medium-Term Plan	Customer Project, excellence in customer relations	9%
Human Project, empowered teams for customers			9%	7%
Societal Project, our commitment to society			9%	7%
Technological transformation		3%	9%	
Risk and compliance management		5%	10%	
Employee engagement with the Group		5%	0%	

## 2.2.3 Monitoring non-financial performance with the new ESG platform

In 2020, the Group established a **new ESG performance monitoring system** to ensure that the commitments made in the context of the Societal Project are solid in two respects:

- by establishing quantified, transparent and auditable communication of non-financial performance;
- by providing a decision-making support tool for entities to monitor strategy, trajectories and non-financial performance.

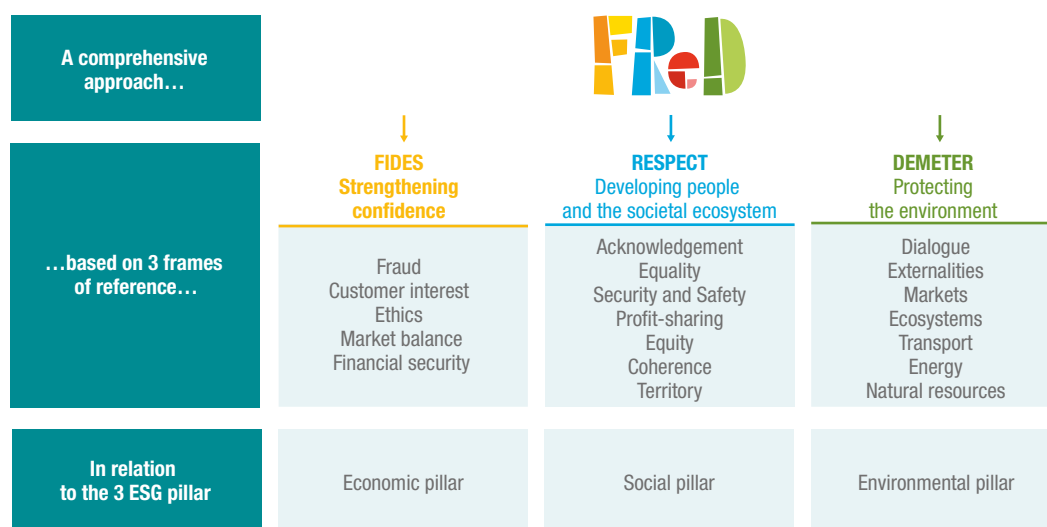
This system is based on the creation of an ESG Performance Monitoring platform that centralises the collection, intake and processing of data from internal and external sources. This innovative tool offers a comprehensive vision of the Group's non-financial performance, calculating and reporting key indicators to meet the needs of various types of users. It also hosts and calculates a climate transition rating, which is a dialogue and support tool for customers in the energy transition process, and provides it to users who need it, especially as part of business relationships (see Part 2.3.3 "Supporting economic sectors on the way to climate transition").

This platform is a valuable asset for the Group, as it enables us to meet regulatory requirements, measure our societal impact and identify growth opportunities, strengthen non-financial knowledge of our customers, improve the efficiency and agility of our reporting processes and give meaning to the daily actions of our employees. Like the financial information production platforms, this non-financial information production platform is designed to be enhanced with new functionalities as strategic and operational necessities or regulatory requirements arise.

## 2.2.4 ESG performance tool for employee contribution

Implemented in 2012, FReD is the Crédit Agricole S.A. internal system for disseminating ESG culture and its measurement. Since 2019, with the definition of the Group's *Raison d'Être*<sup>(1)</sup> and the integration of societal and environmental challenges in the Group's "Ambitions 2022" MTP, FReD has been positioned as a tool for the appropriation and operational application

of the Group's ESG issues. For those entities that choose to participate, the approach allows each one to define a set of projects consistent with the Group Project that are then assigned to one of three types of respect: for the customer, for the employee and for the planet.



Starting in 2020, the number of actions to be carried out has been reduced from twelve to six per entity (two for each type of respect) to improve the clarity of the tool by focusing it around strategic actions that are more easily identifiable by the stakeholders:

- three of these six actions (one for each type of respect) are "Group" actions: they are defined by Crédit Agricole S.A. with the contribution of the entities and validated by the tool's Steering Committee. They are then assigned to categories by each entity;
- the other three of these six actions (one for each type of respect) are actions unique to each entity.

The progress of each project is measured by an index: projects start with a rating of 1 and achieve a rating of 4 when completed. Every year, the FReD index measures the progress made, project by project, by calculating the change in rating between years Y and Y-1 for each entity. The indices achieved are then consolidated to arrive at the Group index. In order to

ensure constant and sustained progress each year, the system provides for a target index to be achieved through the implementation of an action plan balanced between short-term (one year), medium-term (two years) and long-term (three years) actions. Each year, an audit is carried out by an independent firm to ensure the robustness of the action plans and the reliability of the assessment. The results are then presented to the Compensation Committee of the Board of Directors and determine the payment of one-third of the deferred variable compensation of Crédit Agricole S.A.'s executive managers.

FReD is also used by several entities to calculate incentives and therefore affects the variable compensation of more than 23,000 employees. In 2020, 16 entities participated in this system and, for the seventh consecutive year, Crédit Agricole S.A. is publishing its FReD index, which was 1.26 in 2020 i.e. 97% of the 1.3 target.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.



## Actions taken in 2020

### The actions taken in the FReD mechanism feed into the Group's ESG strategy

<b>E in ESG</b> Environment – Direct and indirect footprint	<b>S in ESG</b> Societal – Direct footprint	<b>S in ESG</b> Societal – Indirect footprint
<p>Group actions to raise customer awareness of environmental issues</p> <p>Launch of green offers (LCL, CACF, CALF, Crédit du Maroc, Amundi)</p> <p>Development of a transition rating for corporate customers (Crédit Agricole S.A.)</p> <p>Introduction of an ESG questionnaire for corporates (LCL and Crédit du Maroc)</p> <p>Development of a calculation methodology to measure carbon exposure (CACIB)</p> <p>Promotion of the circular economy (AVEM, CA Italia) and reuse of building materials (CA Immobilier)</p>	<p>Group actions in support of youth integration</p> <p>Including work-study hires (AVEM, CA Italia, CAPS)</p> <p>Promotion of teleworking (Crédit Agricole S.A., LCL)</p> <p>Gender equality action plan (LCL et CAL&amp;F, CACF)</p> <p>Disabilities policy (Crédit du Maroc, CA Bank Polska, CAA, CACF)</p> <p>Strengthening and digitisation of HR information (Amundi, CA Immobilier)</p>	<p>Group actions in support of reducing “customer irritants”</p> <p>Improvement of postal communication and customer documentation (Amundi, CACIB, Crédit du Maroc)</p> <p>Introduction of an excellence in customer relations programme (AVEM, Indosuez)</p> <p>Customer commitment charter on data processing (CAL&amp;F)</p> <p>Integration of a CSR framework in the offer creation process (CAA)</p>

## 2.3 ENVIRONMENTAL STRATEGY

### 2.3.1 The Group's climate strategy

#### Policy

In 2019, the **Crédit Agricole Group** adopted a **climate strategy** that is fully integrated into the Group's “Ambitions 2022” strategic plan. This strategy aims to make green finance one of its growth levers and gradually align its financing and investment portfolios with the Paris Agreement through the gradual transformation of its business lines.

Its main purpose is to understand the impacts of the Group's activities on the climate (“environmental materiality” component as defined by the Non-Financial Reporting Directive (NFRD)) to reduce negative impacts and increase positive impacts, and to identify opportunities related to climate risks as defined by the TCFD (Task-Force on Climate-related Disclosure).

The analysis of the potential financial impacts of climate risks on the Group's activities (“financial materiality” component as defined by the NFRD) is dealt with in Chapter 3 “ESG risk management”.

It is structured around several major themes:

#### 1. Innovative governance and transparent implementation

To ensure that it meets its commitments, the Group has set up adequate monitoring tools, such as its ESG platform, and a **governance structure dedicated** to the implementation of its climate strategy. This governance structure is described in detail in Chapter 2.2.

At the same time, the Group has also adopted a **transparency policy** that involves the annual publication of its coal and thermal coal exposure, and the annual audit and certification of the implementation of its climate strategy.

## 2. The gradual reallocation of the Group's loan and investment portfolios and assets based on a scenario in line with the Paris Agreement

Crédit Agricole S.A. has committed to gradually reallocate the Group's portfolios and put them on a track aligned with Paris' Agreement goal. To keep up with this track, this reallocation will follow the evolution of the global energy mix as projected in the external scenarios selected by the Group with the advice of the Scientific Committee (namely the IEA Sustainable Development Scenario and the Climate Analytics report on coal phase-out (see part 2.3.6 "Measures and targets related to our indirect carbon footprint"). To achieve this goal, the Group commits to reduce its loans and investments related to fossil energy (coal mining and power stations, unconventional oil and gas, including shale oil and gas) by favoring the most virtuous players in these sectors, as stipulated in our sector policies and will be expressed in the form of:

### The strengthening of the Group's commitments to climate transition financing

- Objective: finance one in three renewable energy projects in France by 2022, in order to consolidate the Group's leading position on the French market and become a major player in the sector in Europe.
- Double the size of the *green loan portfolio* to €13 billion by 2022.

### The promotion of sustainable investment policies

- Application of ESG criteria to 100% of the open funds actively managed by Amundi<sup>(1)</sup> and to all voting decisions in 2021. Universal application of ESG criteria for new investments by Crédit Agricole Assurances.
- Increase in the amounts invested, via Amundi, in initiatives relating to the environment or with a strong social impact: doubling the amounts to €22 billion.
- Investment of €6 billion of the Group's liquidity portfolio in socially responsible investment (SRI) products.

### Planning for a total divestment of thermal coal in accordance with a timetable aligned with the Paris Agreement

- The coal exposure of the Group's financing and investment portfolios under management will be part of an exit scenario from the coal industry: by 2030 for EU and OECD countries, by 2040 for the rest of the world.
- We ask corporate customers to provide us with a plan by 2021 detailing the phasing out of their coal-sector mining and production assets, in accordance with the 2030/2040 timetable (depending on where these assets are located).
- The Group undertakes to stop working with companies anywhere in the value chain currently developing or planning to develop new ways to use thermal coal (mining, production, utilities, and transport infrastructure).
- The Group undertakes to no longer work with companies whose thermal coal activity (extraction and production of energy from coal) represents more than 25% of their turnover and whose transition path is considered incompatible with the Paris Agreement.
- The companies affected are placed in a portfolio of companies "under transition vigilance", resulting in a reduction of or even freeze on our financial support.

## 3. Integration of climate transition challenges into customer relationships

In light of the climate emergency, business preparedness to mitigate the effects of climate change is essential. As a major player in the economy, the Group believes that it is its role to provide support to companies on this path. To fulfil this role, the Group is putting in place:

■ **a climate transition rating:** a tool for both dialogue and customer support, it is meant to measure how committed businesses are and their ability to adapt their business models to the challenges of the climate transition and the fight against climate change;

■ **support for innovative environmental start-ups and SMEs**, such as the proprietary €160 million investment fund dedicated to energy, agricultural and agri-food transitions;

■ **a range of green financing solutions** for corporate and retail customers.

The deployment, in 2020, of the Crédit Agricole Group's climate strategy is materialized through the following actions:

- 1. Innovative governance and transparent implementation:** the Crédit Agricole Group has set up a governance structure dedicated to the implementation of its climate strategy and has deployed an ESG Platform to define and manage quantitative objectives (energy mix and coal exposure in particular).
- 2. The gradual reallocation of the Group's loan and investment portfolios and assets based on a scenario in line with the Paris Agreement:** the Crédit Agricole Group has strengthened its commitments in favor of the energy transition, as well as the promotion of sustainable investment policies.
- 3. Integration of climate transition challenges into customer relationships:** the Crédit Agricole Group has deployed a climate transition rating, a tool for dialogue and support for customers in the energy transition. This tool was co-constructed by the Crédit Agricole CIB and Amundi teams to first cover their listed corporate clients.

These action plans and results are audited by PwC, one of our Statutory Auditors, in accordance with the standards set up by Crédit Agricole S.A. The conclusions of this audit are presented at the end of this chapter within the report entitled "Independent Limited assurance report on the indicators relating to the implementation of the climate strategy presented in Crédit Agricole's 2020 Management Report".

### 2.3.2 Integration of climate transition challenges into customer dialogue

#### Policy

In 2020, Crédit Agricole S.A. developed and implemented tools designed to give operational expression to the conviction that underpins its climate strategy. Crédit Agricole believes that, as a major player in the economy, it has a responsibility to provide support to its corporate customers in their efforts to adapt to the challenges posed by climate change.

(1) When an ESG methodology is applicable.

## Climate transition rating

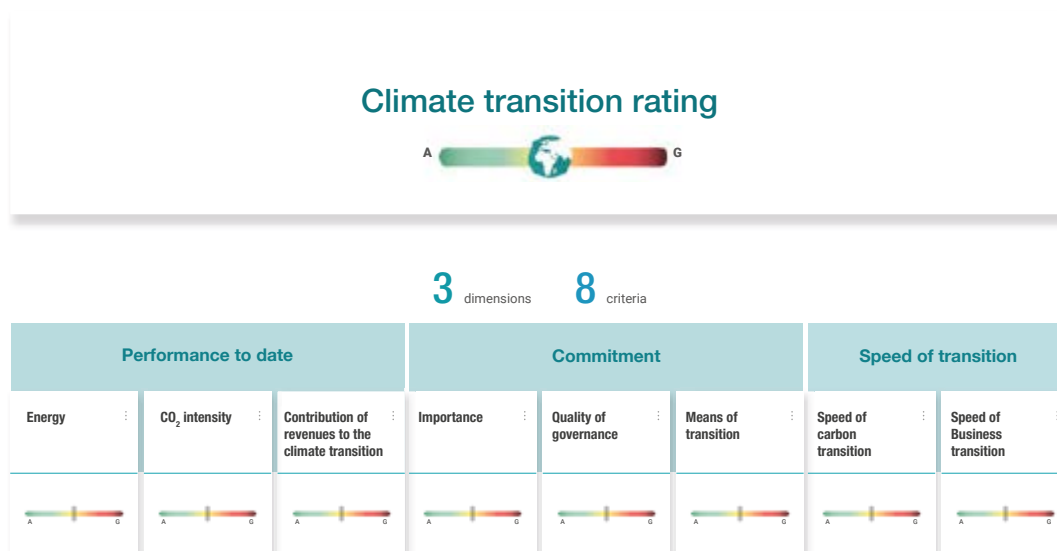
Inspired by this conviction, Crédit Agricole is building a new tool that places climate issues at the heart of customer relations: the “climate transition rating”.

The transition rating is designed to be both a **measurement tool** (to determine whether or not a company is engaged in a process of adapting its business model to the changes required by climate transition) and a **dialogue tool** (to encourage our clients to engage in such a process, regardless of their starting point). It is designed to **support our clients** in the transformations they have to undertake in order to face the challenges of climate transition as well as to **facilitate the implementation of the Group's sectoral policies**.

Powered by public data that can be shared between the Group's various business lines, the Crédit Agricole Group transition rating is, regardless of the entity using it, a single rating for the same corporate customer.

The tool, was initially jointly built by **Crédit Agricole CIB** and **Amundi** teams for their listed corporate clients. Since the end of 2020, the methodology of the finalised climate transition rating is tested on the Crédit Agricole CIB and Amundi large customer portfolios. In the second phase, during 2021, work will begin on building a version that will allow users to rate all of the Group's counterparties, including the unlisted clients (mid-caps/SMEs) of the Regional Banks and LCL. Whereas the V1 transition rating was focused on energy challenges, its second version will include all climate issues.

This rating, ranging from “A” for the most advanced companies in their climate transition trajectory to “G” for the least advanced, is based on three main dimensions: energy performance to date, commitment to transition and speed of transformation.



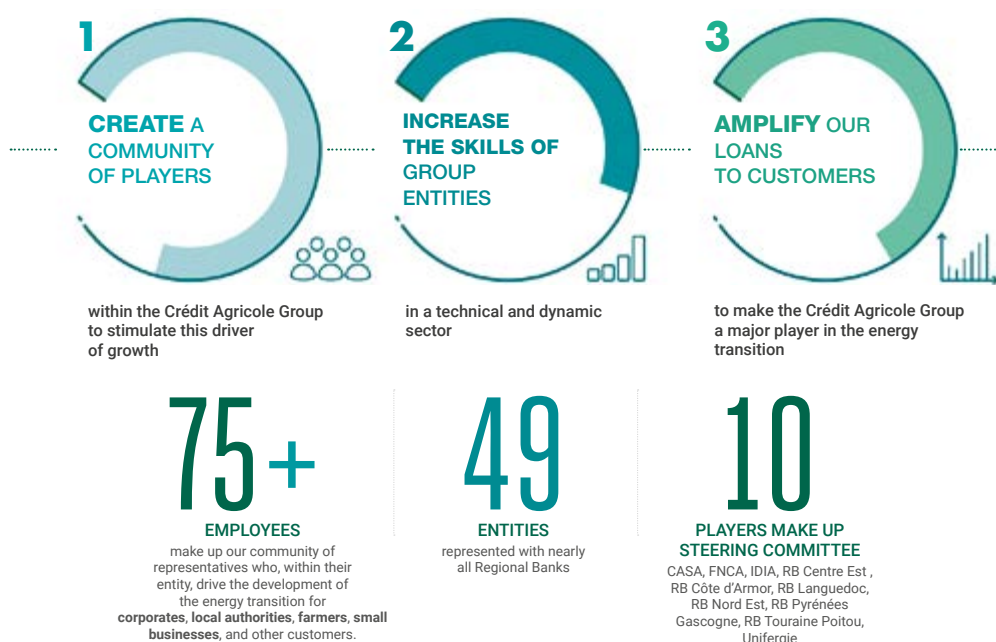
### 2.3.3 Supporting economic sectors on the way to climate transition

#### Policy

To support its customers and economic sectors in climate transition, the Crédit Agricole Group plans to help its business lines and subsidiaries move forward through the integration of climate transition issues. Accordingly, in June 2018, the Group created an “Energy Network” that cuts across the Corporate, Agriculture, Small Business and Public Sector markets. The three missions of the Energy Network are to create a community of players involved in this dynamic, increase the skills of the entities and amplify the financing allocated to climate transition.

By bringing together almost all of the Group's players in climate transition, the Energy Network line fully plays its role as a driver of growth and a means of increasing the expertise of Group entities in climate and environmental transition. Its network of contacts allows it to work on these matters as closely as possible with its customers. It is run by Unifergie, Crédit Agricole's expert subsidiary and leader in renewable energy financing. Crédit Agricole S.A. encourages the deployment of renewable energy, offers investment solutions that promote climate transition and a range of green offers for the climate transition of corporate and individual customers.





## Action plans and results

### Encourage the deployment of renewable energies

**Crédit Agricole Leasing & Factoring (CAL&F)**, through its subsidiary **Unifergie**, has project finance expertise in the fields of energy and the environment. Unifergie finances projects for farmers, corporates and local authorities and climate transition players in the fields of renewable energies, energy performance, the environment and land use planning. At 31 December 2020, Unifergie, together with the Group's banks (mainly the Regional Banks, LCL and Crédit Agricole CIB), provided €768 million in funding to the energy sector (renewable energies and energy performance). These investments were equivalent to 1,058 megawatts (MW). The cumulative power financed by CAL&F at end-November 2020 stood at 8,442 MW.

In 2019, Highlight was the leading institutional investor in the climate transition in France. At end-2020, its investments in renewable energies amounted to €1.4 billion.

**LCL** is also involved in the financing of renewable energy projects. At end-December 2020, this financing amounted to €313 million (for a target of €300 million).

### Propose investment solutions for climate transition

To enable its customers to take action against global warming through their savings, LCL has designed the innovative **"Climate Impact with LCL" programme**. The first pillar of this programme, the **LCL Placements Impact Climat** range of products, is built around investment vehicles designed to combine performance and the active fight against global warming. This first complete range of asset-based investments provides each major asset class (listed and unlisted equities, structured products, real estate) with asset active in the fight against global warming, that encourage the reduction, neutralisation or offsetting of CO<sub>2</sub> emissions.

Following the launches of the thematic funds **Indosuez Objectif Terre**, which invest in securities of companies involved in the fight against global warming and the preservation of natural resources, and **CFM Indosuez Environnement Développement Durable**, Indosuez now offers **management mandates for environmental and societal themes**. Indosuez's range of structured products was also enhanced in 2020 with the addition of a number of "green" products issued mainly by Crédit Agricole CIB and a green structured products mandate. Lastly, ESG criteria have been integrated into the selection of private equity fund managers, and they are now used in management processes and customer portfolio statements.

In 2020, **Amundi** continued its commitment to climate transition and a low-carbon economy. Fund holdings supporting the climate transition and green growth thus amounted to €22 billion at 31 December 2020, up 87%. As part of its climate solutions package, Amundi offers a range of thematic funds dedicated to financing climate transition in the main classes of assets, thus making the fight against climate change accessible to all investors.

■ The **Amundi Valeurs Durables** and **Amundi Equity Green Impact** funds (targeted to international customers): these funds take into account Amundi's ESG criteria and exclude companies that produce fossil and nuclear energy; they are invested in the shares of European companies that generate at least 20% of their turnover from the development of green technologies.

■ **Amundi Énergies Vertes**: launched in June 2020, this fund, which was created in partnership with Crédit Agricole Assurances, is the first climate transition fund eligible for life insurance policies that invest directly in green infrastructure. Amundi Énergies Vertes came in third place in the AGEFI Coupes de la Distribution innovation prize.

■ **Funds invested in green bonds:** with capitalisations of €3.5 billion at 31 December 2020, these funds provide investors with access to bond solutions that contribute to climate transition financing.

In addition to its project financing activities, **Crédit Agricole CIB** contributes to financing the fight against climate change and the ecological transition through its **green bond arrangement business**, directing capital from bond markets (green bonds) towards environmental projects. Crédit Agricole CIB

has been working in this market since 2010. In 2020, it acted as bookrunner for more than €28.4 billion in green, social, and sustainability bonds for its major customers (source: Bloomberg). Global Capital recognised the bank for the sixth consecutive year (2014 to 2019) for its green, social, and sustainability bonds origination activities.

In addition, Crédit Agricole CIB is an issuer since 2013 of Green Notes dedicated to financing environmental projects.

At 31 December 2020, green bond assets were as follows:

Issuer	Amount outstanding (in millions of euros)	Number of issuances
Crédit Agricole S.A. Green Bond	2,000	2
Crédit Agricole S.A. Social Bond	1,000	1
Crédit Agricole Home Loan SFH Green Covered Bond	1,250	1
Crédit Agricole CIB Green Notes	3,014	400
<b>TOTAL</b>	<b>7,264</b>	<b>404</b>

*At 31 December 2020, the green portfolio of Crédit Agricole (excluding Crédit Agricole Home Loan SFH) focused on Crédit Agricole CIB (72%), followed by Regional Banks (25%), LCL (2%) and CAL&F (1%). Almost half the green portfolio is located in France (47%), and the other half is divided over the rest of Europe (28%), the American continent (14%), and Asia (11%). Renewable energy is the qualifying category that is most represented in the green portfolio (50%), followed by green real estate (33%), environmental friendly transportation (11%), water and waste management (3%) and by energy performance (3%).*

## The Crédit Agricole Green Bond Framework

Crédit Agricole S.A. green bonds are presented according to four core components, as defined by the Green Bond Principles:

- use of the funds;
- review procedure and project selection;
- monitoring the use of funds;
- reporting.

The Green Bond Framework of Crédit Agricole consists of six different eligible categories of green loans:

1. renewable energy;
2. green real estate;
3. energy performance;
4. environmental friendly transportation;
5. water and waste management;
6. sustainable agriculture and forest management.

The Green Bond Framework of Crédit Agricole is available on the Crédit Agricole S.A. website at <https://www.credit-agricole.com/en/finance/finance/debt>. It has received a second opinion from the non-financial rating agency Vigeo Eiris which was updated in 2019. The experts of Vigeo Eiris approved the methodology for identifying and selecting green assets included in the green portfolio, as well as the relevance of the eligible categories selected in the fight against climate change.

Since 2019, Crédit Agricole S.A. publishes a green bond report covering all green bond issues by entities (Crédit Agricole S.A., Crédit Agricole Home Loan SFH and Crédit Agricole CIB). The report, which is available on the Crédit Agricole S.A. website at <https://www.credit-agricole.com/en/finance/finance/debt>, describes how the proceeds from the green bond issues by Group entities have been allocated to Crédit Agricole's green portfolio and provides an estimate on the carbon impact of the green projects financed in this way. For example, the Crédit Agricole S.A. green bond has financed green projects that will reduce greenhouse gas emissions by around 359 tonnes of CO<sub>2</sub>eq per million euros per year, while Crédit Agricole CIB Green Notes have financed green projects that will reduce emissions by 516 tonnes of CO<sub>2</sub>eq per million euros per year.

## Propose a range of green offers for the climate transition of Corporate and individual customers

LCL's climate transition offers:

- **"Sustainable City – Energy Saving Works"** loans have low interest rates to finance the cost of insulating or outfitting homes to make them more energy efficient. Such works could involve heating equipment, thermal insulation or the installation of equipment that uses a renewable energy source. Loan amounts range from €3,000 to €20,000.

■ **“Sustainable City – Green Mobility” consumer loans** are designed to finance the purchase of new or used vehicles (including pre-financing of the environmentally friendly car grant) that produce few or no polluting emissions. Loan amounts vary between €3,000 and €75,000, which makes it possible to purchase to a wide range of vehicles.

■ **Impact financing:** for its SME and mid-cap customers, **LCL** structures and arranges “Impact Financing” (“Green Loans” and “Sustainability-Linked Loans”), which are loans or credits whose margin is indexed to ESG performance criteria specific to the company being financed. This offer allows our customers to align their CSR strategy with their financing and, if they achieve their targets, to benefit from a subsidised rate.

The **LCL SmartBusiness** programme is designed to support business customers (SMEs, mid-caps, key accounts) with major changes, in particular by promoting the energy transition with Greenflex, providing advice on energy transition, environmental and societal issues, joining forces with Voltalia through electricity contracts (CPPA), which bring added value to the heart of our customers’ business, and with Global Climate Initiatives to measure and reduce the environmental footprint.

**Crédit Agricole Consumer Finance’s green credit offers:**

- **credit offers at preferential rates:** a green “auto” offer for the financing of clean vehicles or the conversion premium and a green “construction” offer, which focuses on the financing of housing renovation eligible for the energy transition tax credit (CITE);
- **a financing offer for photovoltaic panels** designed by Voltalia for IKEA customers;
- **a preferential financing offer for soft mobility** (purchase of electric or non-electric bicycles and scooters) for Décathlon customers.

In 2020, more than €800 million in new green car loans were thus granted, working towards a production target of €1 billion in 2022.

The foreign subsidiaries of **Crédit Agricole Consumer Finance** are also involved in developing green offers: Agos, in Italy, has signed partnerships with players in the photovoltaic sector, such as Enel X and SolarPlay. In Germany, CreditPlus supports soft mobility companies like Fahrrad.de and ONO, which market electric bicycles.

### The Regional Banks’ offers

The Regional Bank network markets various loans that help finance work intended to improve home energy performance, such as:

- the interest-free eco-loan (Eco-PTZ); since 1 January 2020 and until the end of September 2020, more than 9,350 loans have been processed by Crédit Agricole, totalling more than €117 million;
- energy savings loans offered by the Group since 2007; for the first 10 months of 2020, the total amount of loans granted by all Regional Banks reached 900 files and €13.5 million granted to customers of the 39 Regional Banks.

## 2.3.4 Supporting the agri-food sector on the way to ecological transition

### Policy

Agriculture and agri-food are currently at the nexus of various environmental, climate, economic and social issues. Even though food and health safety remains the priority, the sector is adapting to societal expectations regarding issues such as the preservation of natural environments and biodiversity, the reduction in the use of plant protection products and antibiotics, the fight against climate change and animal welfare. This commitment is all the more essential as **agriculture is one of the first sectors to be affected by climate change**, which impacts agricultural and food production. It

is also one of the solutions because of its carbon storage capacity (soils, agroforestry, forests, meadows, etc.).

Supporting the agricultural and agri-food sectors in the ecological transition goes hand in hand with the **transition to sustainable food** based on diets that are themselves sustainable, which, according to the FAO, “help protect and respect biodiversity and ecosystems, are culturally acceptable, economically equitable and accessible, affordable, nutritionally safe and healthy, and optimise natural and human resources”. Their regional anchoring makes it possible to address the issues of relocating the economy, building a food supply with a low environmental impact based primarily on local natural resources, and reconnecting citizens with all of the issues involved in the way they feed themselves, far beyond the simple act of buying food.

### Action plans and results

As Bankers nearly 85% of farmers in France, the Crédit Agricole Group supports all farmers and all forms of agriculture as well as players in the agri-food sector to **make the ecological transition a source of economic performance**. In recent years, the various agricultural and food sectors (milk, meat, field crops, wines and spirits, fruit and vegetables, etc.) have embarked on development and transformation policies to meet societal, environmental and animal welfare expectations, while ensuring the economic and social performance of farms and businesses. Written policies are in line with plans drawn up following the French National Food Conference (*États généraux de l’alimentation*; EGalim), which took place from 20 July to 21 December 2017. The Crédit Agricole Group entities support the implementation of these commitments and numerous projects related to ecological transition (sustainable agriculture, organic farming, short circuits, development of the protein industry, etc.); climate transition (photovoltaic, methanisation, etc.) and changes in farming and slaughtering methods to improve animal welfare.

An **organic farming** initiative was launched in 2019 to support farms in their conversion to organic farming, as part of a more general support for agricultural transitions. The initiative consists of offering a range of basic organic farming services that are consistent with the needs of these customers, and it includes a loan to support farmers during the conversion phase, as well as training for agricultural advisers to enable them to better understand the economic models of these farms. **27 Regional Banks** deployed the offer by the end of 2020; 1,320 advisers (more than 50%) were registered for training in 2020 and 712 completed it. **Crédit Agricole S.A.** is also a partner of *Trophées de l’excellence bio*, organised with Agence Bio and of *Trophées de l’agroécologie*, with the French Ministry of Agriculture and Food.

The Crédit Agricole S.A. subsidiary **Pleinchamp.com**, an information website for farmers, was redesigned in 2020 to provide farmers with the information and support they need to meet the new challenges of everyday life and the major changes in their business line. In addition to the editorial content, guides have been put online to support farmers as they reflect on changes in their business and their transition, installation or diversification projects. 1.6 million visits per month, 3.3 million page views.

To support the efforts to upscale, the creation of added value and the transformation of production systems, the Crédit Agricole Group is participating in the **National Initiative for French Agriculture** (*Initiative nationale pour l’agriculture française*; INAF), which was officially launched in April 2020 following the signature of the partnership with the French Ministry of Agriculture and Food and the European Investment Fund (EIF). This programme has a budget of €625 m and supports projects to renew agricultural generation by increasing added value, strengthen high-quality

sectors by encouraging links to local communities and the use of local distribution networks, support the transformation of agricultural models to improve their performance and innovation, diversify farm operations and revenues and upgrade assets to promote the efficient use of resources such as energy, heat and water. In 2020, the **39 Crédit Agricole Regional Banks** carried out 1,400 projects for €187 million in funding.

In 2019, **IDIA Capital Investissement**, with its strong position in agriculture and agri-food, launched CA Transitions, the first own-account investment fund dedicated to energy, agriculture and agri-food transitions. This fund, some of whose investments have been awarded the “Greenfin Label - France Finance Verte”, is dedicated to supporting companies in climate transition; cooperatives and agricultural or agri-food businesses in transition towards more sustainable modes of production and businesses offering innovative solutions to accelerate the transition of the agricultural and agri-food sectors.

With the aim of helping consumers and players in the food industry to “consume better and produce better”, **Crédit Agricole S.A.** became one of the founding partners of **La Note Globale** in 2020. The ambition of La Note Globale (a non-profit association) is to construct a benchmark for the overall performance of food products. The rating is based on six criteria or issues (animal welfare; environment; human nutrition and health; origin, equity & contribution to the French economy, traceability and transparency, and corporate social responsibility). Each of the issues is broken down into targets to be achieved (40 in total) and 91 action levers or ways of acting to meet the targets. La Note Globale seeks to be a support tool for industries for the good of all links in the production and consumption chain. It aims to improve the societal performance of products derived from living organisms by helping consumers and economic players in their choices. 63 products were rated and presented at the International Agricultural Show 2020. 4,000 products are currently being rated.

To promote links to local communities in the food sector, Crédit Agricole supports farmers who are moving towards new marketing methods such as **short-distance distribution**. This affects 27% of the farmers who are Crédit Agricole customers (Crédit Agricole 2018 penetration barometer). This trend resonates perfectly with the expectations of a section of consumers who want to eat better, healthy, local and responsible food. The public health crisis of 2020 has highlighted the resilience of short-distance distribution and supply. In 2020, the Crédit Agricole Group strengthened its partnership with **Bienvenue à la Ferme**, a brand of the Chamber of Commerce of Agriculture, which brings together nearly 8,000 farms in France. It supports these farmers in the development of their agritourism and short-distance sales activities through a range of tools, such as an electronic payment system adapted to direct sales, strengthened cooperation between the territorial networks **and the Regional Banks**, and multiplication of visibility channels and their online attractiveness. This initiative was rolled out in July 2020 and will be supplemented by a short-distance distribution training kit for advisers.

### 2.3.5 Protecting biodiversity and improving animal welfare

#### 2.3.5.1 Biodiversity

##### Policy

Biodiversity is defined as all natural or semi-natural environments and the living beings that make them up. As successive IPCC reports have pointed out, the protection of biodiversity plays an essential role in the fight against climate change and the objective of carbon neutrality. Because of the links between our health and the health of ecosystems, the recent COVID-19 pandemic stresses **the urgency of protecting and restoring natural environments**. The protection and restoration of biodiversity, as well as the proper functioning of ecosystems, is essential to strengthening our resilience and preventing the emergence and spread of diseases in the future.

Aware of the major role played by biodiversity, **Crédit Agricole S.A. is committed to working with stakeholders who fight on a daily basis to maintain biodiversity**, and it is involved in research programmes to gain a better understanding of the risks and impacts of its degradation and of how to participate in its restoration. Biodiversity issues have been integrated into a few sector funding policies.

Farmers also play an essential role in preserving biodiversity. Birds and insects in agricultural environments, especially pollinators, are key indicators of agro-ecosystem health and are essential for agricultural production and food security. As the leading banker to farmers and foresters, the Crédit Agricole Group supports farmers in these initiatives and works to preserve and develop forest areas in France and abroad, since 80% of the earth's biodiversity is found in forests.

##### Action plans and results

For the third year of the framework agreement signed with the Muséum national d'Histoire naturelle, Crédit Agricole S.A. confirms its commitment alongside the **Crédit Agricole Regional Banks** and the **Crédit Agricole Pays de France Foundation** in support of this leading scientific institution in terms of biodiversity research and the transmission of knowledge. Among the 13 sites of the Muséum national d'Histoire naturelle, the Val Rahmeh-Menton Botanical Garden (Alpes-Maritimes), the Haute-Touche Zoological Reserve (Indre) and the Harmas de Jean-Henri Fabre (Vaucluse) received support from Crédit Agricole S.A. in 2020, as did the Plages Vivantes participatory science programme. Crédit Agricole S.A. is also continuing to support the research programme for biodiversity in agriculture. This programme studies the interactions between agriculture and biodiversity in its two dimensions: the impact of different types of agriculture on fauna and flora, and the impact of farmers' participation in the observatory on changes in agricultural practices.

The Montrouge and Saint-Quentin sites have been awarded the “Refuges LPO” label, proof of Crédit Agricole's commitment to preserving and providing a home for local biodiversity. In February 2020, the International Biodiversity & Property Council IBPC (CIBI) awarded the BiodiverCity Life label to Evergreen, the Montrouge campus of **Crédit Agricole S.A. and its subsidiaries**. Managed by Crédit Agricole Immobilier, Evergreen is the first French corporate site to be given the BiodiverCity Life distinction. The Regional Banks and Crédit Agricole S.A. entities are also putting in place numerous initiatives to support beekeeping. 124 beehives are being installed on the Group's various sites for production of more than 2 tonnes of honey per year.

With its “Nature in the City” initiative, **Crédit Agricole Immobilier** brings nature and its benefits back to the heart of our living and working spaces. In residential developments, nearly 30% of the programmes delivered this year incorporate a Nature in the City initiative, and this will be expanded to more than 50% of programmes by 2022. Fruit trees, shared plots, rooftop gardens and biodiversity refuges will become standard. One example of this is the Agriville project at the Château de Paléficat site on the edge of Toulouse: there, Crédit Agricole Immobilier developed 140 open-market homes and 70 social housing units built around preserved farmland. As part of its property management business, Crédit Agricole Immobilier also carried out its first eco-grazing experiment in a co-owned property in Toulouse. Between March and October, three sheep occupied an enclosure spanning 3,000 sq. m. An experience to be repeated and expanded.

**Crédit Agricole CIB** has integrated biodiversity issues into several sector policies and requires from its customers in sensitive sectors (forestry and palm oil, pulp and paper, mining, transport infrastructure) a commitment to strict protection of areas with High Conservation Values, such as Alliance for Zero Extinction sites, wetlands covered under the Ramsar Convention; IUCN categories I-IV and UNESCO World Heritage sites. Starting in 2016, Crédit Agricole CIB mapped the sectors and regions most exposed to the challenges related to water access and water pollution. Since 2018, customers operating in these sectors have been subject to special analyses in this regard.



The protection of ecosystems is one of **Amundi's** ESG analysis theme, assessed in the Biodiversity and Pollution criterion. In 2020, the fundamental principles were reviewed to better integrate biodiversity into internal analysis and investment processes. Due to the lack of concrete data on the subject, the first step is to encourage the publication of information on biodiversity impacts by companies. This year, discussions have been conducted with mining companies and consumer goods companies to this end. As part of the same desire to establish relevant criteria for assessing the biodiversity footprint of the Group's activities, in 2020 **Crédit Agricole S.A.** joined Club B4B+ (Business for Positive Biodiversity), whose purpose is to act as an incubator for the Global Biodiversity Score indicator (GBS™) and the associated biodiversity footprint method.

Crédit Agricole is a long-standing partner of participants in the forest-wood sector and is the leading bank for upstream forestry and processing industries. Crédit Agricole Assurances has a range of property and casualty insurance solutions dedicated to the forest, which provide coverage against the effects of fire and/or storms to ensure the long-term survival of French forests and support the timber industry. **Crédit Agricole** is also involved in the distribution of the forest investment and insurance account (CIFA), which enables forest owners to build up precautionary savings to cope with climate disasters and forestry work.

In 2020, **IDIA Capital Investissement** launched a fund dedicated to the timber industry to support French production, which currently lacks capital to develop. The purpose of this fund is to participate in supporting the sector by optimising the processing and value added in France of wood from sustainably managed French forests, while favouring short-distance, carbon-saving distribution.

Forests are the second largest carbon sink after the ocean and are an essential component of biodiversity. That is why Crédit Agricole Assurances is committed to reforestation and sustainable forest management in France. The leading forest insurer in France, Crédit Agricole Assurances has since 2019 been conducting a programme that links savings or insurance policy subscriptions to tree planting, in partnership with Reforest'Action, and since 2018 it has been offsetting its carbon emissions through a partnership with the *Plantons pour l'Avenir* endowment fund. To date, more than 1.2 million trees have been replanted through these two partnerships.

### 2.3.5.2 Animal welfare

#### Policy

Societal expectations to think of animals as living beings are constantly increasing. The World Organisation for Animal Health (OIE) gives a definition of animal welfare that is currently the standard. It is based on five fundamental freedoms: freedom from hunger and thirst; freedom from physical restraint; freedom from pain, injury and disease; freedom to express normal behaviour; freedom from fear and distress. This awareness is now reflected in the regulations and action strategies of French animal production networks. At the national level, in the industry chain plans drawn up by interprofessional agricultural organisations, commitments to improve farming conditions and audits are being rolled out. The egg-laying poultry industry has thus committed itself to increasing the quantity of eggs produced in alternative conditions to cages to 50% by 2022. For its part, the beef sector has developed a tool to help diagnose rearing conditions for breeders, which it integrated into the best agricultural practices charter in 2019. Several research projects are currently underway to determine how to assess the welfare of farm animals more accurately, especially in the European Union. This scientific research will be used to change French

and European animal protection legislation by making it results-driven rather than means-driven.

As the leading banker to farmers in France, **Crédit Agricole S.A. finances animal welfare development projects**, in particular the modernisation of livestock buildings and slaughtering tools. Current discussions focused on raising awareness of this issue internally and among our customers and on the search for reliable technical and economic criteria to assess the cost of animal welfare improvements, their feasibility and financial support for them, as well as integration of these issues into the analysis criteria for the financing of agri-food companies.

#### Action plans and results

**Amundi** is already including animal welfare in its non-financial rating criteria for issuers in the food sector. In 2020, Amundi continued its work in cooperation with FAIRR, a coalition of investors whose aim is to engage in dialogue with food sector companies to raise awareness of (i) the environmental, social and governance risks associated with intensive livestock farming to change their practices, and (ii) the business opportunities that new modes of agriculture can represent. Amundi has joined three engagement campaigns led by FAIRR:

- *building Sustainable Protein Supply Chains: supported by 88 institutional investors representing close to US\$13.1 trillion in assets under management, the campaign is asking 25 food sector companies to diversify their protein sources to stimulate growth, increase profitability, reduce their exposure to animal proteins and improve their competitiveness in a world of limited resources;*
- *Meatsourcing: supported by 90 investors representing close to \$11.4 trillion, this campaign is asking six companies in the fast food sector to reduce the risks due to meat and dairy products in their supply chain;*
- *Antimicrobial Resistance: supported by 12 investors representing close to \$7 trillion, in collaboration with the Access to Medicine Foundation, this campaign was launched in 2020 and will be completed in 2021. The engagement campaign will be targeted at pharmaceutical companies to encourage them to implement best market practices in the development of new antibiotics.*

### 2.3.6 Measures and targets related to our indirect carbon footprint

#### Policy

Since 2011, the Group has used a methodology to quantify financial institution-funded greenhouse gas emissions. The methodology was developed at its request by the Finance and Sustainable Development Chair of Paris Dauphine University and École Polytechnique. Dubbed **P9XCA**, this innovative methodology has been recommended for the corporate and investment banking sector since 2014 by the financial sector guide, "Quantifying Greenhouse Gas Emissions", published by Agence de l'environnement et de la maîtrise de l'énergie (ADEME), Observatoire sur la responsabilité sociétale des entreprises (ORSE) and Association Bilan Carbone.

It allows the Group to calculate, with no double-counting, the order of magnitude of financed emissions and to map those emissions by sector and geographical area. Greenhouse gas emissions are allocated to economic players according to their capacity (and economic interest) to reduce them using a qualified allocation "by issue" as opposed to the usual allocation "by scope". Some methodological adjustments were made in 2018, in parallel with the revision of emission factors.



The sectoral and geographical mapping produced using this methodology has informed which sectors the bank chooses for the development of sector-based CSR policies and has been used in methodologies and calculations related to **climate transition risk**.

Additionally, issues related to **physical climate risk** are now starting to be mapped by combining sectoral and geographic vulnerability indexes.

## Action plans and results

### Indirect energy footprint: indicators and targets

According to the P9XCA method, the estimate of greenhouse gas emissions from all of the Crédit Agricole Group's investments and financing (scope 3) is as follows (in thousands of tonnes of CO<sub>2</sub> equivalent):

Geographic areas	Industries							TOTAL
	Agriculture	Real estate	Energy	Manufacturing	Transport	Waste management	Public services	
France	20,269	9,338	3,624	4,189	21,311	3,200	1	61,932
Germany	133	212	2,106	458	3,046	1	0	5,956
Spain	8	102	694	129	1,333	28	4	2,298
Italy	274	456	2,298	844	3,711	133	0	7,717
United Kingdom	204	87	582	254	1,477	108	1	2,714
Other Western Europe	332	426	3,997	1,147	4,891	164	131	11,088
Others Europe	24	362	2,058	1,633	2,873	69	0	7,019
Africa and Middle-East	497	107	1,202	760	2,481	1,762	0	6,809
United States	-129	946	2,827	3,148	5,827	14	64	12,697
Others North America	15	58	262	209	4,537	0	0	5,081
South America	364	40	564	910	2,018	202	0	4,098
China	4	283	936	1,945	2,046	0	0	5,215
India	3	13	1,680	266	264	50	0	2,277
Japan	0	107	0	103	800	0	0	1,010
Others Asia	110	426	2,834	1,247	2,731	0	0	7,348
<b>TOTAL</b>	<b>22,109</b>	<b>12,964</b>	<b>25,666</b>	<b>17,241</b>	<b>59,343</b>	<b>5,734</b>	<b>201</b>	<b>143,258</b>

To calculate its carbon footprint, the Crédit Agricole Group follows the recommendations in the sectoral guide for the financial sector Quantifying Greenhouse Gas Emissions, published by ADEME, ABC and ORSE. Produced in 2014 with the participation of some twenty financial institutions, NGOs and experts, the guide recommends that corporate and investment banks and universal banks use a macroeconomic approach (so-called top-down methodologies), which is the only way to guarantee all results are added together and therefore the accuracy of the resulting order of magnitude.

The methodology used by Crédit Agricole S.A. correlates, by design, the sum of the carbon footprints of all global financial institutions with total global emissions, unlike other methodologies on the market, such as the one used by the Oxfam study, which arrives at a sum equal to several times that level (or four to five times global emissions).

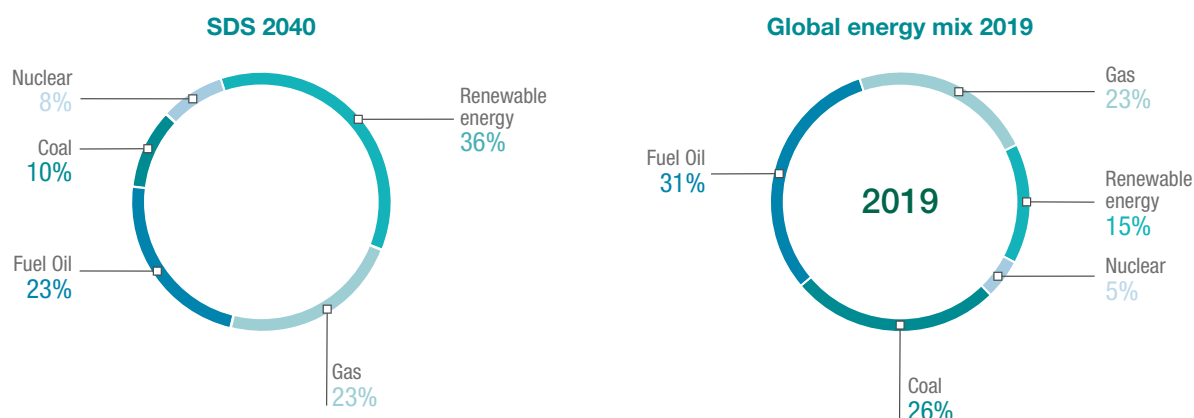
The calculated emissions linked to the Group's investments and financing (scope 3) have increased since 2019. The main reason for this increase is the sustained growth in the Group's investment and financing outstandings.

As part of its climate strategy, **the Group is committed to aligning itself with the Paris Agreement** and gradually orienting its portfolios in favour of climate transition. To identify the steps to be taken and define quantified targets, the Group set up a Crédit Agricole Group platform in 2020. On the basis of the indicators created, the Group wants to set goals that are compatible with climate science, in particular on the basis of external scenarios (International Energy Agency Sustainable Development Scenario)

and the recommendations of the Scientific Committee. To that end, it has signed the Science-Based Targets initiative, committing itself to defining such targets by September 2022.

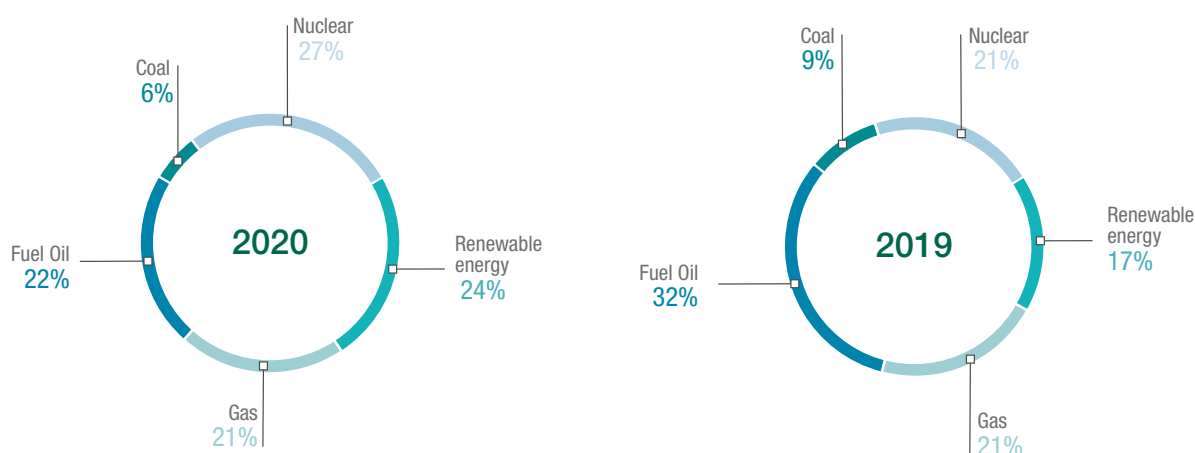
The Group's new ESG platform allows us, for the first time this year, to publish the energy mix of the portfolios of four Group business lines for 2019 and 2020.

## Global energy mix 2019 and IEA SDS 2040 scenario (primary energy demand)



## Asset management activity

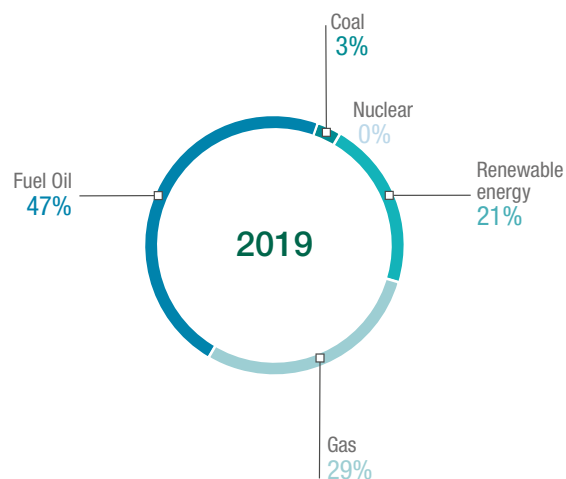
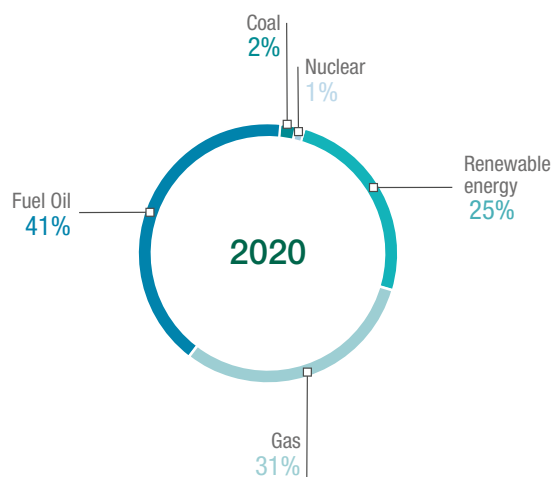
(in million of euros)	2020	2019
<b>TOTAL</b>	<b>10,811</b>	<b>12,597</b>
Gas	2,242	2,675
Fuel oil	2,366	4,114
Coal	719	1,093
Nuclear	2,900	2,613
Energy renewable	2,584	2,102



The 2020 energy mix in this business outperforms the 2019 global energy mix. It also outperforms the energy mix of the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS) projected for fossil fuels in 2040.

## Financing activity of corporations

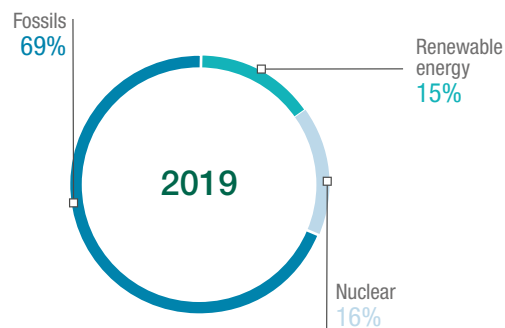
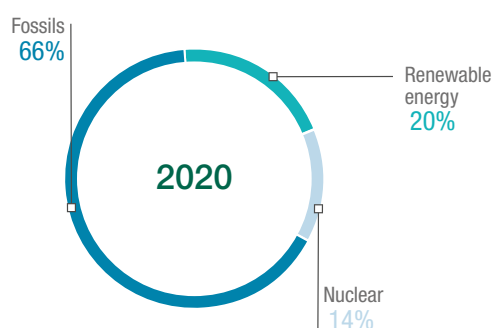
(in million of euros)	2020	2019
<b>TOTAL</b>	<b>17,994</b>	<b>17,969</b>
Gas	5,644	5,210
Fuel oil	7,428	8,520
Coal	326	450
Nuclear	80	72
Renewable energy	4,516	3,717



The 2020 energy mix for this activity outperforms the 2019 global energy mix for coal and renewables. It also outperforms the energy mix of the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS) projected in 2040 on the share of coal.

## Investments related to life insurance contracts

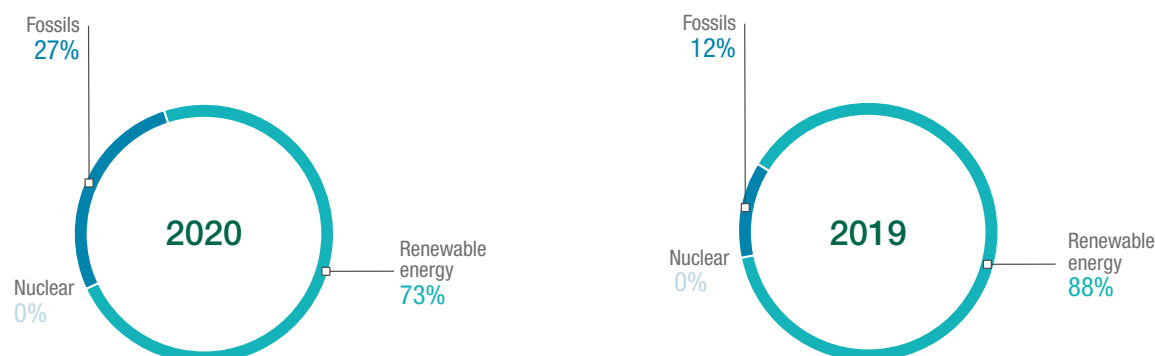
(in million of euros)	2020	2019
<b>TOTAL</b>	<b>13,225</b>	<b>12,472</b>
Fossils	8,760	8,655
Nuclear	1,870	1,962
Renewable energy	2,595	1,855



The 2020 energy mix for this activity outperforms the 2019 global energy mix of the International Energy Agency (IEA).

## Financing activity for small and mid-sized companies

(in million of euros)	2020	2019
<b>TOTAL</b>	<b>428</b>	<b>283</b>
Fossils	116	33
Nuclear	-	-
Renewable energy	312	250



The 2020 energy mix outperforms the 2019 global energy mix and the International Energy Agency (IEA) 2020 Sustainable Development Scenario (SDS) energy mix projected in 2040.

Financing and investments in renewable energies are up for 3 out of 4 businesses (for example, +59% between 2019 and 2020 for investments related to life insurance contracts). For the fourth business line, financing of mid-sized companies, the share of renewable energies is already very high, since it almost represents the ¾ of the energy mix.

In addition, the coal exposure of the Crédit Agricole CIB and Amundi financing portfolios changed as follows:

## Exposure of large customers portfolios

	2020		2019		Change	
	In millions of euros	% of outstandings	In millions of euros	% of outstandings	In millions of euros	% of outstandings
Coal exposure - financing portfolio Crédit Agricole CIB	326	0.33	450	0.46	-28%	-28%
Of which thermal coal exposure - financing portfolio Crédit Agricole CIB	187	0.19	Not available	Not available	-	-
Coal exposure - investment portfolio Amundi	719	0.07	1,094	0.1	-34%	-30%
Of which thermal coal exposure - investment portfolio Amundi	670	0.07	Not available	Not available	-	-

The 2019 data for Crédit Agricole CIB and Amundi were updated following efforts to improve data reliability.

## Methodological framework

2019 and 2020 data related to coal exposure and energy mix were calculated using the Group's ESG Platform.

For Amundi: these data were calculated by taking into account indirect exposure (percentage of invested companies revenue generated in the energy sector). To achieve this, we used publicly available data at the end of 2020. The data relates to passively and actively managed assets with the exception of delegated management (within the framework of joint ventures or management under private management mandates) and Amundi Immobilier, representing 73% of total assets. On this perimeter, the Trucost data cover €410 billion of assets under management.

For Crédit Agricole CIB: these data were calculated by considering both direct financing of dedicated assets and indirect exposures in energy calculated on the basis of client revenues. To do so, we used publicly available data at the end of 2020, as well as all financing on Crédit Agricole CIB's balance sheet. On this perimeter, the Trucost data cover €147.3 billion of financing.

For Crédit Agricole Assurances: these data were calculated by taking into account non-unit-linked funds (percentage of customer revenues generated in the energy sector). To achieve this, we used public data available at the end of 2020. The data covers listed investments managed directly, listed investments managed under mandate and unlisted investments managed directly.

For LCL: these data were calculated by considering both direct financing of dedicated assets and indirect exposures in the energies of small and mid-sized companies. To achieve this, we used NAF coding and data from LCL's management tools.

### 2.3.7 Measures and targets related to our direct footprint

#### Policy

In line with its ambition to support the transformation of the economy and its customers to encourage climate transition, Crédit Agricole S.A. intends to adopt an exemplary attitude in terms of direct footprint. Therefore, following the adoption of several measures, including **the use of 100% renewable electricity** across its French sites, Crédit Agricole S.A. has committed to **carbon neutrality<sup>(1)</sup>** since 2016 by reducing its direct footprint by 15%,

encompassing energy (in terms of square metres) and transportation (in terms of FTEs) for the period from 2016 to 2020.

In addition, Crédit Agricole S.A. strives to limit the use of resources and the production of waste and to recycle and recover waste at all of its locations through innovative infrastructure and investment in property and equipment. In 2013, it set up a system to monitor its energy, water and paper consumption and it also runs internal eco-friendly action campaigns aimed at all its employees.

#### Action plans and results

##### Measure and reduce our direct energy footprint

Since 2007, **energy consumption** has been monitored at all Crédit Agricole S.A. entities in France and abroad. Action plans are put in place within the Group for permanent energy optimisation.

	Consumption (in MWh)				Tonnes CO <sub>2</sub> eq./year			Estimated coverage rate	
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Gas	64,531	72,890	79,037	13,263	14,981	16,244	96%	93%	94%
Fuel oil	3,821	4,777	4,511	1,212	1,514	1,430	96%	100%	100%
<b>SCOPE 1</b>	<b>68,352</b>	<b>77,667</b>	<b>83,548</b>	<b>14,475</b>	<b>16,495</b>	<b>17,674</b>			
Electricity	284,356	309,699	328,238	59,229	66,032	69,046	96%	93%	93%
District heating	23,725	17,035	20,581	5,305	3,809	4,602	93%	100%	100%
Cooling network	5,180	4,996	5,062	226	218	221	93%	100%	100%
Data centre electricity <sup>(1)</sup>	77,126	77,515	79,876	5,292	2,831	2,917			
<b>SCOPE 2</b>	<b>390,387</b>	<b>409,245</b>	<b>433,757</b>	<b>70,052</b>	<b>72,890</b>	<b>76,786</b>			

(1) Only the consumption of data centres that could be isolated from their corresponding office buildings is taken into account. It is therefore confined to the following entities: Greenfield, the Group data centre managed by Crédit Agricole Immobilier, Crédit Agricole CIB France, Amundi France, Agos, Credibom, CA Indosuez Switzerland S.A., CA Indosuez Wealth (Europe), CFM Indosuez Wealth and Crédit du Maroc.

The Group also measures emissions from **business travel** annually to monitor trends on this front. The indicators cover business travel by rail and air.

	Rail				Air				TOTAL
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Distances travelled (in thousands of kilometres)	14,586	57,040	52,262	25,276	160,264	184,576	39,862	217,304	236,838
CO <sub>2</sub> emissions (in tonnes CO <sub>2</sub> eq.)	657	2,570	2,355	6,638	43,859	54,360	7,295	46,429	56,714

Scope covered: 90% of Crédit Agricole S.A. FTEs.

	2020	2019	2018
(in tonnes CO <sub>2</sub> eq.)			
Rail	657	2,570	2,355
Air	6,638	43,859	54,360

(1) Perimeter: Crédit Agricole holding company, Crédit Agricole CIB, Amundi and Crédit Agricole Italia.



### Actions taken

In early 2020, **Crédit Agricole S.A.** launched its carpooling service in partnership with Klaxit for the employees of the Evergreen site in Montrouge. This car-pooling application, which was already available since 2019 for Saint Quentin employees, makes it possible to share commutes to and from work. This offer is an addition to the mobility services for employees (fleet of electric bicycles and fleet of shared vehicles).

In addition, a Group Mobility Steering Committee was set up in September 2020 to address the most cross-functional aspects of business travel (purchasing, HR, CSR, etc.) and to ensure that the Group's mobility ambitions are properly implemented. As regards vehicle policy, a call for tenders was approved for the implementation of a new catalogue of low-emission vehicles. A new travel policy will also be put in place: air travel will only be authorised for journeys exceeding 3.5 hours by rail (except for return trips during the day), with less use of business class.

In addition, outside the two lockdown periods, the use of teleworking has been strongly encouraged, thus reducing **emissions from commuting to and from work**.

**Crédit Agricole Group Infrastructure Platform (CA-GIP)** initiated Phase 2 of the Voltaire Project launched in 2019, which consists of immersing servers in oil to cool them down. The benefits are numerous, as oil conducts heat 1,500 times better than air, thus naturally capturing the heat emitted while maintaining a homogeneous temperature. Furthermore, the machines are protected against thermal shock, pollutants and oxidants in the air. This technique therefore makes it possible to considerably reduce overall infrastructure and operating costs; on air conditioning alone, there has been a 34 % savings on the energy bill. In 2020, extensive adaptation work was carried out at the Greenfield data centre in Chartres to deploy this technical solution more widely and put more than 400 virtual servers into production at the beginning of 2021.

### Landing of the 2016-2020 target of a 15% reduction in the footprint

The action plans taken at the various entities have been successful as the greenhouse gas emissions of scope 1 and scope 2 have decreased by 3% and 8% between 2016 and 2019.

In 2020, operating emissions fell drastically due to the health crisis, by 12% (scope 1) and 4% (scope 2) respectively compared to 2019, or by 12% (scope 1) and 15% (scope 2) compared to 2016.

Also compared to 2016, emissions on the energy and transport items having decreased by 16% and 87% respectively, we recorded a drop of 37% in our total direct emissions.

Following an assessment and identification of additional measures that can be implemented, the Group will define new targets for reducing its direct footprint, in line with its commitment to the Science-Based Targets initiative.

### Offset our residual direct footprint

To offset its residual emissions, **Crédit Agricole S.A.** has invested, since its launch in 2011, in the **Fonds Carbone Livelihoods**, which support large-scale projects to sustainably improve the living conditions of rural communities, restore and protect natural ecosystems with high agricultural potential, transform corporate value chains through sustainable agricultural practices, and contribute to climate change mitigation through CO<sub>2</sub> capture and emissions avoidance. The funds finance projects for reforestation and restoration of degraded ecosystems, agroforestry and small-scale rural energy (improved stoves) in Africa, Asia and Latin America.

## Our carbon offsetting scheme: the Livelihoods carbon funds

The methodology used by the Livelihoods Carbon Funds is based on six main principles:

<b>1. REDUCING CO<sub>2</sub> FIRST AND FOREMOST</b> All investors and Livelihoods partner companies must have an ambitious policy to reduce CO <sub>2</sub> emissions. Carbon offsetting only occurs after this reduction.	<b>2. IMPACT</b> All Livelihoods projects have a positive environmental or social impact on the countries or regions where they are implemented, and they contribute to the fight against global warming.	<b>3. LARGE-SCALE PROJECTS</b> Livelihoods funds provide seed funding to NGOs seeking to implement large-scale projects.
<b>4. RISK MANAGEMENT</b> Livelihoods is not a commercial organisation and does not buy carbon credits to resell directly to businesses. It is a mutual fund created by companies that invest in high-risk stocks and earn carbon credits.	<b>5. LONG-TERM PROJECTS</b> Livelihoods funds are a long-term investment vehicle. Contracts are drawn up based on projects that will be spread over 10 or 20 years.	<b>6. DIRECT BENEFICIARIES</b> The value created by Livelihoods Funds stays in the regions where it works. Livelihoods does not own any land, trees or crops.

Funding provided by investors pre-finances the projects. **Crédit Agricole S.A.** has invested €12 million in two funds (LCF 1 and LCF 2). In 2020, three projects were verified (Mangrove Senegal Océanium, Rural Energy Kenya Hifadhi 1, Rural Energy Tiipaalg Burkina Faso).

**Crédit Agricole S.A.** thus offset 51,643<sup>(1)</sup> tonnes of CO<sub>2</sub> (emissions related to energy and transport within the scope of **Crédit Agricole S.A.** holding company, Amundi, CA Italia and **Crédit Agricole CIB**).

**Crédit Agricole S.A.** only offsets its direct footprint (energy and transportation) for some entities. We have chosen not to offset the financed emissions but to support the decarbonisation of the economy.

(1) Estimate, pending certification of the credits issued for the Mangrove Senegal project (Océanium).

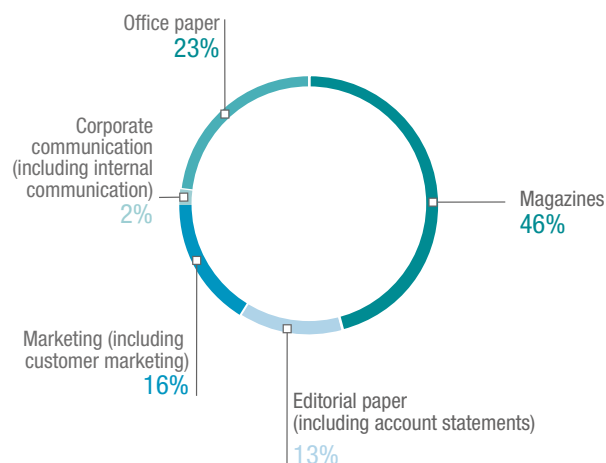
### Measure and reduce our paper, waste and water footprint

In 2020, the paper consumption of Crédit Agricole S.A. was 21,836 tonnes, with 68% of the paper being PEFC/FSC-certified or made from recycled fibres.

	2020	2019	2018
Total consumption (in tonnes)	21,836	14,701	15,581

Scope covered: 93% of full-time equivalent employees (FTEs).

#### Breakdown of paper consumption (as a %)



The waste categories covered by reporting include paper and cardboard, electrical and electronic equipment (WEEE and non-IT waste), and ordinary industrial waste (OIW – excluding paper and cardboard). Multiple efforts have been made by the entities to recycle waste. In 2020, 59% of the waste collected by the Group was recycled.

	2020	2019	2018
WEEE – Waste electric and electronic equipment (in tonnes)	182	163	87
Paper/cardboard (in tonnes)	1,331	2,006	2,142
OIW – Ordinary industrial waste (in tonnes)	1,324	1,848	2,286

Scope covered: 96% of FTEs.

With regard to **computer equipment**, a partner from the sheltered and disability-friendly sector, ATF Gaia, has been collecting **WEEE** for some Group entities since 2014. It erases hard drive content using a software application approved by the Group's Security division and assesses the operating status of equipment that is subsequently sent for sorting. Equipment in working order is reused by the partner for charity purposes, while equipment that is no longer serviceable is destroyed in an environmentally-friendly manner.

Along with cheques, **bank cards** remain one of the few banking services to use a physical medium. Its ecological footprint linked to its plastic and metal components is therefore very real throughout its life cycle. In order to reduce this impact and in keeping with a circular economy, in 2013 **Crédit Agricole**, in conjunction with **Crédit Agricole Payment Services**, began rolling out the "Environmental Card" service at 35 Regional Banks. The "Collection and recycling of used bank cards at the branches" component enjoyed uninterrupted successes every year. In 2020, over 2.4 million cards, equivalent to 12.2 tonnes, were collected. Since 2014, more than 18 million bank cards, weighing approximately 101 tonnes, have been recovered. Moreover, since January 2016, all new chequebooks proposed by the Regional Banks have been printed on PEFC certified paper. This certification guarantees sustainable management of forests for paper production, *i.e.* ensuring that forests are managed according to the highest environmental and social standards.

Crédit Agricole S.A. **water consumption** over the last three years has changed as follows:

	2020	2019	2018
Water consumption (in m³)	686,578	749,322	813,147

Scope covered: 97% of full-time equivalent employees (FTEs).

## 2.4 SOCIAL STRATEGY

### 2.4.1 A universal approach to our businesses: being there for everyone

Our environment is changing. Climate change, technological innovation, new economic actors and models, increasing use of digital technology and data and new forms of work are some of the changes affecting society, **accentuating social, generational or regional disparities** and leading to real **societal crises**.

The coronavirus pandemic and its economic impacts are accentuating inequalities, exacerbating regional and digital isolation and fracture, and creating increased expectations of commitment on the part of businesses. In this unique environment, banks have a major role to play, and the Crédit Agricole Group is strongly committed to supporting its customers and providing them with personalised solutions, while at the same time encouraging externalities that are useful to society. In this area, it is the **Group's ambition to be able to respond to all the concerns of all of its customers, from the most modest to the most affluent**.

#### 2.4.1.1 Economic development for all

##### Policy

Crédit Agricole S.A. has a long-standing commitment to regional development and draws on its regional roots **to promote more shared economic development**. In this way, Crédit Agricole S.A. supports the economic development of regions by financing economic activities, promoting access to health services by supporting the development and strengthening of that sector, which is so vital for social cohesion, and promoting access to digital services, which rely on the infrastructure related to the communication technologies that the Group entities finance. Crédit Agricole S.A. also promotes entrepreneurship and access for everyone to financial services, including in emerging countries through the actions of the Grameen Crédit Agricole Foundation.

## Action plans and examples

### Regional development

Crédit Agricole's commitment to regional economic development is based on its local roots, namely its 8,200 branches in France and 2,100 abroad.

In addition, Crédit Agricole CIB assisted Crédit Agricole S.A. with the initial issue of its social bonds. Crédit Agricole S.A. issued an initial €1 billion **social bond** on 1 December 2020 to support local, sustainable and inclusive regional growth. It aims to revitalise regions and reduce social inequalities by promoting employment through financing in the regions hardest hit by the crisis.

A leading issuer on the green bond market, the Group is today naturally expanding the scope of its efforts in sustainable finance by operating in the social bond market. These theme-based issues will feed into the Group's ambition, rooted in a Societal Project, to further its mutual-interest commitment to inclusive development.

Its cooperative and mutual-interest identity gives it the responsibility to act locally to support economic development that is beneficial to all. These

social bond issues will be geared towards the financing of our professional customers and small and medium-sized companies (SMEs) in economically disadvantaged regions. The Regional Banks and LCL are the Group's spearhead when it comes to boosting regional economic development.

With this initial issue, the Group aims to support:

1. Regional economic development, in particular by financing SMEs to promote job creation in disadvantaged areas.
2. Social inclusion and empowerment by financing associations working to promote sport, access to culture and the development of solidarity initiatives, and by financing social housing.
3. Access to health services by financing public hospitals and elderly support structures, as well as SMEs playing an active role in the health sector.

Crédit Agricole S.A. has mapped the regions and defined as a priority those with an unemployment rate higher than the national average.

Crédit Agricole S.A. has made a commitment to report annually on the social and societal impact of the refinanced asset portfolio.

## Supporting our customers during the public health crisis

**From the beginning of March 2020, the Crédit Agricole Group has been working to help its small business, corporate and agricultural customers get through this unprecedented crisis.** The Group has played a major role in the distribution of state guaranteed loans, with €31.5 billion requested by 210,000 companies. The Group's customers accounted for 28.1% of the number of requests granted, and 23.9% of the amount granted. In addition, it has granted over 550,000 moratoriums and extensions. In April 2020, the Group put in place a mutual support system for small businesses during the spring lockdown period. With a budget of €239 million, this extra-contractual gesture of solidarity is aimed at all policyholders who have taken out professional multi-risk insurance with business interruption.

### Access to healthcare

With a 21% market share in 2019 for healthcare professionals, **Crédit Agricole's Regional Banks** are structuring their development in the healthcare sector around three guidelines: e-health, medical desertification and expert appraisal support. As part of their action plan, the Crédit Agricole Regional Banks, in partnership with the EIB (European Investment Bank), are the first banks in Europe to set up a financing package for self-employed healthcare professionals. This €250 million package became available in December 2020 and will be used to support the development of self-employed healthcare professionals, the installation of new practitioners in areas under stress and throughout the country, and their placement in nursing homes. Special attention is being paid to regions and territories affected by medical desertification, with a minimum of 20% of the total package dedicated to this priority.

LCL supports the **health sector** with the introduction of funding representing €6 billion in outstanding loans at end-2020. Every day, LCL and Interfimo – its subsidiary serving independent professionals – support a large number of independent healthcare professionals throughout France, facilitating citizens' access to quality care.

### Access to digital technology

In 2020, Crédit Agricole S.A. financed a number of major projects, including:

- With financing of €1.1 billion, **Crédit Agricole CIB** supported the Vauban Group and Bouygues Telecom through their joint venture (Development Company for Access to Fibre Infrastructure - SDAIF), whose aim is to accelerate the deployment of fibre optic cable (FTTH) in medium-density areas in France. More specifically, the purpose of this company will be to acquire long-term access rights from Orange, thereby contributing to the co-financing of optical fibre alongside the main French operators.
- **Crédit Agricole CIB** structured €2.35 billion in financing in a joint venture (Violin) co-owned by Iliad and the French infrastructure fund Infravia to accelerate the deployment of fibre optic cable (FTTH) in medium- and low-density areas in France. This dedicated company will co-finance the construction of the new power points deployed and subscribe to new tranches of co-financing.

In addition, Crédit Agricole is the first bank through the **Regional Banks** to offer the France Num guarantee distributed by Bpifrance. This guarantee makes it possible to cover up to 80% of a loan taken out by a small businesses-SME with under 50 employees to finance a project to digitise its activity. In this way, it promotes support for our customers' business recovery.

### Promoting entrepreneurship

“**Village by CA**” is a network of start-up accelerators. Since 2014, it has been bringing together start-ups and partner companies to accelerate innovation and business via a unique network present throughout France and internationally. The 200 start-ups currently hosted are focused on making an impact and contributing positively to the economy. At end-2020, 37 villages had been opened and 1,073 start-ups supported with the help of over 630 partners (SMEs, mid-caps, major groups, public and institutional players). Lastly, since the opening of the first Village, the start-ups have raised €1,035 million.

Working with major business-creation support networks since 2003, LCL as well as the Regional Banks have once again contributed to strengthening the network of small businesses throughout France:

- **Initiative France** offers all entrepreneurs financing via an interest-free, unsecured loan and upstream and post-creation support. Crédit Agricole is the leading banking partner for companies supported by the **Initiative France association** with a 33% market share. The people assisted include 11,800 jobseekers, 8,000 women, 3,600 rural revitalisation areas and 758 priority neighbourhoods.
- **Réseau Entreprendre** is a network made up of business leaders who volunteer to support and finance entrepreneurs with job creation potential to help them successfully create, take over or grow their business via collateral-free loans. Crédit Agricole has a market share of around 30%.
- The purpose of **France Active** is to develop a more inclusive and sustainable economy and promote access to bank credit for project leaders and entrepreneurs. Together with Crédit Agricole, 1,712 companies are involved in guarantee activities. Its profile consists of 88% jobseekers, 26% of whom are long-term jobseekers/5% on minimum social benefits.

**LCL** is also a **partner of France Active Garantie**, in which it has a 5% stake. In 2020, it financed 82 start-up projects, most of them from people looking for jobs, providing financing of more than €4.3 million.

The Crédit Agricole Group has become a leader in **providing capital support to young innovative companies** through a strategic fund, FIRECA, a CAIT technological disruption fund operated by Supernova Investissement, a joint venture between Amundi and the CEA, a Fintech FI Venture fund in partnership with Breega Capital and 18 regional Innovation funds. With more

than €400 million of funding and due to its strong regional presence, the Group has become one of the most active French investors in Innovation Capital (third-largest player in terms of number of deals in the Avolta VC/M&A Tech Multiples – France November 2020 ranking).

### Access for everyone to our offers and services

**Crédit Agricole S.A.** wants to serve all of its customers, from the most modest to the wealthiest, and to support its customers in situations of vulnerability. In this context, its purpose is to facilitate the accessibility of financial products and services (readability of the offer; adapted pricing, conditions of sale).

**EKO** is the entry-level banking offer of the **Regional Banks** launched at the end of 2017. It is open to all adults who want to have a bank account that offers the essentials of banking with services that allow them to manage their budget for €2 a month. At end-December 2020, close to 155,000 customers had signed up for EKO.

**LCL** launched LCL Essentiel to meet the needs of young, budget-conscious urbanites. For €2/month, customers get an international payment and withdrawal card, a mobile app, a dedicated in-branch adviser and a deposit account with no account maintenance fees. At end-2020, LCL Essentiel had 37,000 subscriptions registered since its launch in April 2019.

In healthcare, Crédit Agricole offers services that are accessible to everyone. The **Crédit Agricole Assurances** individual healthcare offer integrates the changes from the “100% Santé” reform, which makes it possible to offer optical, dental, and audiology services that are reimbursed in full. This upgraded offer, accessible to everyone and with cover that is easier to understand, is enhanced with new innovative services and useful benefits in order to advise and protect our customers better. Moreover, to improve access to healthcare for the most vulnerable and offer a local service to the customers concerned, Pacifica, a subsidiary of Crédit Agricole Assurances, decided to continue to manage the *Complémentaire Santé Solidaire* policy, which offers a single, regulated and free or subsidised level of coverage.

In the area of home ownership, the **Regional Banks** are leaders in the granting of interest-free loans (PTZ). PTZs finance a portion of a primary residence for first-time homebuyers with moderate incomes. As at November 2020, 16,895 applications had been financed for €792 million by the Crédit Agricole Regional Banks and 2,750 applications for €198 million by LCL. The Crédit Agricole Group has financed more than 38% of all PTZs.

## The Grameen Crédit Agricole Foundation: a tool tailored to emerging countries

2020 was marked by the COVID-19 public health and economic crisis. The **Grameen Crédit Agricole Foundation** had to quickly adapt its activity and tools to meet the needs of the organisations supported during that period. It closely monitored the impact of the crisis on these organisations and supported them by granting moratoriums on its funding where relevant. New financing granted to microfinance institutions for populations without banking access was lower than in previous years due to the slowdown in the activity of the institutions as a result of the crisis. The Foundation ended the year with a solid balance sheet: assets totalling €81.2 million were provided to 75 microfinance institutions (68 institutions financed and seven supported through technical assistance alone) and 12 social enterprises in 39 countries. Women's entrepreneurship and rural economic development are still a key part of what the Foundation does: 87% of customers of financed institutions are women and 83% live in rural areas<sup>(1)</sup>.

**The Foundation has adopted several measures to address the COVID-19 crisis.** Since March, the Foundation has kept in regular contact with the organisations financed to understand the effects of the crisis and their needs. The findings of surveys carried out and other analytical articles are published in the COVID-19 Observatory, a platform listing all articles related to the COVID-19 pandemic. The Foundation has also spearheaded an international coalition of 30 donors and other key players in inclusive finance to take concerted action in the face of the economic crisis. The coalition agreed on a set of principles to protect microfinance institutions and their customers in the COVID-19 crisis. The pooling of information and analyses, as well as the coordinated implementation of decisions, were vital to supporting the sector. Lastly, the Foundation responded favourably to its partners' requests for maturity extensions by granting 37 loans worth €7.1 million to 29 beneficiary organisations.

**The Foundation worked in close collaboration with its donors.** It received new loans from Agence Française de Développement (AFD) a €10 million loan, a €900,000 subsidy to launch a multi-insurance technical assistance programme<sup>(2)</sup> and a €5 million COVID-19 financing package together with another portfolio guarantee – the sixth one since 2011. These new loans will consolidate the Foundation's action in support of microfinance. Alongside the European Investment Bank and the Luxembourg Government, the Foundation is stepping up its support for institutions in West Africa as part of a new technical assistance programme with a €332,000 subsidy<sup>(3)</sup>.

**The Foundation also strengthened its ties with the Crédit Agricole Group.** It signed a cooperation agreement with Crédit Agricole Romania, which will finance local microfinance institutions with the support of the Foundation, which will provide microfinance expertise and back the loans granted by CA Romania<sup>(4)</sup>. The Foundation also established, with Dai-ichi Life Insurance Company Limited and Crédit Agricole CIB's Tokyo branch, an innovative 10-year JPY 2 billion loan scheme to promote the development of microfinance for women in rural economies in developing countries<sup>(5)</sup>. Banquiers Solidaires, the skills volunteering programme launched with Crédit Agricole S.A. for the organisations financed, celebrated another year of existence, with 20 missions initiated since its launch in 2018.

**In addition, the Foundation has been selected to participate in the SSNUP** (Smallholder Safety Net Upscaling Programme), a new programme launched by ADA, a long-standing Luxembourg partner organisation of the Foundation, which aims to support small farmers in Africa, Latin America and Asia over a 10-year period with a budget of €55 million. As part of this programme, the Foundation will coordinate technical assistance missions as part of a €1 million package for the organisations it finances<sup>(6)</sup>.

In 2021, the Foundation will consolidate its action around the 2019-2022 Strategic Plan, which aims in particular to grant €200 million to 100 organisations by the end of 2022. Three themes remain central to the Foundation's action in the next few years: strengthening support for microfinance institutions, in particular small- and medium-sized institutions (2022 target: 90% of the institutions financed), developing the resilience of rural economies through social impact companies and promoting social impact in the financial sector, especially through partnerships with the Crédit Agricole Group.

(1) See the Foundation's impact report at <https://rapport-impact.gca-foundation.org/>

(2) Read the press release published with the AFD: <https://www.gca-foundation.org/espace-medias/#le-groupe-agence-francaise-de-developpement-accorde-un-prest-de-10-me-a-la-fondation-grameen-credit-agricole-pour-favoriser-lacces-des-populations-fragiles-aux-services-financiers>

(3) More information on the EIB financing: <https://www.gca-foundation.org/espace-medias/#un-programme-dat-pour-renforcer-la-microfinance-en-afrique-de-louest>

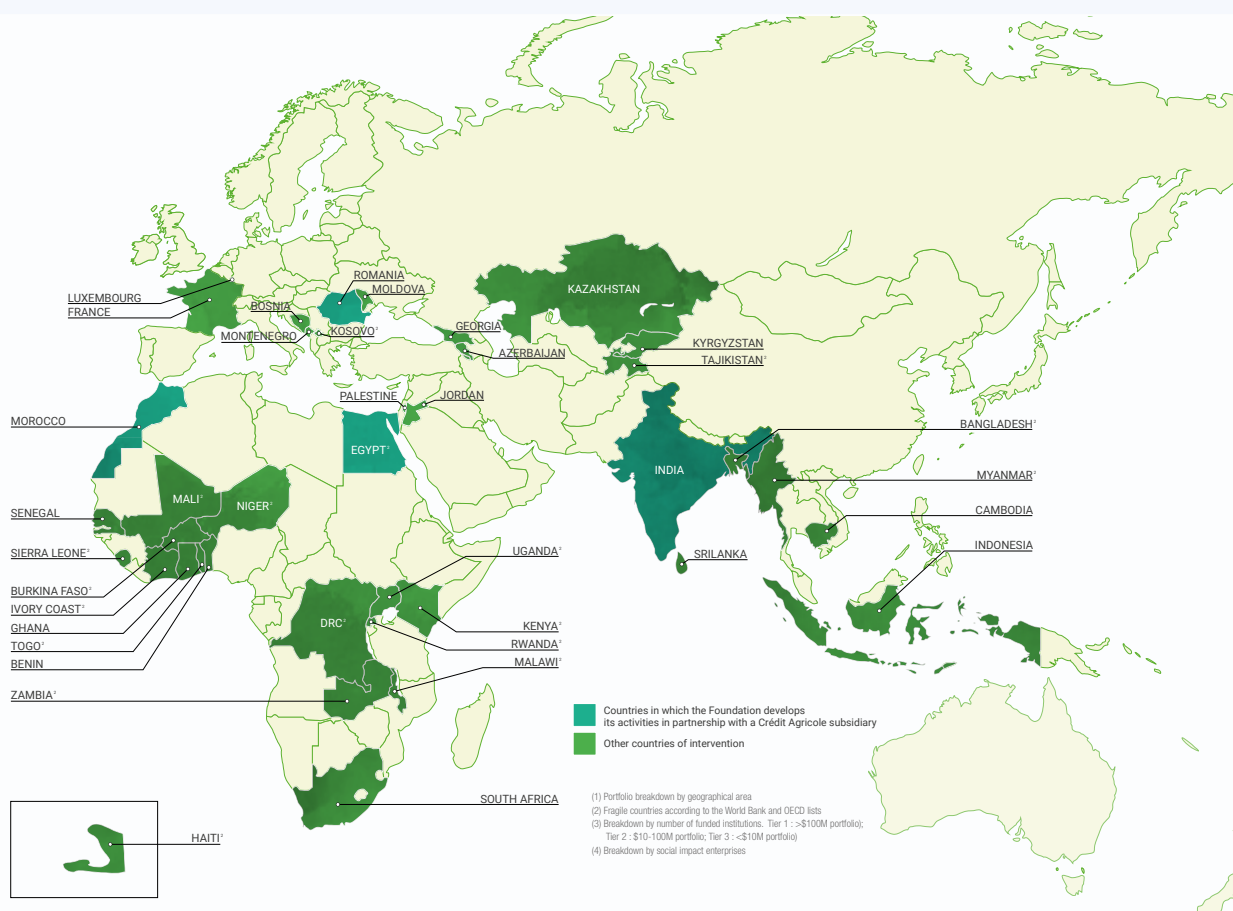
(4) Read more about the partnership with CA Romania: <https://www.gca-foundation.org/espace-medias/#un-partenariat-fondation-grameen-credit-agricole-et-credit-agricole-roumanie-pour-la-microfinance>

(5) Read the press release published with Crédit Agricole CIB here: <https://www.gca-foundation.org/espace-medias/#credit-agricole-et-dai-ichi-life-sassocient-pour-soutenir-la-microfinance-en-faveur-des-femmes>

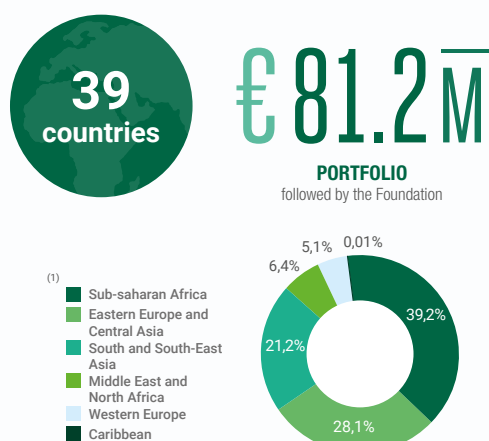
(6) More information about the SSNUP here: <https://www.gca-foundation.org/espace-medias/#lancement-du-programme-ssnup-soutenir-durablement-les-petits-exploitants-agricoles-dans-le-monde>



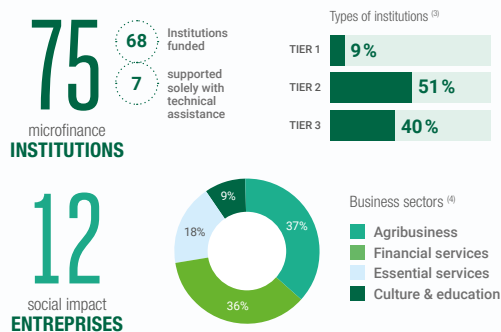
## Key figures of the Foundation



## ACTIVITY



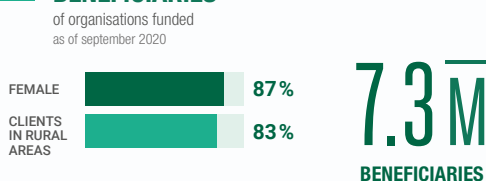
## SUPPORTED ORGANISATIONS



## TECHNICAL ASSISTANCE



## BENEFICIARIES





### 2.4.1.2 Developing preventive actions

#### Policy

Prevention is the implementation of a set of measures designed to avoid a foreseeable event that is believed to result in harm to the individual or the community. Its intrinsic vocation is to prevent a risk, misfortune or situation from spreading or getting worse.

In addition to prevention for its insureds, Crédit Agricole conducts initiatives to detect financial vulnerability and combat overindebtedness and promote digital inclusion and in-home care for older adults.

#### Action plans and results

##### Detecting financially vulnerable customers and combatting overindebtedness

In order to meet the specific needs of its customers and detect various situations of financial vulnerability as quickly as possible, the Crédit Agricole Group redesigned and broadened its criteria for detecting situations of financial vulnerability when Article R. 312-4-3 of the French Monetary and Financial Code (Decree no. 2020-889 of 20 July 2020) was amended. For the monthly credit flow, the sole regulatory criterion of automatic detection left to the discretion of the banks, the Crédit Agricole Group has chosen to use a high threshold, which it defines as the average monthly net minimum wage in 2020 and the median income per household (Eurostat), *i.e.* €1,535, to allow a much larger portion of its customers to benefit from the cap on bank charges.

In addition to this mechanism for automatically detecting situations of proven financial vulnerability, Crédit Agricole's **Regional Banks** are strengthening their mechanism for the early detection of potential financial vulnerability among their customers, to enable advisers to intervene upstream with an analysis of the financial situation and a proposal for support tailored to their situation.

In 2020, Crédit Agricole's **Regional Banks** created a platform to help customers manage their budgets. The purpose of this platform, which is open to customers and non-customers alike, is to contribute to financial information by providing useful information such as day-to-day advice on budget management, support in the event of hard times, moderately priced banking solutions (see above) and links to our partners' inclusive offers, such as the Orange Group's "Coup de pouce" offer, "Programme Malin" for infant nutrition, the Veolia Group's water vouchers and the CRIT Group's job and support offers.

At **LCL**, if a situation of proven or potential financial vulnerability is detected, the customer in question will receive a letter describing the advantages of the "LCL Initial" offer, which gives them access to a range of banking services that will help them manage their account. The national "**LCL Parenthèse**" unit also provides support in certain situations that are either complex or require coordination with organisations involved in the fight against over-indebtedness, such as "Points Conseils Budget".

**Crédit Agricole Consumer Finance**, as a major player in consumer credit in Europe, is committed to preventing and dealing with over-indebtedness. From 2013 in France, the company created the Customer Support Agency, which is tasked with:

- identifying customers showing signs of budgetary vulnerability;
- analysing and assessing their personal and financial situations and how those situations may change;
- looking for and offering customers solutions tailored to their situations, involving partners like Crédit Agricole's *Points Passerelle*, *Crésus* or *Crédit Municipal de Paris* where appropriate;
- monitoring the support solution.

In 2020, 5,022 customers in a vulnerable financial situation received personalised support. In addition, **Crédit Agricole Consumer Finance** continuously supports vulnerable groups through budget education initiatives rolled out in France, Italy, Germany and Portugal.

The **Points Passerelle** scheme relies on **36 Regional Banks** to help and support people affected by a life crisis (unemployment, death of a loved one, divorce, etc.) so they can regain stability. More than 11,000 vulnerable people have been supported by 120 advisers and 800 volunteers (elected representatives and retired Crédit Agricole employees) spread over 80 reception centres and a network of 400 local partners. Les Points Passerelles have also supported a number of socio-economic projects through the granting of more than 2,300 personal micro-loans in 2020. Aware of the importance of maintaining car insurance, particularly for such vulnerable people, Crédit Agricole Assurances (through its subsidiary Pacifica) helps Points Passerelle applicants take a "break" from paying car insurance premiums.

#### Digital inclusion

##### Digital inclusion is vital to the accessibility of financial services.

Currently, 13 million French people say they are excluded from the digital world. The COVID-19 crisis is a further illustration of its essential nature. Digital technology has been a key element in maintaining ties to one's environment, whether it be one's family and friends, work, school or even one's bank.

Actions are being carried out by the **Points Passerelle**, especially in the **Atlantique Vendée** and **Nord de France Regional Banks**, such as digital cafés for young people in the second-chance schools network or the donation of tablets. They were already underway in 2019 and have sometimes accelerated with the public health crisis. In addition, since 2019, the Nord de France Regional Bank, through its Foundation, has been supporting a pilot scheme with Emmaüs Connect and Pôle Emploi in Roubaix and Béthune to train jobseekers in digital skills. The association is now in contact with Points Passerelle and is a success with 400 beneficiaries in Roubaix.

#### Older seniors and carers

The "Bien Vivre à Domicile" (BVAD) initiative aims to support older senior and carers (11 million French carers who support at least one relative, including 4 million on a daily and regular basis). This initiative is based on a free assessment carried out by a bank adviser using a tablet application and has several objectives:

- **recreating links with senior customers** and providing them with relevant advice on important issues related to ageing well;
- **better understanding their life projects and their needs**, to help them plan ahead with a tool based on 4 main themes: housing comfort and security of daily life, well-being and social ties, finance, insurance and inheritance;
- **Introducing them and their carers to banking, insurance and service solutions** (including VIAVITA's personal services, the ViaREN works management service – both subsidiaries of Crédit Agricole Assurances – and the Nexecur remote assistance and remote surveillance).

BVAD was created jointly by **Crédit Agricole Assurances** and **Crédit Agricole S.A. with seven Regional Banks**. Delivered at the end of 2019, the results are very encouraging in terms of both customer and adviser satisfaction. Currently, six Regional Banks have launched the initiative, ten will conduct a pilot during the first quarter of 2021, seven during H2 2021, and ten are currently considering the matter. After the delivery at the end of 2020 of "BVAD by telephone", which makes an entirely remote assessment given the situation (lockdown and seniors unable/unwilling to travel to the branch), new services will be added to the initiative, especially for carers.

### Prevention for our insureds

Prevention is an integral part of our comprehensive approach to understanding risks and supporting customers to better protect people and preserve their personal and business assets. Its principles of action are based on prevention to avoid the risk, protection to reduce it and minimise its impact, and insurance to compensate for its consequences.

In order to limit accidents and claims, **Crédit Agricole Assurances** shows customers how to take preventive action. This is rounded out by an offer of protective equipment and specific training solutions. Prevention advice is provided through several channels (contracts, text messages, workshops, local networks or among members at general meetings of the Local Banks, etc.). Increased support for customers is provided on certain issues: free post-driving licence instruction courses for young drivers, special prices for protective equipment, verification of electrical installations, remote monitoring systems against theft or helplines for older adults, support for customers who have experienced repeated incidents of the same nature, insurance offers including the provision of useful assistance services to protect them and their families in the event of death, dependence, disability, or for funerals.

#### 2.4.1.3 Social cohesion and living well together

##### Policy

Crédit Agricole continues to be committed to promoting social cohesion. We consider housing to be one of the foundations for living fully as a citizen. By supporting social housing, assisting economic players seeking to create positive social externalities, especially ones connected to the social and solidarity economy, and pursuing an active policy of volunteering and employee engagement, Crédit Agricole S.A. is committed to social cohesion and living well together.

##### Action plans and results

##### Social housing

Crédit Agricole is the leading provider of housing financing in France. It makes major contributions to the development of home ownership for everyone.

In November 2020, **LCL** signed a partnership with **Action Logement**, a leading player in social and intermediate housing in France, which aims to facilitate access to housing to promote employment. With this partnership, LCL is strengthening its role as an adviser on all aspects of real estate projects and the promotion of sustainable cities. **Action Logement** offers a wide range of solutions in the form of grants or loans for home ownership, the financing of energy renovation, support for professional and residential mobility (especially for young working people and people on work-study schemes) and the improvement of housing for seniors. The aim of this partnership is to provide LCL's customers with personalised advice on a wider range of products whatever their project.

Crédit Agricole's **Regional Banks** are rolling out the social home ownership offer and programme for low-income households. This "OFS/BRS" (*organisme foncier solidaire/bail réel solidaire*) programme is based on a principle of separating the purchase of land from that of the building to deal with soaring land prices in competitive real estate markets. By offering purchase prices 15% to 40% lower than market rates, it helps low-income families access homeownership. This programme was opened up to social housing bodies under the Elan Law and 44 OFS are now accredited. More generally, Crédit Agricole's Regional Banks are among the banks that distribute regulated social housing loans (PLS, PLI, PSLA). Apart from Caisse des Dépôts, only three other commercial bank networks distribute these loans to housing providers who build housing for a lower-income customer base.

### Support for high-impact players

For businesses in the **social and solidarity economy (SSE)** sector, the goal is to address social challenges such as social integration, housing and health. Faced with the budgetary constraints of governments or local authorities, these businesses also need private funds in order to expand. Under the "Ambitions 2022" strategic plan, the Group entities strive to support high-impact players: asset management, insurance (life insurance products, in particular) and investment funds:

- for **Amundi**: double SSE investment to €500 million;
- for **Crédit Agricole Assurances**: increase the promotion of its "*Contrat solidaire*" life insurance policy;
- for **Crédit Agricole CIB**: strengthen its leadership in arranging social bonds;
- for **Regional Banks**: create a support system for social impact start-ups in Villages by CA.

In 2020, the **Amundi Finance and Solidarity** fund was a leading social impact fund in France, with assets under management of nearly €331 million. In 2020, which was characterised by the global public health crisis, Amundi focused its efforts on supporting, assisting and monitoring the companies in its portfolio. As a result, nearly €40 million have been reinvested to strengthen and develop the economic model of these companies. The dedicated website (<https://amundi.oneheart.fr/>) has also been expanded with a section called "The Solidarity Village". Following the creation in 2018 of a fund focused on access to education, CPR AM – an Amundi subsidiary – launched CPR Invest Social Impact in early 2020. It is the first global equity fund to place inequality reduction at the heart of its investment process. It combines the equity of companies that best contribute to inequality reduction. This fund provides investors with a unique solution to measure and incorporate financial risks related to inequality, while also contributing (through their investments) to reducing such inequality.

**Crédit Agricole Assurances**, through its subsidiary Predica, offers a "contrat solidaire", the first Finansol-certified social multi-vehicle life insurance policy which combines savings and social good. The year 2020 was marked by increased support for advisers, with a new e-learning system being one sign of this. For customers, the Essentiel pre-sales document and a redesigned Facebook feature have been made available. Each year Predica reports to the policyholders about the social impact generated by the policy funds (number of jobs created, number of people re-housed, number of healthcare beneficiaries, number of microcredit beneficiaries abroad, tonnes of waste recycled, etc.).

**LCL** offers ethical, targeted and social funds in the "Investir Autrement" (Invest Differently) range. The range includes its Hymnos ethical fund, which excludes companies that harm people or society and its community development and sharing fund which it pioneered in the early 1990s called Solidarité Habitat et Humanisme and Solidarité CCFD Terres Solidaires.

**Crédit Agricole CIB** has been a global leader in **arranging social bonds**. Accordingly, Crédit Agricole CIB acted as bookrunner for more than €12.2 billion in social bonds in 2020, representing a market share of more than 10% (source: Dealogic). Crédit Agricole CIB is very proud to have helped with the initial issue of social bonds by issuers such as Munifin (€500 million issued in September 2020), NRW Bank (€1 billion in June 2020), and UNEDIC (two issues in May and June 2020 of €4 billion each, as part of the response to the COVID-19 crisis). Crédit Agricole CIB also assisted Crédit Agricole S.A. with the initial €1 billion issue of its social bond on 1 December 2020.

### Volunteering and employee engagement

In addition to being a major **partner, sponsor and patron**, Crédit Agricole is also France's leading bank for non-profit associations. In 2020, Crédit Agricole S.A. allocated almost **€34.4 million to thousands of local and national projects**.

In addition to financial support in the form of grants, gifts, scholarships, bursaries, etc., the Crédit Agricole Group entities make donations in kind, volunteer their skills, and make their facilities and human resources available to communities throughout the country as well as abroad, especially in Italy. The projects supported are chosen to optimise their impact.

### Supporting inclusion

In 2020, Crédit Agricole S.A. provided financial support of €3.1 million to inclusion-related associations in France and abroad. In particular, Crédit Agricole S.A. supports:

- The associations **Viens voir mon Taf** and **Un stage et après**, which have been supported since 2019, have the mission of finding company internships for year 10 students in priority education networks (REP and REP+). They support Crédit Agricole S.A. in organising the hosting of year 10 internships.
- The **Un Avenir Ensemble** Foundation organises the tutoring of deserving young people from their studies to their professional life. In 2020, Crédit Agricole S.A. supported it to create a benchmark and a traceability system for the acquisition of so-called soft skills by these young people.
- **Entourage** helps homeless people by developing a support network between neighbours and local associations. Through the development of the Linked Out project, its purpose is also professional reintegration.
- **Dons Solidaires** is an association that assists companies in the redistribution of their unsold new non-food products by distributing them to the French network of associations. In 2020, Crédit Agricole S.A. supported several projects on its behalf, such as the consolidation and extension of regional branches and the completion of its first impact study.
- **Stop Illettrisme** fights against illiteracy in the workplace. Over the past three years, Crédit Agricole S.A. has rolled out a programme across its campuses in the Paris region to support the employees of maintenance service providers who take a diploma level course in French.
- **Entrepreneurs du Monde** supports the economic integration of families in very precarious situations and facilitates their access to essential goods and services.

### Funds raised to address the COVID-19 public health crisis

An emergency fund called **"Tous mobilisés pour nos aînés"** was created to fund basic necessities for older people, protect them and enable them to keep in touch with their loved ones during the public health crisis. Created by the Crédit Agricole Solidarité et Développement Foundation, this fund was financed by the Crédit Agricole Regional Banks and the Crédit Agricole S.A. Group. With its €20 million in resources, it enabled older adults as well as carers in care homes and in-home carers to be supplied with personal protective equipment. In total, over 810,000 beneficiaries and nearly 6,000 supported facilities (4,400 residential care homes (EHPAD) and 1,600 in-home care companies) have benefited from these funds.

In addition to this "emergency fund", Crédit Agricole S.A. has undertaken to contribute €13.5 million to hospital facilities and non-profit associations in support of social assistance and medical and sanitary equipment projects in France and abroad. In this context, the Red Cross received more than €3 million in support from Crédit Agricole entities in Italy and Amundi in France and abroad. Crédit Agricole CIB provided €300,000 in support to the APHP and the Simplon Foundation as part of the #Gardonslelien Avec Nos Aînés initiative. These support actions were crowdfunded by employees. LCL also donated 1.7 million masks to the Normandy regional health agency.

### Employee engagement

Created in 2012, the CA Solidaires programme supports **the engagement of Group employees** in support of charitable causes of general interest. Various forms of engagement through skills volunteering or volunteer work are offered: missions carried out at non-profits, one-day collective or consultancy missions together with other Group employees, or support provided to recipients of tutoring services.

The Crédit Agricole S.A. **"Coups de Pouce"** (Helping Hand) programme supports employees involved in charity work. In 2020, seven entities (Amundi, CACEIS, CA Immobilier, Crédit Agricole Assurances, Crédit Agricole CIB, Crédit Agricole S.A. and LCL) took part in this programme. The principle is that each employee can submit his or her charitable project to a jury to obtain a grant. In 2020, a total of 98 charities received €322,000 in financial support.

A **humanitarian banking** programme was set up in conjunction with the **Grameen Crédit Agricole Foundation** whereby Group employees were offered the opportunity to take on technical assistance assignments on behalf of the Foundation's partners. A total of 128 mission days have taken place since the creation of this programme.

### Cultural sponsorship

Crédit Agricole S.A. is a partner of the European Heritage Days with the French Ministry of Culture. Crédit Agricole S.A. realises that heritage is a regional challenge and uses this sponsorship to echo the role played by the Regional Banks and the Crédit Agricole Pays de France Foundation in the regions.

In total in 2020, Crédit Agricole S.A. supported cultural sponsorship projects in the amount of €3.2 million.

### Protection of the environment

Crédit Agricole S.A. has been an official partner of the Plastic Odyssey **expedition** since 2019, along with 16 other Group entities, whose aim is to curb plastic pollution of the oceans and promote recycling channels. This worldwide awareness and action programme is conducted from an ambassador ship for the reduction and recycling of plastic waste. It will set sail in the spring of 2021, first in France and then in the Mediterranean. The issues for these ports of call: by sharing open source recycling technologies, encourage the creation of plastic recycling micro-companies. Crédit Agricole's financial commitment will last for five years and total €1.2 million. Since 2018, Crédit Agricole Assurances has been a partner of the Plantons pour l'Avenir endowment fund. The fund aims to support the development of innovative forest management practices tailored to climate change and to accelerate reforestation in France by providing the necessary funding for planting projects (in the form of an advance repayable at 0% interest over 30 years), supported by owners committed to the sustainable management of their forests. Since 2018, more than 666,000 trees have been planted through this partnership.

Under its three-year framework agreement with France's **Muséum national d'Histoire naturelle (MNHN)**, Crédit Agricole S.A. will continue to support the MNHN's research programme on biodiversity in agriculture and natural site preservation as part of joint volunteering actions with other Regional Banks and the CA Pays de France Foundation. In 2020, the natural sites of Le Haras de Fabre (Vaucluse) and Parc de la Haute Touche (Indre) were supported. Crédit Agricole S.A. has also entered into a partnership with some of the Regional Banks along the coast for the Plages Vivantes participatory science programme. Since the signature of the sponsorship framework agreement in 2018, the Crédit Agricole Group has supported the Muséum national d'Histoire naturelle with €545,000 in funding.

In total in 2020, Crédit Agricole S.A. supported environmental volunteer projects in the amount of €835,000 million.



### 2.4.2 A strong ethical culture

In line with stakeholder expectations, **a culture of ethics is one of the foundations of the Crédit Agricole Group's value creation model**. The interaction of the Group's systems, standards and values are all powerful levers to reinforce, every day, this powerful distinguishing mark of our Group.

#### 2.4.2.1 A group committed to protecting the interests of its customers and the trust of its stakeholders

##### Policy

The **Group Compliance department** defines and implements a Group-wide non-compliance risk prevention policy. These risks include money laundering, terrorist financing, international sanctions, fraud, corruption and failure to follow the rules for protecting customers and personal data. This system relies in particular on organisations, procedures, training and awareness programmes, and information systems or tools used to identify, assess, monitor, control these risks and determine the necessary action plans.

##### Action plans and results

Launched in 2019 within the Compliance department for the next three years, the *Smart Compliance* project is organised around two lines:

- *the first is defensive, organised around adhering to regulations and protecting its corporate image;*
- *the second is offensive and targets operational efficiency and fairness to customers.*

Its implementation in 2020 will result in various projects to improve customer relations, deploy high-performance Group tools, increase efficiency and productivity and develop the innovation ecosystem, in particular with the innovation laboratory for compliance: Compliance Valley. *Smart Compliance*, including the **customer protection** system, is being used for the 2022 Group Project. As a result, in 2020, the Crédit Agricole Group continued to deploy this system, which is a strong distinguishing mark of the Customer Project, Societal Project and Human Project, as part of a continuous improvement approach.

**Four pillars of excellence** were defined to achieve the objectives set for **customer protection**:

- *a high level of quality of offerings and approaches marketed (product governance monitored over time, standardised NAP process);*
- *a permanent transparency requirement, through improvement of clarity of information provided to customers (documentation and pricing);*
- *the implementation of fairness in advising: delivering fair advice to all of our customers, including the most vulnerable and disadvantaged. This challenge takes on its full meaning in the context of the public health crisis, where the Crédit Agricole Group is putting all the necessary resources in place, both for its individual and small business customers, to support them through this exceptional period;*
- *listening to customers as a tool for the continuous improvement of the offerings and services marketed by the Group. To that end, the claims system is at the heart of our actions.*

Given the strengthening of legal obligations relating to the **fight against corruption**, since 2018 Crédit Agricole has taken the necessary steps to deepen its systems and implement the recommendations of the French Anti-Corruption Agency. These include updating procedures and operating methods by defining appropriate governance, preparation of a dedicated Anti-Corruption Code, renovation of its training and awareness-raising

programme for employees to highlight the behaviours to be adopted to avoid any breach of probity. Crédit Agricole is the first French bank to receive ISO 37001 certification for its anti-corruption management system, which was renewed in 2019<sup>(1)</sup>.

98% of Crédit Agricole S.A. employees had received anti-corruption training by the end of 2020.

**Fraud prevention** is designed to protect the Bank's interests and to safeguard customers. The fraud prevention system has been deployed in all Crédit Agricole Group entities since 2018. A Compliance/Prevention of Fraud and Corruption business line structure has made it possible to strengthen tools, detection and control procedures and employee training programmes.

At end-2020, 96% of Crédit Agricole S.A. employees had been trained in fraud prevention.

The Crédit Agricole Group regularly strengthens its measures to **prevent money laundering and combat the financing of terrorism**. Our system, which is managed by the Financial Security business line throughout the Group, is based on the implementation of constant vigilance measures throughout the business relationship, for both customers and transactions, in a manner that is adapted and proportionate to the risks. To this end, IT tools for customer profiling and the detection of unusual operations assist the Group's employees. The **fight against terrorist financing** and **compliance with international sanctions** also require constant cross-referencing of customer files with sanctions lists and the monitoring of international operations. In addition, general training is provided to all employees, as well as specialised training for the most exposed functions. Moreover, as a follow-up to the agreements signed with the US authorities in October 2015 for actions that date back to a period between 2003 and 2008, the Group has implemented a staggered remediation plan that will continue until 2021 and is designed to significantly strengthen its system for managing the risks of non-compliance with international sanctions. This plan is regularly monitored by the Board of Directors.

These preventive measures have been supplemented by the implementation of a **whistleblower mechanism** whereby employees are able to alert the entity's Compliance Officer if they observe an irregularity in the usual process of reporting non-compliance or if they feel pressured to do something that would constitute non-compliance, without going through their direct supervisor. The deployment of a **new IT platform** throughout the Crédit Agricole Group's scope to enable all employees to exercise their whistleblowers' right in complete safety and confidentiality was finalised in 2020. It covers over 300 entities with around 500 employees authorised to use the tool to process alerts. At this stage, over 100 alerts have been raised and processed via this new system, which also covers reports of incidents that fall within the scope of the duty of vigilance.

The Crédit Agricole Group adopted a **Personal Data Code** in 2017. The Code consists of five core principles (data security, integrity and reliability, ethics, transparency and education, customer control) designed to inform customers and to share best practice with employees of Group entities<sup>(2)</sup>.

#### 2.4.2.2 The promotion of ethical culture among Directors and employees

##### Policy

Beyond compliance with the regulations and ethics applicable to banking and financial activities, Compliance:

- is an opportunity to convey a positive image of responsible entities acting in the interests of their customers;

(1) Achievement rate based on e-management, within the Group's scope (excluding LCL and BPI Romania), calculated based on the workforce present at the time and paid at 31 December 2020 for the reference period (three years).

(2) [https://www.credit-agricole.com/content/download/122698/2442388/version/2/file/Charte\\_Utilisation\\_Donnee.pdf](https://www.credit-agricole.com/content/download/122698/2442388/version/2/file/Charte_Utilisation_Donnee.pdf)

- helps to maintain trust in the bank among all stakeholders (customers, employees, investors, regulators, suppliers and companies).

The implementation of the Crédit Agricole Group's culture of compliance and ethics is based on an internal system of reference documents that, along with legal and regulatory requirements, is based on three levels of coverage:

- **the Code of Ethics**, which was made available to the public in 2017 and is the same for all Group entities, affirms our commitments, our identity and our values of local presence, responsibility and solidarity. It also highlights our principles of action, which we follow every day vis-à-vis our customers, society and our employees by adopting ethical behaviour;
- **Codes of Conduct** that translate the principles of the Code of Ethics into operating standards to be applied operationally in a form adapted to the specific nature of each entity's activities, to guide the actions, decisions and behaviour of each individual on a daily basis. These Codes of Conduct also include a specific anti-corruption section, pursuant to the requirements of the Sapin II Law;
- **the Corpus Fides** is a collection of standards and procedures that identify the rules that the Group entities, executives and employees must follow and reflect compliance-related regulatory changes.

### Action plans and results

A programme for instilling a **culture of ethics** was defined in 2019 and implemented in 2020 to acculturate employees to ethics in an innovative way and to measure, using common indicators, their level of acculturation. This ethical culture is also shared through a comprehensive programme of **mandatory training** sessions for all employees in France and abroad.

An ethics acculturation programme continued in 2020 with the designing of an ethical communication kit (visual identity, newsletter template) and the sending of an "Ethics and you" quiz to the employees of the entities registered in the FReD initiative. Some entities also have their own programme to instil an ethical culture, such as Crédit Agricole Consumer Finance France, which in 2020 launched the distribution of four podcasts presenting issues and measures to combat corruption and implemented "Agora Compliance", an acculturation programme for 12 Compliance coaches.

In 2020, the **training programme** for all of the Group's employees was maintained with the obligation to take the five e-learning modules that make it up: day-to-day compliance, anti-money laundering and combating the financing of terrorism (AML-CFT), international sanctions, the prevention of external fraud and the fight against corruption.

The granularisation of "Everyday Compliance" e-learning continues, enabling employees to be directed, if necessary, only to the content they need. Its content has also been strengthened. This new version will be made available to entities starting in January 2021. The anti-corruption certificate required by the AFA<sup>(1)</sup> has been natively integrated into the "Combatting corruption" e-learning module. The signature is collected at the time of training. We took advantage of this opportunity to update the e-learning content to raise employee awareness of the right to alert and the whistleblower mechanism set up within the Group.

In 2020, 95% of Crédit Agricole S.A. Group employees had received training in day-to-day compliance (data confidentiality, irregularities, right to alert, reputational risk, inside information, etc.)<sup>(2)</sup>.

As part of efforts to professionalise the Compliance business line, among the 11 in-person training courses offered, the 3.5-day "Fides Academy Orientation Workshop" in 2020 professionalised nearly 60 new Compliance hires (France and abroad).

In accordance with European Banking Authority guidelines and the provisions of the French Monetary and Financial Code, **the Compliance Officers train Directors and members of the Board of Directors** on current regulatory issues. For new members of the Boards of Directors of the entities, material on "Compliance Issues" was made available to the Group entities to train them in-person. The objectives are to provide summary information on current regulatory issues relating to compliance, financial security and international sanctions, as well as to discuss the practical consequences of this environment on the role of the Director. Once a year, the Board of Directors is also informed of regulatory changes during the year.

### 2.4.3 The Human Resources ambition: to strengthen autonomy and the assumption of responsibility

The women and men of Crédit Agricole are central to the success of the Group. In an increasingly digital society, the direct responsibility that a company's empowered employees can offer their customers is key. The Group places this responsibility at the centre of its Human Project. We have a strong commitment to our employees as a responsible employer:

- to ensure equity and promote diversity with a view to inclusion;
- to improve the quality of work life and guarantee the health and safety of employees;
- to maintain an active dialogue with employee representatives.

Our ambition: **To be the preferred employer in France in financial services and in the Top 5 in Europe**. To that end, the key success factors are cultivated by the Human Resources Department:

- a variety of career paths with opportunities for advancement fostering employee accountability, with a view to sustainable employability;
- an innovative and fulfilling working environment and practices, which drive performance;
- a responsible, high-performance company which fosters customer, regional and economic development in France and abroad.

#### 2.4.3.1 Encouraging responsibility

Our **Human Project** is focused on **local accountability to offer customers ongoing access** to a trained, autonomous person with the authority to take action. This empowerment of all customer-facing employees will go hand in hand with a change in our managerial culture. To guarantee progress, we have defined support for everyone from our managers to our field employees as follows:

- *leaders who embody the managerial transformation;*
- *entrepreneurial managers who distribute the new codes of behaviour to all teams;*
- *employees who take an active role in their careers and who get training on digital, behavioural and cross-disciplinary skills to continue to develop and adapt to changing business lines.*

(1) AFA: French Anti-Corruption Agency.

(2) Achievement rate based on e-management, within the Group's scope (excluding LCL and BPI Romania), calculated based on the workforce present at the time and paid at 31 December 2020 for the reference period (three years).

In addition to this variation and to drive this transformation among all employees, Crédit Agricole S.A. has partnered with **Philonomist**, a digital platform that uses a philosophical approach to provide content on major societal and economic challenges for the Group. One year after its launch, there are 5,472 registered employees, more than 23,500 connections to the site, 47 personalised newsletters published, and users from 23 countries.

### Listening to our employees and encouraging engagement

#### Policy

In a changing environment, **employee engagement is a more important driver than ever for performance**. Launched in 2016, the ERI (Engagement and Recommendation Index), an annual anonymous internal survey was rolled-out simultaneously in the various Group entities in France and abroad.

#### Action plans and results

This year, the scope included 19 Crédit Agricole S.A. entities in France and abroad, as well as 30 Regional Banks and affiliated entities. A total of 126,015 employees were invited to participate in the survey in 52 countries. A record participation rate of 80% was achieved, up 3 points since 2019 (and 21 points since 2016). The results highlight areas of strength, which are on the rise and should be capitalised on, in particular increased commitment to the initiative (+3 points compared to 2019), pride in belonging to the Group (+4 points), understanding and adherence to the Group's and the company's strategy (+7 points) and the employer recommendations (+5 points). The tools and resources made available to facilitate the work of employees, and the strengthening of support for managers under heavy pressure in the current public health crisis, are sources of dissatisfaction where Crédit Agricole S.A. is continuing its efforts. **Crédit Agricole S.A.** launched an initiative to listen to employees after the first lockdown. The *Legend* questionnaire was sent in June 2020 to all employees of Crédit Agricole S.A. entities in France and abroad. Over 50,000 people responded to questions based on five themes: the experience of the lockdown, work organisation, managerial models, social ties and corporate culture, and the design of workspaces.

### Boost employee skill development in a changing environment

#### Policy

**The evolution and development of our employees' skills** pose a major challenge in this time of dramatic and accelerating change. To support them, the Group focuses on three key areas:

- creating an environment that encourages learning new things to ensure sustainable employability;
- promoting continuous skills development and continuous adjustment to how business lines are changing;
- supporting the acquisition of new skills and anticipating change.

#### Action plans and results

##### Develop employee skills and adapt HR initiatives to the challenges of transformation

With the support of **IFCAM**, the training offer is regularly expanded with a willingness to make this offer even more accessible. In 2020, 76,279 Crédit Agricole S.A. employees completed at least one training session and 1,825,353 training hours were provided despite the public health situation. Against the backdrop of the public health crisis, the Training business line has adapted its offering and training methods by prioritising the deployment of distance learning and investing in distance learning solutions and tools.

##### Adapt business lines and IT skills to technological changes

HR initiatives to develop skills and support integration and mobility for the 8,000 employees of the **IT Business Line** (LMSI) of Crédit Agricole S.A. have been set up. **Crédit Agricole S.A.** has set up a course that certifies Data Scientists in partnership with Ecole Polytechnique, as well as certificate-level training in Data Science with Python certificate, in partnership with La Sorbonne, for LMSI employees.

##### Raise awareness of digital and innovation

After making a digital acculturation platform known as Digital available to employees in June 2017, an online platform for evaluating and documenting digital skills called **PIX**, developed at the initiative of the Ministries of Higher Education and National Education, was launched by IFCAM in 2019.

##### Continuously develop our skills in key areas of expertise

Since September 2020, a page dedicated to **Risk Culture** has been accessible on the intranet, enabling all CACEIS employees to better understand the various risks to which CACEIS is exposed.

**Amundi** has strengthened the compliance aspect of management skills by encouraging every portfolio manager with a grandfathering clause to train and obtain AMF certification. Amundi has also expanded its ESG-themed training offer.

**Crédit Agricole CIB** has strengthened the development of compliance culture in line with a new approach to mandatory training, the My Mandatory Learning Camp. Since 2019, Crédit Agricole CIB has also deployed a skills sponsorship initiative that offers volunteer employees the opportunity to enjoy an immersive experience of one to three months within Village by CA start-ups.

Crédit Agricole Payment Services has set up a development centre for its payment experts to structure the payments business line and increase its influence and attractiveness.

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##### Develop cross-functional behavioural and managerial skills

The increase in the number of training courses relating to these cross-functional skills continued in 2020 with IFCAM's rollout of the "Cross-functional skills course".

To support the managerial transformation and the evolution of the managerial culture, the Group has deployed the "**Leadership, Direction and Empowerment**" programme for managers designed in partnership with the "Purposeful Leadership" Chair at HEC Paris.

**Amundi** coordinates its young talents through the NOVAMUNDI development programme, in which participants work in sub-groups on projects that transform the company, with the sponsorship of a member of the Management Committee.

##### Promoting employee mobility

**Career Pass**, the Group's mobility service, enhances and creates a link between all tools available to employees. It makes it possible to find, activate and promote the various mobility schemes. Thanks to dedicated tools and a network of dedicated HR representatives, the Career Pass makes it possible to gain employability throughout one's career within the Group.

Crédit Agricole S.A.'s internal job exchange, **Myjobs** is an essential tool for discovering the Group's employment landscape. **MobiliJobs**, the day dedicated to mobility employees, is organised once a year. This event combines business conferences, professional development sessions and LinkedIn workshops. For the first time, the MobiliJobs was held in 100% digital format to offer flexible and simple access to mobility and to all of the Group entities in France and abroad. **MobiliMeetings** are informative, participative and interactive workshops held every two months that are open in person or via webinar to all Group employees who are considering mobility. **Jobmaker** is a digital support tool at all stages of a mobility programme that makes employees active participants in their career paths that has been available to all Group entities since September 2020.



## Attracting talent, developing our employees and preparing for the future

### Policy

Crédit Agricole S.A. is a major player in employment in France, with 5,383 new hires in 2020, and hosting 1,861 work-study contracts. Crédit Agricole S.A. has developed an approach **to identify and develop its talents and managers** based on managerial guidelines and a unique selection process shared across the Group that gives each person the same chances of achieving their ambitions and moving forward. Three priority challenges have also been established: continue to constitute pools with the aim of providing appropriate people for the Group's succession plans and occupations, and develop gender equality in managerial functions and the internationalisation of our talent pools.

### Action plans and results

#### Promote the employer brand and develop our talents

Crédit Agricole S.A. has continued to develop its 100% digital employer brand strategy. In particular, the Group was recognised in by Potential Park in 2020, when it was ranked second (out of the 100 largest companies in France) for its presence on social networks and third for its global digital strategy that positions the Group as first in the banking sector.

Crédit Agricole SA has spoken to as many people as possible by intensively pre-empting social media on a network of entities, Group, regional, national and international level. Through the social networks LinkedIn, Facebook, Twitter and Instagram, and under the employer signature **"For you, everything starts here"**, Crédit Agricole S.A. has organised its communications around four themes identified as levers of attractiveness for our targets: career opportunities, our values and commitments, sharing experience with our employees and participation in events.

In 2020, the Group's employer brand published nearly 600 posts on social media, representing over 4.8 million impressions. The alternance employer brand and Finance business line videos received over 2.3 million views on YouTube in 2020. The Group's work-study recruitment campaign led to the receipt of over 14,600 CVs (twice as many as in 2019) and a cost per CV acquired of 30% less than in 2019. A structuring project was conducted in 2020: **the total overhaul of the candidate's career path** on the Crédit Agricole S.A. Group's recruitment site, which is becoming a multi-brand, multi-business platform with an international dimension that incorporates the best practices and functionalities of e-commerce.

#### 2.4.3.2 An organisation to be closer to customers

### Policy

The Group stands out by offering its customers **direct access to a local customer relations manager**. This manager demonstrates good judgement and has more responsibility to satisfy customer needs quickly. Internally, this is achieved through greater cross-functionality and collective agility while adapting to the digital change that is impacting how we work.

### Action plans and results

#### Greater responsibility and cross-functionality

At the end of 2020, in response to the lessons learned from the public health crisis and the new expectations and practices of its customers and employees, **LCL** is deploying a major structuring project in its development strategy called "LCL Nouvelle Proximité". The purpose of this project is to instil more autonomy and more confidence within employees to take the initiative locally, to offer its customers better reactivity and support with a contact person capable of making decisions. This project is also an opportunity to strengthen solidarity and cooperation between the teams at headquarters and in the network, between the support and sales functions.

**Crédit Agricole Immobilier** has, through co-construction workshops involving a hundred or so employees, established a new customer relationship posture to work as closely as possible with customers. The goal was to make in-depth changes to customer relationship practices for all employees and all business lines.

### More agile and innovative ways of working

In November 2020, to better meet the expectations of its customers, **LCL** launched LCL Visio, a new communication channel accessible to all Advisers in all of the Bank's markets, including AngleNeuf and Interfimo.

**LCL** has also deployed a conversational assistant for its employees: the Eureka chatbot, based on an artificial intelligence solution, which already answers more than 1,000 different types of questions every day.

#### 2.4.3.3 Strengthening the framework of trust between employees and the company

**Social dialogue**, which is one of the fundamentals of the social pact of Crédit Agricole SA, is one of the Human Pillar aspects of the Group's "Ambitions 2022" project. This is illustrated in particular by the vigorous dialogue within three representative bodies at Group level. The year 2020 was marked by **the deployment of the Group agreements signed in 2019**, the International Framework Agreement and the agreements relating to trade union careers, and by **the strengthening and intensification of social dialogue to support the management of the COVID pandemic public health crisis**. Furthermore, to **develop leadership, accelerate our managerial transformation**, meet tomorrow's challenges and attract talent, the Group has made diversity a priority in its Human Project.

### Guaranteeing constructive social dialogue within the Group

### Policy

Social dialogue is embodied by two cross-functional organisations within Crédit Agricole S.A. and the Regional Banks: the European Works Council and the Group Works Council, and a specific body within Crédit Agricole S.A. called the Consultative Committee. In 2020, social dialogue at both Group and entity level was largely devoted to the deployment of agreements and the management of the public health crisis.

### Action plans and results

**The European Works Council** met as a Select Committee four times during 2020 to discuss the Group's results, the measures taken to deal with the COVID-19 pandemic and issues specific to the entities. Furthermore, in October 2020, the study mission to the Netherlands by the members of the Select Committee, accompanied by an expert, took place remotely.

In 2020, **the Group Works Council** met once in plenary session (the one in the first half of the year was cancelled due to the public health situation) the Economic and CSR Committee met twice. In addition to the presentation of the 2019 results and the Group's general progress, these meetings provided an opportunity to present various Group news items.

**The Consultative Committee** met twice in 2020 to examine various topical issues facing the Group, in particular the measures taken by the Group to deal with the COVID-19 pandemic, and the return of the above-mentioned *"Legend: lockdown and changes in working methods"* survey. The Crédit Agricole S.A. Group **trade union correspondents** are supposed to strengthen social dialogue by sharing information of a social nature in an informal and constructive manner. They met 11 times during the year. Between March and July, weekly meetings were set up as a result of the COVID crisis and this pace was resumed during September.

Created by the job and skills forecast management ("GPEC") agreement of 6 July 2012, two complementary bodies are specifically dedicated to the issue of employment and skills: **the GPEC Committee** is charged with monitoring the strategy and its foreseeable consequences on employment; it met twice during 2020, and the mission of the **job trends watch unit** is to conduct prospective analyses on changes in business lines and job trends; it met three times during 2020 to follow up on the agreement and take stock of the first achievements.

Crédit Agricole S.A.'s open-ended agreement on the **career path of employee representatives** signed in 2019 provides for several types of action to promote employee representation, a Group-wide harmonised system for career management and interviews, and special monitoring of compensation. Actions undertaken in 2020 include:

- the drafting of a skills toolkit, 13 mandate sheets, interview materials for beginning a mandate and ending a mandate, together with a user guide prepared in consultation with the TU representatives;
- an initial webinar on CSR;
- a space dedicated to group social dialogue within the Me&CA HR portal.

The Crédit Agricole S.A. Group fixed-term agreement on professional support for employees who leave their positions as employee representatives provides that each entity will appoint one HR representative in charge of repositioning employee representatives and will set up a support mechanism for employee representatives who have lost their positions as representatives. By the end of 2020, all of its provisions were implemented.

#### Entities in France

The quality of social dialogue within Crédit Agricole S.A. is illustrated by the implementation through collective agreements of the provisions resulting from the order of 25 March 2020 on paid leave, working hours and rest days, which allow companies to impose or organise the taking of leave, RTT (shorter work week) and CET (time savings account) days to handle changes in activity.

A Group doctrine has been defined. In essence, it provides for the possibility of requiring the taking of 10 days of leave or rest by 31 May 2020, with five rest days that may be required if necessary between 1 June and 31 December 2020.

On the basis of this position, the Group's 12 main subsidiaries opened negotiations which led to the signing of 12 collective agreements, nine of them unanimously.

In preparation for the release from lockdown announced for 11 May, the CSEs were informed and consulted on the end of lockdown process and the associated public health protocol. They were also consulted during phase 2 of the end of lockdown.

#### The entities in Italy, Poland and Romania

At CA Italia, an agreement allocates five days of online training to sales network employees. There are ongoing discussions with trade union organisations on all aspects of the crisis.

At CA Polska, meetings have been held with trade union organisations since the start of the public health crisis to share information on the new working conditions and the measures put in place to ensure employee safety.

At EFL, the trade union organisations were regularly informed whenever actions were launched and they were involved in them. Regular telephone updates are being organised. One of these updates was organised with the members of the Board of Directors to provide answers to their questions, in particular on the employment situation, strategy and results.

At CA Romania, an employee representative was appointed and is involved in the measures taken.

#### At Group level

A meeting with *UNI Global Union*, signatory of the international framework agreement, was held on 9 April to hear the latest updates on the situation. Crédit Agricole S.A. was the first French bank that was signatory to an agreement with UNI to have organised such an exchange.

#### Building on our diversity for a stronger workplace community

##### Policy

Defined by a decentralised and entrepreneurial culture where humanity is what brings us together and share with each other, our Group embodies diversity. Four priorities for action with concrete commitments have been set: continue to increase the number of women in our decision-making bodies, step up the international presence in our talent pools, develop social diversity, integrate young people and promote the transfer of our most experienced employees, and amplify our disability commitments (through the development of recruitment efforts and the implementation of conditions conducive to encouraging the recognition of employees with disabilities).

#### Gender equality at work

##### Action plans and results

For the past several years, Crédit Agricole S.A. has been committed to efforts to **promote gender equality at work**, notably through signing agreements on topics such as equality in recruitment, training, promotion, compensation and work-life balance. In 2020, 53% of the Group's worldwide workforce was women.

Crédit Agricole S.A. has put in place a number of measures to support work-life balance, such as "reducing the impact of **maternity leave** on women's careers — retaining their commitment and developing their talents", "responding to the new expectations of employees who are parents", "adapting work organisation to allow greater flexibility", and "promoting a better balance for the proper management of parenthood".

With regard to **equal pay for women and men**, the Group and all its entities carry out regular analysis to monitor the appearance of any pay differences, and if appropriate, plan remedial measures. The publication of the gender equality index, established by the French government, helps demonstrate the effectiveness of the actions taken at the Group with positive grades of between 75 and 98/100 for the Crédit Agricole S.A. Group entities. The Group's proactive diversity policy has been translated into concrete action through:

- the significant increase in the number of women on the Crédit Agricole S.A. Executive Committee (from 6.5% in 2016 to 25% currently);
  - the number of women at the highest decision-making bodies of the Group entities (24% at 31 December 2020);
  - the Group has made steady progress in the SBF 120 ranking of women in decision-making bodies over the past four years. With 46 places gained between 2015 and 2019, the Group entered the Top 50 in this ranking.
- In order to continue to make progress and accelerate the increase in the number of women in the decision-making bodies of Crédit Agricole S.A. entities and among our senior executives, the Group has set up a number of quantified action levers with:
- the integration of a success criterion in the compensation of the members of the Crédit Agricole S.A. Group Executive Committee as part of our Strategic Ambition 2022: 30 % women presence on decision-making bodies by 2022;
  - the integration of this criterion among the steering indicators of our Human Project.

In addition, a specific review of the management teams and succession plans takes place every year with a point dedicated to the identification of female talent. Particular attention is always paid to the promotion of talented women when filling managerial position and appointing executives and at least one female candidate is included on the list of candidates. **Various complementary initiatives** translated into specific development programmes are also being orchestrated to support this ambition such as:

- *training in the role of a Director;*
- *a mentoring programme by members of the Group Executive Committee for our future executives;*
- *a new managerial programme called “Leading@Crédit Agricole” with a special focus on women.*

### Paying special attention to the internationalisation of our talent pools

With more than half of our employees working abroad, the internationalisation of our talent pools is a major challenge for the Group. A target of 20% for the “international” presence in succession plans by 2022 has been set and this criterion has been integrated into the steering indicators of our Human Project.

### Improving employee awareness of gender equality issues

Tolerance and openness to others contribute to the sense of belonging of our Group’s employees. In order to combat all forms of discrimination and make diversity a catalyst for corporate transformation and managerial performance, regular actions to raise awareness about **stereotypes** have been taken within the Group. **Gender Equality Week**, organised each year since 2011, represents an important opportunity for communication, discussion and raising awareness for all employees in the form of conferences, information materials and events. In 2020, the Group transformed Gender Equality Week into **Diversity Month** to capitalise on our diversity and offer a multiplicity of perspectives with words from members of the Executive Committee and employees around the world and from outside the Group.

### Inclusion of young workers and access to employment (work-study and internships)

Discovering the diversity of the company’s activities through a work-study contract or an internship is one of the best ways to acquire skills and refine one’s career path to be integrated into working life.

- **Young people from priority education zones:** in 2020, to maintain the Group’s commitment to 14-15 year old students from priority education network (REP and REP+) schools, the planned internship required for year 10 students (*stagiaires de 3<sup>e</sup>*) was adapted to COVID-19 public health constraints.
- **Apprenticeships:** there are currently 1,861 work-study students at Crédit Agricole S.A. In 2020, the Group decided to maintain the 2020 work-study recruitment campaign and to generalise remote recruitment during the lockdown phase.

The “Point de rencontre” programme initiated in 2015 by **LCL** and the association Apels (Agency for Education through Sport), offers young adults with few qualifications who are involved in sport the opportunity to join a training scheme to become Individual Customer Advisers. In addition, from 21 September to 2 October 2020, LCL organised a recruitment forum with the association “Nos Quartiers ont du Talent” (NQT) to enable the integration of young graduates who do not have a job. Fifteen candidates were selected for the positions of Individual Customer Adviser and Hospitality Adviser.

### Disabilities policy

A sixth agreement for the employment of people with disabilities, signed with all trade unions representing Crédit Agricole S.A. for the period 2020-2022, renews the Group’s ambitions in terms of inclusion by adapting our commitments to regulatory changes that encourage companies to expand the direct employment of people with disabilities.

The 2020-2022 agreement continues the Group’s ambitious policy, with a commitment to recruit 145 disabled employees, including 55 on permanent contracts. It also highlights our desire to monitor the transformation of temporary contracts into permanent contracts, with a 25% transformation commitment at the end of the agreement. The year 2020 will have been a special year, impacted by the public health crisis, which largely imposed a slowdown on all projects and projects identified in the Group’s disabilities policy roadmap. Crédit Agricole S.A. recruited 71 employees with disabilities, including 24 on permanent contracts, in 2020. As every year, Crédit Agricole S.A. was involved in communication and awareness-raising activities, particularly during the week for the employment of people with disabilities, which took place from 16 to 20 November.

### Health, safety and quality of work life

#### Policy

Faced with the new requirements of an environment that is changing dramatically and changes in the way people work, the Group is convinced that QWL is a major contributor to economic performance and employee engagement. The Group’s push through its teleworking charter, which was renewed in 2018, continues to be defined by the entities themselves, primarily through the implementation of agreements on these topics negotiated at each entity and the implementation of actions to promote and anchor QWL in their company policies.

#### Action plans and results

As part of the actions provided for in the International Framework Agreement, a study on maternity leave and insurance arrangements was conducted by Mercer in 2020 among all the Group entities, which are present in 50 countries. In December, the monitoring committee was presented with the results of the maternity study and the 16-week leave, as well as the audit methodology for the insurance scheme.

The year 2020 was largely devoted to managing the public health crisis linked to the COVID-19 pandemic, with the setting up of Group coordination, the deployment of measures to protect employees and actions to support them throughout this period. From the start of the crisis, the Group implemented a transformation of work organisation through the massive use of teleworking during periods of lockdown, which affected the vast majority of employees, excluding sales networks. Strict public health measures have been taken in the workplace to protect the health of employees working on site or in branches. **In addition, the Group has maintained the compensation of all of its employees, regardless of their status, and has not made use of the partial employment scheme.**

All Group entities have also worked to update their single occupational risk assessment document (DUERP) to take into account the risk of a pandemic as well as the risks associated with work organisation implemented during periods of lockdown. **Several actions were implemented to support employees during this period**, such as medical teleconsultation, psychological units, additional insurance coverage, teleworking charters or support measures for employees’ children with a tutoring offer.



### 2.4.4 Taxation and responsible lobbying policy

The tax policy of Crédit Agricole S.A. complies with transparency and accountability rules that require it to follow the tax laws and regulations in force in the countries and regions in which it operates.

#### 2.4.4.1 Tax policy

##### Policy

**The Group** pays the taxes legally due in the countries and territories where it is present. The amounts paid correspond to the underlying economic value created in those countries or territories as a result of its activities. Thus, its tax charges are in line with its business activities. **Crédit Agricole S.A. has developed, under the authority of its Executive Management**, a set of internal rules that have led it to withdraw from countries classed as non-cooperating by the OECD. An internal procedure, which is regularly updated, provides for prior authorisations for any own-account investment in countries listed by this procedure.

##### Action plans and results

**In France and abroad, the Group complies with the mechanism in force to fight tax evasion.** Crédit Agricole S.A. has no entity in countries on the list of non-cooperative tax countries and territories established by France and the European Union (Law no. 2018-898 of 23 October 2018 on the fight against fraud).

**Crédit Agricole S.A.** is also transparent about its organisation, the location of its entities, its structure and its operations. Accordingly, it maintains a professional and cooperative relationship with tax authorities in all countries in which it operates, and fully, frankly and transparently discloses all relevant information in compliance with its legal disclosure requirements whenever disputes arise. Crédit Agricole S.A. publishes a country by country breakdown of its full-time equivalent employees, revenues generated locally, its pre-tax income, taxes and profit in each country (distinguishing between current tax and deferred tax), plus all public subsidies it received (see pages 660 and 661). Crédit Agricole S.A. also annually publishes a list of all its subsidiaries and entities, with their name, business type and geographic location. When the Group operates in countries where income tax is considerably lower than French income tax, it can prove that it operates a bona fide banking and finance activity in these countries and has real economic substance in these locations. It also communicates transparently on tax audits performed within the Group, any adjustments notified by the tax authorities and the resulting provisions.

**The Crédit Agricole S.A. Tax Department** ensures that the Group's tax practices pursue broad goals of responsibility and compliance, not just the narrower purpose of managing the cost of tax and tax risk. Accordingly, Crédit Agricole S.A. provides no help or encouragement for customers in violating tax laws and regulations, nor does it facilitate or support transactions where tax efficiency for the customer is derived from the non-disclosure of facts to the tax authorities. Furthermore, in accordance with the standard on the automatic exchange of information developed by the OECD to combat tax evasion, adopted by about one hundred countries and transposed by the European Union, the Crédit Agricole Group entities identify account holders who are tax residents of the countries with which an exchange agreement has been signed and sends information about these customers each year to their local tax authority, which then forwards it to the tax authority in the relevant country of residence.

In order to demonstrate precisely how Crédit Agricole S.A. applies a policy of transparency to its organisational structure and locations, it is useful to note that wherever Crédit Agricole S.A. is present worldwide with subsidiaries and branches and where it generates significant revenues, it has strong local

teams and is subject to local corporate income tax. **Crédit Agricole S.A.** also applies a transfer pricing policy in accordance with OECD principles: it declares its income and pays the corresponding taxes in the States in which it carries out its banking or financial activity. Crédit Agricole S.A.'s effective tax rate in 2020 was 22.23%. The Crédit Agricole Group's effective tax rate is 26.51% in 2020.

Lastly, the **Crédit Agricole Group** has publicly undertaken to only conduct international wealth management activities in countries and territories that are committed to the automatic exchange of information; to only deal with customers who provide it with a mandate to automatically exchange information about such customers with the relevant authorities; not to create, manage or advise off-shore entities. Indosuez Wealth Management helps its customers comply with tax requirements and after the automatic exchange of information with the European Union, the entity has extended the scope to partner countries. An internal procedure provides a very strict framework for this commitment.

#### 2.4.4.2 Responsible lobbying

##### Policy

Crédit Agricole S.A. is **transparent about its lobbying efforts with legislators and fiscal policymakers**, and its taxes are determined by the legal tax regime applicable to all other similar taxpayers. It conducts its lobbying activities in full transparency with all stakeholders and complies with prevailing best practices. Actions are carried out to enhance the value of our customer-focused universal banking business model and to promote our *Raison d'Être*<sup>(1)</sup>, "Working every day in the interests of our customers and society". In 2020, the major areas concerned the financing and support of the economy in the unprecedented context of the COVID-19 pandemic, support for energy transition as well as the preservation of the special mutually shared values.

##### Action plans and results

**The Group Public Affairs department is responsible for lobbying** on behalf of the Crédit Agricole Group. With a staff of ten, including three full-time employees in Brussels, it is supported by contact persons in the Group's departments and subsidiaries. Also subject to the **Internal Code of Business Conduct** and the monitoring of its budget by the Finance department, the Group Public Affairs department regularly communicates key messages and positions advocated to internal bodies, including the Executive Committee, the Management Committee and the Specialised Committees of the Board of Directors.

Since 1 January 2016, the duties of the Head of Group Public Affairs have been extended to cover the entire Crédit Agricole Group, including the Regional Banks, Fédération Nationale du Crédit Agricole and Crédit Agricole S.A. Many of the issues it deals with involve working closely with the French Banking Federation (FBF), or the French Insurance Federation (FIF), as well as the European Banking Federation (EBF), or Insurance Europe, the Association for Financial Markets in Europe (AFME) and/or the European Association of Cooperative Banks (EACB) at the request of Fédération Nationale du Crédit Agricole, of which it is a member. In addition, the Group contributes to consultations with French and European authorities on such topics as banking inclusion, the digital transformation of the banking sector and sustainable finance.

To ensure that its lobbying activities comply with best practices, Crédit Agricole S.A. adopted a **Lobbying Charter** in 2013. The charter applies to Crédit Agricole S.A. and all of its entities. Registered since 2009 on the European Union Transparency Register, Crédit Agricole S.A. has undertaken to adopt the Code of Conduct for interest representatives. In France, Crédit Agricole S.A. is registered with the digital register for interest representatives pursuant to the Sapin II Law of 9 December 2016.

(1) Please refer to the glossary of Crédit Agricole S.A.'s Universal registration document for the definition of *Raison d'Être*.

## 2.4.5 Responsible purchasing

### Policy

The Crédit Agricole Group has adopted a **Responsible purchasing policy** to address the major challenges of tomorrow in the regions where it operates and contribute to the Company's overall performance. This policy is included in the **Group Code of Ethics**. This policy was created together with Group entities and the Regional Banks. The Chief Executive Officers of Group entities are each committed for their entities and have signed this policy. The Responsible purchasing policy applies to all employees, anyone involved in the purchasing process and our suppliers.

### Action plans and results

The Responsible purchasing policy is expressed through an **action plan called "ACTE 2022"**, which is directly linked to the three Ambitions 2022 projects:

- Customer/Supplier Project: ensuring responsible conduct in supplier relations;
- Human Project: a changing purchasing business line that develops the skills of its teams;
- Societal Project: integrating environmental and societal aspects into purchasing.

Crédit Agricole S.A. signed the **Responsible Supplier Relations Charter** in 2011. Furthermore, the **"Supplier relations and responsible purchasing" label** granted by the French Ombudsman and the French National Purchasing Board (CNA), was renewed in April 2018 across a broadened scope to include Crédit Agricole S.A. and its subsidiaries. The organisation and actions of Crédit Agricole S.A. and its subsidiaries were certified to be at a "convincing" level compared to the **ISO 20400** normative framework. In terms of **organisation**, a **sixth CSR purchasing and training division** has been created within the Group Purchasing department that is tasked with coordinating Responsible Purchasing and the "Supplier relations and Responsible purchasing" label for purchasing division directors and purchasing managers within the entities. The Purchasing Management Committee, which oversees the CSR performance of suppliers, reviews CSR issues related to the label and the duty of vigilance on a quarterly basis. The Group Purchasing department has enriched its approach based on a 360° vision of supplier risk and compliance with a **KYS (Know Your Supplier) mechanism**. After the analysis of at-risk suppliers, a decision-making committee was set up at the beginning of 2020 — the **"Group Supplier Risk Committee"**, whose purpose is to rule on the continuation or termination of relationships with suppliers. A **dashboard for the main CSR purchasing indicators** common to all Group entities (including the Regional Banks) is deployed in the main Crédit Agricole Group entities.

### 2.4.5.1 Ensuring responsible, sustainable conduct in supplier relations

#### Policy

**Responsible and sustainable relationships with our suppliers** are a key part of our Responsible purchasing policy and are based on the following principles:

- *strengthen mutual understanding between companies and suppliers and develop a culture of listening;*
- *ensure financial fairness with our suppliers;*
- *contribute to the development of the local community.*

### Action plans and results

A **Responsible Purchasing Charter** is attached to all supplier contracts and is based on reciprocal commitments based on the fundamental principles of the United Nations Global Compact. A **clause** on the respect of human rights, environmental protection and the fight against corruption was added to enhance the contracts in 2018.

A system of **dialogue with our stakeholders** includes **satisfaction surveys** to gather the views of both suppliers and internal decision makers with three objectives: measure supplier satisfaction with the relationship with the Group, measure decision-maker satisfaction with the pool of supplier by purchasing category, and the purchasing service and support.

With the COVID-19 public health crisis, exchanges with our suppliers have been frequent and intense:

- a **fourth edition of the 100% digital Supplier Meetings** with more than 300 connected suppliers;
- **Communications from each of the Crédit Agricole S.A. entities** to their suppliers renewing all of our support and reassuring them of our desire to maintain the economic fabric, with particular attention paid to SMEs and VSEs;
- **daily discussions of buyers** with their suppliers to continue certain services remotely when possible and to answer their questions individually.

We have pointed out the role of the **Internal Mediator** for Crédit Agricole S.A. which can be referred to by suppliers and/or the relevant internal department, and its scope was extended in 2020 to all Crédit Agricole Group entities in France and abroad.

Crédit Agricole S.A. actively **monitors its supplier payment deadlines**. The Crédit Agricole S.A. purchasing business line set itself a target in 2022 to reduce the number of invoices paid late by each entity by 25%, with only documented disputes being accepted. Numerous actions have been implemented, including a Group action monitored by the FRd system. Indicators for reducing lead times by entity and the monitoring of action plans are presented every six months to the **Group Internal Control Committee (CCIG)**. The average time it took Crédit Agricole S.A. to pay an invoice in 2020 was 45 days, for 12 consolidated entities<sup>(1)</sup>. Special attention is also paid to the **economic dependence of suppliers** on the Crédit Agricole Group. Know Your Supplier (KYS) is an important element when it comes to the application of the requirements under the Sapin II Law and the Law on the Duty of Vigilance.

### 2.4.5.2 A Purchasing business line that is changing

#### Policy

The **Purchasing business line (PBL)** has more than 250 employees, including buyers in charge of purchasing categories on behalf of the Group, and business buyers at the subsidiaries who are on hand to respond to the needs expressed by the business line. It is tasked with making responsible purchases, contributing to performance, and playing an active role in the transformation of the Group and its environment. The Purchasing business line has three goals:

- *amplify performance through value creation proposals;*
- *safeguard decisions while turning challenges into opportunities;*
- *promote responsible purchasing to enhance the economic development of local communities in accordance with our values and our environment.*

(1) Crédit Agricole S.A., CAPS, LCL, CA Immobilier, Crédit Agricole CIB, CACF, CALF, CAA, CA-GIP, Amundi, CACEIS, CA Indosuez.



### Action plans and results

The Group Purchasing department has initiated **seven key projects** to be carried out by 2022 to benefit all Group entities. These projects are designed to address the challenges facing the Purchasing business line and enhance its role. After the “**purchasing influence**”, “**purchase attractiveness**” and “**Know Your Decision-Maker**” projects, four projects were continued in 2020:

- a **cooperation with the Regional Banks** project, which aims to better distribute roles within the Regional Banks and their subsidiaries;
- a **DP4You** project, which aims to get more users to adopt the computerised purchasing system;
- a **KYS** (“**Know Your Suppliers**”) project, designed to learn more about suppliers;
- a **Being and Becoming** project, which has produced a skills toolbox that has been reviewed and shared by the entire business line.

At the same time, the **internal professionalisation programme** for new arrivals has been completely revised to ensure continuity of training during the COVID period with targeted content proposals (e-learning, interactive videos) and remote group time (virtual classes, web conferences).

#### 2.4.5.3 Integrating environmental and societal aspects into our purchasing

##### Policy

By 2022, the Purchasing business line will be universally rolling out the integration of the CSR dimension in all of its purchasing accounts to evaluate the CSR performance of suppliers and their offers (15% of the overall score since 1 January 2020). The CSR assessment of suppliers is regularly requested during calls for tenders, with a call for an independent and specialised third party, EcoVadis (contract renewed in 2018). Inclusive procurement will be integrated during the purchasing process and will apply both to purchases aimed at developing jobs in local communities (including small businesses) and to purchases intended to boost jobs among vulnerable groups (sheltered and disability-friendly sector (STPA), independent workers with disabilities and workforce re-entry associations). The goal is to double the inclusive procurement volume by 2022. Purchasing has a part to play in raising awareness among customers and internal users.

### Action plans and results

In 2020, we worked to develop a **common methodology that was jointly constructed** with buyers, representatives of internal decision-makers, and a few suppliers to help buyers systematically integrate CSR issues into the act of purchasing. 2,179 of Crédit Agricole S.A.’s suppliers already had an EcoVadis rating at 31 December 2020 and 461 were in the process of being assessed.

The integration of **inclusive procurement** in calls for tender is considered an opportunity. When drawing up specifications, buyers automatically offer decision-makers criteria related to the inclusion of vulnerable groups. These criteria are reflected, for example, in the use of the sheltered and disability-friendly sector either directly or via a standard clause under a joint contract. In 2020, purchases assigned to the sheltered and disability-friendly sector in France by Crédit Agricole S.A., its subsidiaries and Crédit Agricole Technologies et Services stabilised at **€4.3 million**.

## 2.4.6 Cybersecurity and combatting cybercrime

### Introduction

The digital transformation underway in all sectors of society is bringing innovation and development to everyone. Nevertheless, this development, however inevitable it may be, naturally generates new vulnerabilities and poses threats to individuals, businesses and government.

In recent years, like all major banking groups, Crédit Agricole has noted an increase in the threat from cybercrime against the integrity of its information system (IS) in the form of attacks, which are often coordinated and targeted. Aware of the challenges related to digital security, Crédit Agricole S.A. deploys a proactive cybersecurity strategy for the prevention of cyberrisk, which is at the heart of its operational risk management priorities (see Chapter 5 “Risks and Pillar 3” – 5.1 “Risk factors”; 5.1.3 “Operational risks and related risks”).

### Our commitment to protecting the data of our customers and employees

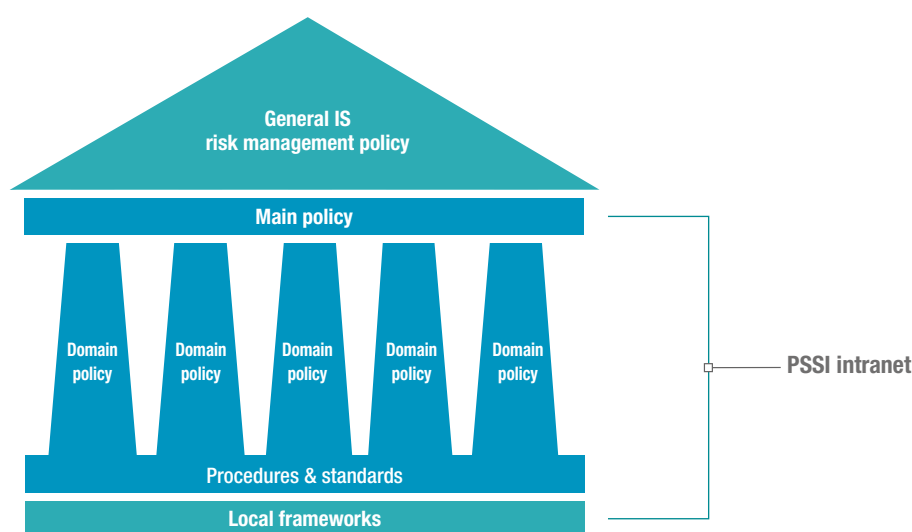
Both the Crédit Agricole Group Code of Ethics and the Crédit Agricole S.A. Code of Conduct commit us to protecting the data of our customers and employees. The Compliance department ensures respect for the protection of personal data and supervises the business line of personal data protection officers (see Chapter 2 “Non-financial performance” – 2.4.2 “An ethical culture”). The Information Systems business line (LMSI) puts in place a range of measures, including the application of security rules to protect personal data during the design and development phases of information system projects, the implementation of advanced protection measures, the regular verification of the effectiveness of security measures (intrusion tests, security audits) and the continuous monitoring of information systems.

### Policy

The cybersecurity policy is part of the information systems security policy framework (PSSI framework) overseen by **Crédit Agricole S.A.** and implemented within the Crédit Agricole Group, which is made up of:

- General policies such as the Crédit Agricole Group’s General Information System Risk Management Policy (PGMRIS) and the Crédit Agricole Group’s Business Continuity Plan Policy, which are drawn up within the Group Risk department by the Security and Business Continuity division;
- a Main IS Security Policy (PSSI), which formalises the basic concepts of cybersecurity, the challenges and objectives, essential principles, risk control system, methods of application of the PSSI and management of the dedicated document repository. It is prepared by the Security and IT Risks unit within the Security, Risks and Cross-Functional Projects department, which submits it for validation to the Group Security Committee (CSG). It is reviewed at the request of the CSG whenever there is a major change in governance (such as changes in major risk scenarios) and at least every three years;
- Domain Policies, each dealing with specific ISS themes and similar to the result of a risk analysis on a generic system (detection and treatment of cyber security incidents, vulnerability scans and security audit, bank card data security, etc.). They are prepared by the IT Security and Risks unit and then submitted for validation to the Information Systems Security Operating Committee (COMOP SSI);
- procedures and standards that give operational expression to domain policies. They contain concrete security recommendations to be implemented within the Crédit Agricole Group.

All of these policies, procedures and standards are published on the Crédit Agricole S.A.



### Action plans and results

Our cybersecurity strategy is based on operational governance, a decentralised organisation based on players present within each entity, the implementation of security standards and norms to integrate cybersecurity at all levels of the IS. Cyber risk analysis is systematically integrated from the design phase of projects, impacting IS in a “Security by design” approach. Crédit Agricole S.A. is actively developing an awareness and culture of “cyber risk” among its employees, customers and suppliers to change practices and promote the acquisition of reflexive behaviours, which are essential in terms of cybersecurity.

### Risk management system and structure

Controlling the security of information systems and implementing the cybersecurity policy are part of existing risk management systems (see Chapter 5 “Risks and Pillar 3” – 5.2 “Risk management”). For example, the Risk Appetite Statement, which is submitted each year to the Crédit Agricole S.A. Board of Directors for approval, includes key indicators relating to IT risk. Control of cyber risks is organised according to the respective responsibilities of the three lines of defence within the internal control system (business line, permanent control, Audit-Inspection). The ISS business line is the first element of this risk management system.

The Group risk department continuously exercises second-level control over operational risk, in particular the risk of attacks on information systems, including threats related to cybercrime. A dedicated IT Permanent Control Supervision team within the Security, Operational Risks and Permanent Control department leads the network of Information System Risk Managers (PRSI), who report to the Permanent Control and Risk Management officers (RCPR), who consolidate the information.

The Compliance department also intervenes at the second level with regard to non-compliance risks, which include, in particular, the risks of non-compliance with personal data protection rules (see Chapter 2 “Non-financial performance” – 2.4.2 “A strong ethical culture”).

As a third line of defence, the mission of the Group Control and Audit department is to assess the processes in place, as well as the associated

controls and governance, to verify compliance with laws and regulations and, if necessary, to propose areas for improvement in order to strengthen the systems.

### Governance

Cyber risk and cybersecurity strategy are regularly reviewed by the Crédit Agricole S.A. Board of Directors and closely monitored by the Risk Committee and the US Risk Committee (see Chapter 3 “Corporate Governance” – 3.1 “Report of the Board of Directors”).

Crédit Agricole S.A. has set up operational governance to manage the security of information systems and achieve and maintain the target level of security. This governance is based on committees whose interactions reflect the organisation of safety within the Group. The Group Security Committee (CSG), which reports to the Executive Committee and is chaired by the Deputy General Manager of the Innovation, Digital Transformation and IT Group, is the umbrella body for security governance within the Group. This decision-making executive committee defines the security strategy and assesses the Group's level of control in the four areas within its jurisdiction: business continuity planning, security of people and property, data protection and information systems security.

### Measures for prevention, detection of cyberthreats and protection of critical information systems and data

Various types of complementary measures (technical, organisational, behavioural, contractual) make it possible to reduce the probability of occurrence of cyber risks or to limit their effects. The overall management of this system is carried out within the Innovation, Digital Transformation and IT Group (ITD) division. On an operational level, two major initiatives launched in recent years have led to significant progress in cybersecurity:

- **IT radar** to assess the situation of information systems with regard to all essential IT risks, especially in terms of cybersecurity;
- **the Crédit Agricole Strengthening of Security (CARS) programme** led by Crédit Agricole S.A. is a cyber security programme to improve the level of IS security throughout the Crédit Agricole Group.

### Cyber risk awareness and culture

All of these actions are also supplemented by an awareness-raising system that reminds everyone of the best security practices to be adopted in a concrete and accessible way. The ITD division disseminates cybersecurity awareness tools. It is also available to Group entities to help them organise awareness-raising actions. The cybersecurity awareness system is based on a set of convergent and complementary actions carried out by each

Group entity, including raising awareness among managers, employee training, internal communications (in 2020, for example, distribution of IT security recommendations for teleworking in crisis situations, Surfclean videos “Business travel”, “USB keys”, “Public networks”, etc.), distribution of themed campaigns (e.g. fake phishing), publication of a security passport as part of the onboarding of new hires, and publication of a special security passport for IT support teams. Awareness-raising activities aimed at customers are also carried out regularly.

## 2.5 INTEGRATION OF ESG CRITERIA IN INVESTMENT AND ASSET MANAGEMENT POLICIES

### Policy

A pioneer in responsible investment and a European leader in asset management, a signatory to the Principles for Responsible Investment (PRI) since 2006 and the UNEP FI since 2014, **Amundi** has placed ESG (Environment, Social and Governance) analysis at the heart of its development strategy. Its primary objective is to offer its customers not only an attractive financial performance while complying with their chosen

level of risk, but also an outperformance of non-financial criteria in all of its actively open funds. Amundi pays particular attention to two major contemporary issues: climate transition and the protection of ecosystems, and the issue of social and societal cohesion. In its three-year strategic plan launched at the end of 2018, Amundi confirmed its positioning as a responsible player.

### Amundi's commitments in its 2018 strategic plan

- Objective to achieve an ESG score higher than their benchmark index or investment universe on all actively managed open-ended funds as soon as technically possible.
- Systematic integration of issuers' ESG performance in Amundi's voting policy.
- Continued development of ESG and Climate innovations in passive index funds.
- Doubling of specific initiatives promoting investment in projects with an environmental or social impact.
- Development of specific advisory activities aimed at Amundi's institutional customers and distributors to support them in their ESG development.

### Action plans and results

#### Promote ESG investments by large customers and institutions

**Amundi** has put in place a triple governance system dedicated to ESG: the ESG Strategy Committee defines and validates the ESG policy and strategic orientations of the Amundi Group; the ESG Rating Committee defines and validates the ESG rating; the ESG Voting Committee reviews and validates Amundi's commitments and the exercise of voting rights and ensures that they are consistent with the key ESG commitment themes; the Social Impact Committee covers investment strategies on social and solidarity themes in unlisted companies.

**Amundi** has also equipped itself with significant resources to deploy its ESG policy: a department dedicated to responsible investment with 25 ESG analysis specialists, voting at General Meetings, engaging in shareholder dialogue with companies, and using 14 external providers of non-financial data. More than 10,000 issuers can thus be rated on ESG criteria.

The principles of **Amundi's** ESG policy are as follows:

- an ESG analysis of firms based on documents such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, and International Labour Organization (ILO) policies;
- a strict, targeted screening policy; it includes the exclusion of G-rated issuers (not conforming with Amundi's ESG principles or international conventions), and the exclusion of certain activities:

- coal: Since 2016, **Amundi** has been implementing a specific sector policy for thermal coal, which is strengthened each year. In 2020, this excludes companies developing or planning to develop new thermal coal capacity along the entire value chain; companies earning more than 25% of their revenues from thermal coal extraction, or extraction of 100 Mt or more with no intention of reduction; companies whose revenue from thermal coal extraction and thermal coal-fired power generation is more than 50% of total revenues without analysis, or with a threshold between 25% and 50% and a deteriorated climate transition score,
- tobacco: In 2018, **Amundi** limited the ESG ratings of companies in the tobacco sector to E, on a scale of A to G, thereby penalising investment in this type of companies. In May 2020, Amundi became a signatory to the Tobacco-Free Finance Pledge and extended its exclusion policy to tobacco to exclude companies manufacturing complete tobacco products (application threshold: revenues above 5%), and to continue the limitation to an ESG rating of E for companies involved in the manufacture, supply and distribution of tobacco (application threshold: revenues above 10%);
- a proprietary ESG rating;
- a Best-in-Class approach as the foundation of its ESG rating methodology consisting of comparing the players in the same sector to identify best practices and encourage all issuers to make progress;
- attributing ESG ratings to all fund managers in the same way as financial ratings;

- an engagement policy aimed at getting companies to implement best practices;
- a voting policy that integrates ESG issues.

As proof of the robustness of its ESG policy, **33 Amundi funds have been awarded the SRI label** by the French Ministry of Finance and Public Accounts.

**Amundi ranked among the top 10 institutions in the report published by ShareAction**, "Voting Matters 2020", dedicated to the use of proxy voting rights to promote climate change and social issues for sixty of the largest asset managers.

Voting campaign at General Meetings (GMs)	2020	2019	2018
Number of GMs concerned	4,241	3,492	2,960
Number of resolutions considered	49,968	41,429	35,285

In 2020, the theme of ESG and responsible investment was addressed as soon as possible in all the events organised by **Amundi** or in which **Amundi** participated and spoke. In 2020, educational and skills development initiatives brought together over 3,000 employees (individuals, wealth management and Private Banking markets) and over 18,000 high-net-worth customers have been made directly aware of responsible investment. Furthermore, to support its institutional customers in their efforts to promote climate transition, Amundi has launched, in partnership with AIIIB, a reference tool to assess the risks associated with climate change in line with the objectives of the Paris Agreement.

### Organising the channelling of individual savings

In order to encourage responsible investment, **Crédit Agricole Assurances** offers SRI (socially responsible investment) unit-linked policies via its subsidiary **Predica** for most of the multi-vehicle life insurance policies distributed by its networks. These SRI unit-linked policies offer either a theme-based or best-in-class approach.

**The international subsidiaries of Crédit Agricole Assurances** are also gradually adopting this approach. Since the launch of the SRI (socially responsible investment) unit-linked products, several initiatives have been carried out to promote this type of investment to distribution networks and customers. These include the creation of an information packet for distribution networks, network activities during key periods (e.g., Sustainable Development Week, SRI Week, Social Finance Week, etc.), and customer

communication on SRI. At end-2020, a total of 35 unit-linked policies offered to investors by Predica had been awarded the SRI certification developed by the French Ministry of Finance, five with the GreenFin label and 11 with the Finansol label.

### Integrating ESG criteria into the Group's investment policy

For several years, the Group has been integrating ESG criteria into investment decisions and encouraging its customers to invest responsibly.

**As part of its climate strategy, Crédit Agricole S.A.** has undertaken to invest €6 billion of its liquidity portfolio in green, social and sustainability bonds by 2022.

As a leading institutional investor and a signatory to the Principles for Responsible Investment (PRI), the **Crédit Agricole Assurances** Group is mindful of its responsibilities towards the sectors and issuers in which it invests. It integrates ESG criteria into all its asset classes by relying on Amundi's expertise and its ESG analysis and filter system. Crédit Agricole Assurances also developed shareholder engagement in our strategic holdings, with the active participation of our Investment department on the Boards of Directors of companies in which the insurer is a shareholder. Since 2017, Crédit Agricole Assurances has applied a policy of excluding tobacco industry purchases and no longer directly holds any tobacco assets in its portfolios.

### 3. ESG RISK MANAGEMENT

#### 3.1 THE ESG RISK APPROACH

Aware of the potential impacts of ESG risks on its activities, the Group has integrated their consideration into its business strategies and processes and into its internal governance systems, especially its Vigilance Plan, which is covered in a report published each year for the year ended 31 December (see Chapter 3 “Corporate Governance”, part 1.4 “Vigilance Plan”).

ESG risk management in the financing and investment business lines is taken into account by all of the Group’s employees and is also based on a set of international commitments.

#### Policy



**Principles for Responsible Investment (PRI)**  
signed by Amundi

**Principles for Responsible Banking (PRB)**  
signed by the Group

#### ESG questionnaire

LCL, the Regional Banks and some international retail banks



#### 1 ESG rating system dedicated to CACIB



**The Equator Principles**  
applicable to CACIB



#### 14

**Sector policies and exclusion lists**  
at Group level



**Analysis of the environmental or social sensitivity of transactions**  
via a dedicated committee for CACIB

**The consideration of possible negative environmental and/or social impacts from financing and investments is based on four pillars**

- **Application of the Equator Principles:** the Equator Principles were developed in response to limitations and triggers related to project financing, as defined by the Basel Committee on Banking Supervision. They constitute a methodological framework for assessing and preventing the social and environmental impacts of financing once it is linked to building a specific industrial asset, such as a plant or transport infrastructure.
- **Sector policies and exclusion lists:** the purpose of sector policies is to specify the rules of intervention and ESG principles introduced into the Group’s financing and investment policies. They reflect the challenges facing citizens with regard to respect for human rights, corruption, the fight against climate change and the preservation of biodiversity. They are applicable to all customers and transactions of the Group’s subsidiaries. Fourteen sector policies are currently applied, for which the main sectors affected are armaments, coal-fired power stations, oil and gas, hydraulics, nuclear, shale oil and gas, mines and metals.

Sector policies are reviewed one by one on a regular basis based on the Group’s strategy, changes in regulations and market practices, and taking into account the research and recommendations of the Scientific Committee. In 2020, three sector policies were revised (mining, coal-fired power plants and transport infrastructure) to translate the Group’s coal

exit commitments into operating standards by 2030/2040. Moreover, following the signature by Crédit Agricole S.A., Amundi, Crédit Agricole CIB and Crédit Agricole Assurances of the Tobacco-Free Finance Pledge, which encourages financial players to withdraw completely from the coal industry, a dedicated sector policy is being created. I

- **Integration of ESG advice into sector risk strategies:** to integrate climate risk into the Group’s ESG risk management, the CSR department and the Group climate risk manager jointly issue an opinion and recommendations on relevant sector risk strategies (Oil & Gas, Agri-Agro, Commodity Financing, automotive, real estate, aeronautics, shipping, etc.). These sector risk strategies are reviewed by the Group Risk Committee in accordance with a schedule prepared annually.
- **An analysis of the environmental or social sensitivity of the transactions:** the environmental or social sensitivity of transactions has been assessed since 2009. This process makes it possible to ensure compliance with the exclusion criteria defined within the various sector policies or to analyse or even anticipate potential controversies with customers or a transaction.

**Crédit Agricole CIB** financing files for transactions or customers presenting a high reputational risk or non-alignment with sector policies are reviewed by an ad hoc committee (“CERES”), which is responsible for issuing an opinion on the transactions. It is chaired by the head of the Compliance function, with the Crédit Agricole CIB CSR department as secretary. The other permanent members are the Risk department and the heads of the



relevant business lines within Crédit Agricole CIB. The invited members are the Crédit Agricole CIB Legal and Communication departments, as well as the CSR department and Group Economic Research. In addition, since 2013, **Crédit Agricole CIB** has been using an ESG rating system, which it applies to all of its corporate customers. This rating supplements the system for assessing and managing the environmental and social risks associated with transactions on a three-level scale (advanced, compliant, sensitive). It is performed at least annually and is based in particular on compliance with existing sector policies, the existence of an image risk for the Bank and the level of performance recognised by non-financial agencies.

### ESG risk governance

ESG risks are dealt with in the same governance bodies as other types of risk.

**The Group Risk Committee**, made up of Crédit Agricole S.A. executives, examines and validates subsidiary strategies, country strategies, sector policies and thematic reviews. In particular, the climate risk strategy prepared by the CSR department and the Risk department in collaboration with the Group entities is presented annually. This risk strategy and the associated risk opinion determine the climate risk roadmap for the coming year.

**The Risk Committee of the Board of Directors** reviews the overall strategy, including climate risk aspects, and risk appetite. A dedicated presentation of the climate strategy is organised annually, following its presentation and approval by the Group Risk Committee. This presentation covers the four chapters proposed by TCFD (Governance, Strategy, Risk Management, Indicators and Targets), with the double axis of environmental and financial materiality.

The work performed within this Committee is submitted to the Board of Directors after examination.

At its plenary meetings, **the Board of Directors** ensures the consistency of the Company's commitments and project with regard to social and environmental issues:

- when reviewing strategic projects, especially in the context of the Group Project, which makes Climate Strategy one of the pillars;
- on the occasion of presentations of each entity's version of the Group Project;
- when reviewing the Risk Strategies submitted for adoption, if the scope of those strategies justifies it.

Other committees also examine ESG risks:

- **the Strategy and CSR Committee of the Board of Directors** examines the Group's strategic thinking in greater depth in its various business lines, ensures that CSR issues are taken into account when examining strategic projects and takes stock of the CSR actions performed;
- **the Finance & Risk Committee and the Legal & Compliance Committee of the FNCA** examine at the federal level the risk & CSR issues handled by the corporate centre.

For the most sensitive cases, governance is supplemented by the **Group-level Individual Risk Committee ("CRIG")**. This committee meets weekly and is chaired by Crédit Agricole S.A. Executive Management. Its purpose is to take decisions on matters relating to Crédit Agricole S.A. entities that fall within the authority of the Chief Executive Officer of Crédit Agricole S.A. and also to analyse individual alerts of all types based on their materiality for the Group. The CRIG is composed, in addition to its Chairman, of the Executive Management of the entity in question, the Group Risk department (DRG) and the CSR department on ESG issues. The DRG functions as secretary, and decisions are formalised at the meeting by the signing of a decision statement.

The **Crédit Agricole Assurances** Group's Board of Directors defines and approves all of the company's strategic decisions, especially those related to ESG and climate that may affect company performance.

## 3.2 THE INTEGRATION OF ESG ISSUES INTO THE ANALYSIS OF SME AND MID-CAP COUNTERPARTY RISK

Even though ESG is part of the analysis criteria for listed companies, this is not the case for unlisted companies that do not, or rarely, make non-financial data available to analysts. It is therefore difficult to include non-financial parameters when analysing financing or even investment.

In 2020, ESG issues were included for the first time in commercial relationships with mid-cap and SME customers through the deployment of an **ESG questionnaire distributed to all investment managers**. Officially launched in March 2020, this pioneering project in the banking world is currently being rolled out to the Regional Banks, certain international retail banks and LCL. It is composed of 12 questions relating to the environment, social/societal matters and governance (plus four questions specific to the agri-food industry market).

The purpose of this ESG analysis process is to:

- **raise awareness** of ESG issues on the part of relationship managers: it is accompanied by training on key ESG issues, the CSR policy of the relevant entity, the actions of regional players and customers, etc.;
- **initiate** discussions between investment officers and SMEs/mid-caps on their ESG procedures: it positions itself as a tool for dialogue between Crédit Agricole and economic players;
- **assess** the ESG risk of loan books: the questionnaire generates a score, which is made known to the delegated manager of the loan application. This has no impact on the granting of the loan, but may lead to additional information being sought if the score reveals vulnerability of the company.

An initial assessment of these procedures is scheduled to be made in 2021.

## 3.3 TCFD CHAPTER: CLIMATE RISK MANAGEMENT

The climate risk management policy in this chapter is presented primarily for the purposes of understanding the potential financial impacts of climate risks on the Group's activities ("financial materiality" section of the Non-Financial Reporting Directive (NFRD)), as defined by the Task-Force on Climate-related Disclosure (TCFD). The impacts of the Group's activities

on the climate ("environmental materiality" section of the NFRD) and the identification of opportunities related to climate risks as defined by the TCFD (Task-Force on Climate-related Disclosure) are addressed in Chapter 2.3 "Environmental strategy" of the DPEF.

## Definition of climate risks

Climate risks are **classified as major risks** by the Group in its risk mapping. They are seen as risk factors that influence existing risks (counterparty, market, operational, etc.) and cover **physical and transition risks**. They are defined as follows, in line with the approach of the Task Force on Climate-related Financial Disclosure (TCFD):

■ **Physical risks** resulting from damage directly caused by meteorological and climate phenomena:

- acute risks triggered by events such as natural disasters, whose frequency and severity could increase (storms, hurricanes, floods, etc.) are a major concern;
- chronic risks related to longer-term changes in climate patterns and rising temperatures over the long term (sea level rises, chronic heat waves, changes in precipitation patterns and increased variability, disappearance of certain resources, etc.).

Considering the scientific work to date, the Group believes that the physical risks related to climate change are potentially incurred in the short term for acute risks, and in the medium/long term for chronic risks.

■ **Transition risks** resulting from the effects of the introduction of a low-carbon economic model. Transition risks cover various sub-categories of risk:

- regulatory and legal risks: partially related to a change in policies, such as the introduction of a carbon price or more stringent product regulations. These may relate either to mitigation policies that regulate activities that contribute to global warming or to prevention policies aimed at fostering adaptation; also related to an increase in claims and litigation as the losses and damages resulting from climate change increase;
- technological risks linked to innovations and technological breakthroughs favourable to the fight against climate change (new renewable energy technologies, energy storage, carbon capture, etc.);
- market risks: changes in supply and demand linked to the increasing consideration of climate risks: variation in the price of commodities, etc.;
- reputational risks: changing customer and stakeholder perceptions of an organisation's contribution to the transition to a low-carbon economy.

Considering the scientific and economic work to date, the Group believes that transition risks related to climate change are incurred in the short, medium and long term.

## Climate scenarios used by the Group

Climate scenarios are supplementary analysis tools that provide a better understanding of the impacts of climate risk in the long term, based on central hypotheses and stressed versions according to defined trajectories. This is a usual risk approach, which however in this case uses long-term assumptions, contrary to the usual scenarios, which generally consider short projections (about 3 to 5 years). The materialisation of these risks is indeed more distant, so regulators and supervisors support these approaches, which enable governance bodies to become more aware of these risks and better understand their quantitative impacts. The TCFD also recommends this approach to assess the sensitivity of assets to climate risks.

The scenario IEA SDS	The scenarios ACPR	The scenarios ENTITIES
<p>Scenario used at <b>Group level</b> to define the major themes of our strategy of alignment with the Paris Agreement.</p> <p><b>Target</b></p> <p>Understanding the challenges of a 2°C trajectory and comparing the energy mixes of our portfolios.</p> <p><b>Type of scenario</b></p> <p>Abrupt scenario targeting the achievement of carbon neutrality in 2070 and limiting the rise in temperature to 1.65°C with 50% probability.</p>	<p>Scenarios used over a <b>large scope of the Group</b> to perform the first climate risk resistance tests.</p> <p><b>Target</b></p> <p>Performing the first tests to determine our portfolios' climate risk resistance and testing the portfolios' resistance to several types of scenarios.</p> <p><b>Types of scenarios</b></p> <ul style="list-style-type: none"> <li>■ A benchmark scenario (orderly transition corresponding to the National Low-Carbon Strategy)</li> <li>■ An adverse scenario of accelerated transition</li> <li>■ A single physical risk scenario (IPCC's "RCP 8.5")</li> </ul>	<p><b>Scenarios created and used at entity level</b> to explore the materiality of climate risks quantitatively.</p> <p><b>Target</b></p> <p>Conducting specific analyses on certain Group entity portfolios in order to better understand climate issues, and offering our customers long-term support to manage these transformations.</p> <p><b>Example:</b> <b>CACIB with 4 types of scenarios</b></p> <ul style="list-style-type: none"> <li>■ Business as usual</li> <li>■ Gradual transition</li> <li>■ Accelerated transition</li> <li>■ Medium-term abrupt scenario</li> </ul>

Defined annually and validated by the governance bodies, the Group's climate risk strategy follows the TCFD recommendations in terms of presentation since it addresses the various issues at Group level: governance structures, main elements of strategy, risk management and associated metrics. The impacts from double materiality (environmental and financial) are now presented, specifying the roles and responsibilities of each of the players for those impacts.

For **transition risk**, the Group has developed an internal method, known as P9XCA, which makes it possible to establish projections based on the emissions attributed to economic players in major sectors and defined countries in relation to the value added. Valued at the carbon price used in four scenarios, these emissions provide an initial economic assessment of the carbon challenge by macro-sectors and countries, and of the potential vulnerability of companies. On the basis of several studies concluding that a controlled climate transition would not be growth-destroying (2017 OECD study "Investing in Climate, Investing in Growth", 2016 ADEME study, "Un mix électrique 100% renouvelables ? Synthèse technique et synthèse de l'évaluation macro-économique"), it was considered that the carbon issue impacted companies differently depending on their ability to anticipate and therefore the progressive nature of the implementation of measures to adapt to this risk. The calculations make it possible to understand the orders of magnitude and compare potential impacts on sectors and countries depending on the scenarios and time scales used. The calculations show the transition risk in the abrupt climate change scenario as the main medium-term risk, while emphasising the strong increase in the physical climate risk over time, particularly in the scenario involving no new mitigation measures. These calculations thus provide a first macroeconomic framework for climate risks by highlighting the main risk areas (sectors and countries) according to the scenarios and time horizons considered.

For **physical risk**, the Group considers an average physical risk index, which is then related to the outstandings of each entity. This global index is presented on an increasing risk scale from 1 to 15 and combines indices of sector sensitivity (vulnerability on a three-level scale for 20 major sectors identified, source KPMG) and geographical sensitivity (S&P approach based on three variables: share of the population living below an altitude 5 m, share of agriculture in GDP, vulnerability index established by the Notre Dame Global Adaptation Initiative).

### Analysis on a large scope of the Group entities: the ACPR climate pilot exercise

In 2020, the Crédit Agricole Group took part in a pilot exercise on climate risk resistance led by the ACPR. The portfolios on which the simulations are carried out represent more than 80 % of the Group's risk-weighted assets in terms of credit risk. This exercise was also conducted within the insurance scope, while asset management is excluded from the scope of analysis. Its purpose is to test the resilience of French credit institutions and insurers to the effects of the climate transition by 2050, with no impact, for the time being, on capital planning. It will also make it possible to prepare for similar exercises conducted by the supervisor, including the one announced by the ECB in 2022. The three scenarios developed by the ACPR are based on the Network for Greening Financial Systems (NGFS) approach, using the work of the IPCC. A central scenario of orderly transition is proposed, with two opposing variants and a single physical risk scenario.

This inaugural exercise made it possible to test the Group's operational capacity to perform sector-level analyses over long horizons, over a broad scope, and to initiate a reflection on changes in the usual methods of credit stress. The absence of a benchmark was one of the difficulties encountered during this inaugural exercise. However, the governance mechanism put in place for this exercise made it possible to confirm the orders of magnitude

of the impacts. The lessons learnt mainly involve the lending activities of the banks as well as the insurance and non-life insurance activities. Major climate levers were identified as well as related management decisions that would allow the cost impact of these climate risks to be mitigated. Their impacts remain contained within the three scenarios and manageable for the Group over the horizons in question. Finally, this exercise will feed into internal reflections on the future sector policies in question.

### Analysis at entity level

A medium-term transition risk index has therefore been calculated since 2017 for **Crédit Agricole CIB's** corporate customer groups using a combination of three factors:

- *the extent to which the issues will impact financing in the sector, as calculated by the P9XCA methodology in the "by issue" version;*
- *the importance the country places on reducing greenhouse gas emissions within the framework of international negotiations, such as the Intended Nationally Determined Contributions (INDC);*
- *the maturity of the customer when faced with climate challenges and its ability to adapt, as evaluated by a non-financial agency or estimated by geographic average.*

For each customer group, **the transition risk index** is calculated by adding these three factors together. The index is positive when the counterpart demonstrates above-average preparedness and is negative if it does not. The more the customer stands out from its peers, the more the sector is considered to be at risk, and the more the country has committed to a rapid climate transition, the higher the absolute value of the index. Thus, an agent in the Energy or Transport sector in a country committed to significantly lowering emissions will have more to gain or lose than a player in a sector that is less at risk and in a country with lower greenhouse gas reduction demands. The extent to which this agent will be affected will depend on its ability to adapt its strategy and business model to its new situation. The transition risk index complements sector-focused policies by making it possible to identify customers for which additional analyses appear necessary in view of their exposure to transition risk and management of this risk. This approach applies to all sectors and all countries.

In 2020, a total of 13 Crédit Agricole CIB financing projects were granted and classified according to categories A, B and C of the Equator Principles. As at 31 December 2020, there were 394 projects in the portfolio. The classification of projects breaks down as follows:

- 39 projects were classified as A, of which one in 2020;
- 306 were classified as B, of which 12 in 2020;
- 49 were classified as C, of which none in 2020.

**Crédit Agricole Assurances** is mainly subject to transition risks for its investment activities. Consequently, Crédit Agricole Assurances continues to invest in green assets, and at end-September 2020 invested €6 billion in green bonds.

Through its property and casualty insurance subsidiaries, Crédit Agricole Assurances is exposed to physical risks related to climate change. In its main property and casualty insurance group, Pacifica, the risks on the portfolio and new business must be assessed in such a way that, in year Y, the claims to be paid directly to policyholders can be met. Premiums are reassessed annually for year Y+1 based on expected changes in claim frequency and average cost. For climate-related claims, these models are produced by looking at the frequency and average cost of claims in previous years adjusted for an acceleration of anticipated events. Crédit Agricole Assurances, through its subsidiary Pacifica, must be able to compensate a large number of insureds following a climate event, and consequently follows the most pessimistic business-as-usual scenario.

These climate risks may impact buildings (residential, commercial or farm), vehicles or crops. The weight of these climate events in the total claims cost varies from one policy to another. While it is 100% for crop, forage or forest storm insurance policies, it nevertheless represents more than a third of the claim cost for policies such as home, car, or agricultural or professional multi-risk insurance. Conversely, third-party liability policies are only slightly impacted. In 2020, Pacifica estimated the weight of climate-related claims at €343.3 million, representing 11.6% of premiums.

In addition, since 2019, **Crédit Agricole S.A.** and several pilot **Regional Banks** have conducted studies of the impact of physical risks on their Housing and Agriculture portfolios. Similarly, in 2020, **LCL** conducted a study of the impact of natural disasters on credit risk, focusing on its most significant portfolios.

## Presentation of the climate risk strategy according to the recommendations of the TCFD

The Group is committed to adopting a transparent approach and following best market practices and has undertaken to follow the **recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)**. Our responses to these recommendations are summarised in the table below and detailed in the various chapters of our statement of non-financial performance.

TCFD Sections	Recommendation	Main elements of the Group's response
Governance	1 – Describe the monitoring of climate risks and opportunities by the board	<p>The work performed within the Specialised Committees of the Board of Directors (Strategy and CSR Committee and Risk Committee of the Board of Directors) is submitted to the Board of Directors after examination.</p> <p>At its plenary meetings, the Board ensures the consistency of the Company's commitments and project with regard to social and environmental issues:</p> <ul style="list-style-type: none"> <li>■ when reviewing strategic projects, especially in the context of the Group Project, which makes Climate Strategy one of the pillars;</li> <li>■ on the occasion of presentations of each entity's version of the Group Project;</li> <li>■ when reviewing the Risk Strategies submitted for adoption, if the scope of those strategies justifies it.</li> </ul> <p>See Chapters 2.2.2 and 3.2</p>
	2 – Describe the role of Management in assessing and managing climate risks and opportunities	<p>The climate risk strategy prepared by the CSR department and the Group Risk department with the collaboration of Group entities is presented annually to the Group Risk Committee, which consists of Group executives, and then to the Risk Committee of the Board of Directors. This risk strategy and the associated risk opinion determine the climate risk roadmap for the coming year.</p> <p>See Chapters 2.2.2 and 3.2</p>
Strategy	3 – Describe the climate risks and opportunities identified by the Company in the short, medium and long term.	<p>Climate risks are mapped as major risks by the Group. Understood as risk factors that influence existing risks (counterparty, market, operational, etc.), they cover physical and transition risks. These risks are considered material in the short term for acute physical risks, in the long term for chronic physical risks, and in the potentially short/medium or long term for transition risk. The opportunities linked to the climate challenge are described in the section "Supporting economic sectors on the way to climate transition".</p> <p>See Chapters 1.3, 2.3 and 3.2</p>
	4 – Describe the impact of climate risks and opportunities on the Company's business, strategy and financial planning	<p>Given the stakes involved, the Group has decided to make green finance a key growth driver for the Group. To that end, it has defined a climate strategy aimed at the progressive alignment of financing and investment portfolios according to a scenario compatible with the Paris Agreement and the integration of climate transition issues into the customer dialogue.</p> <p>The Group has also put procedures in place to integrate climate risks into its financial risk management.</p> <p>See Chapters 2.3 and 3.2</p>
	5 – Describe the resilience of the Company's strategy, taking into account various climate scenarios, including the scenario of a temperature increase of 2° or less.	<p>Internal issue assessment tools confirm that:</p> <ul style="list-style-type: none"> <li>■ the Group's vulnerability to physical risks remains stable and low. Short-term impacts are integrated and covered by Crédit Agricole Assurances, whose internal modelling supplements the standard formula valuations;</li> <li>■ the impacts of transition risk according to the stress scenarios conducted in the ACPR pilot exercise are contained at Group level. It demonstrates the Group's resilience to adverse scenarios involving an accelerated or delayed climate transition, resulting in a sharp rise in the price of CO<sub>2</sub>.</li> </ul> <p>See Chapter 3.2</p>

TCFD Sections	Recommendation	Main elements of the Group's response
Risk management	6 - Describe the Company's procedures for identifying and assessing climate risks	<p>Crédit Agricole S.A. has put the following procedures in place:</p> <ul style="list-style-type: none"> <li>■ central objective of aligning financing and investment portfolios according to the Paris Agreement;</li> <li>■ stress scenarios conducted over a large scope of the Group (ACPR pilot exercise);</li> <li>■ scenarios at entity or portfolio level that allow a mapping of issues through internal methods that assess physical and transition risks.</li> </ul> <p><i>See Chapter 3.2</i></p>
	7 - Describe the Company's procedures for climate risk management	<p>Sector policies govern the Group's activities and define the scope of exclusion. The Risk department issues an opinion on these policies, as well as on the climate strategy and sector strategies. Moreover:</p> <ul style="list-style-type: none"> <li>■ physical risks are covered by Crédit Agricole Assurances through an annual forecast of the climate load and the structure of the reinsurance programme;</li> <li>■ transition risks are understood through the climate transition rating, which makes it possible to assess the stakes for large customers.</li> </ul> <p><i>See Chapter 3</i></p>
	8 - Describe how the procedures for identifying, assessing and managing climate risks are incorporated into the overall risk management of the company	<p>Climate Governance provides for clear information to the decision-making bodies on the status and management of climate risks, namely through the Group Risk Committees and the Risk Committee of the Board of Directors. Ad hoc risk appetite indicators are communicated to governance according to the Risk Appetite policy it validates.</p> <p><i>See Chapter 3</i></p>
Metrics and targets	9 - Indicate the measurement system used by the Company to assess climate risks and opportunities in accordance with its risk management strategy and procedure	<p>The Group implements a methodology for quantifying greenhouse gas (GHG) emissions said to be financed by a financial institution. Dubbed P9XCA, this methodology has been recommended since 2014 by the financial sector guide, "Quantifying Greenhouse Gas Emissions", published by Agence de l'environnement et de la maîtrise de l'énergie (ADEME), Observatoire sur la responsabilité sociétale des entreprises (ORSE) and Association Bilan Carbone. It allows the Group to calculate, with no double-counting, the order of magnitude of financed emissions and to map those emissions by sector and geographical area. Greenhouse gas emissions are allocated to economic players according to their capacity (and economic interest) to reduce them using a qualified allocation "by issue" as opposed to the usual allocation "by scope".</p> <p>Physical risks are assessed on a scale of 1 to 15 using a method combining indices of sectoral sensitivity (vulnerability on a three-level scale of 20 major sectors identified) and geographical sensitivity (based on three variables: share of the population living below an altitude of 5 m, share of agriculture in GDP, vulnerability index).</p> <p><i>See Chapters 2.3.6, 2.3.7 and 3.2</i></p>
	10 - Reporting of Type 1, Type 2 and, where applicable, Type 3 greenhouse gas (GHG) emissions and associated risks	<p>Emissions related to the Group's scopes 1, 2 and 3 can be viewed in Chapters 2.3.6 and 2.3.7</p>
	11 - Describe the objectives used by the Company to manage climate risks and opportunities and the performance achieved against the objectives	<p>Concerning Scope 3 (financing and investment portfolio): the Crédit Agricole Group is committed to aligning itself with a scenario compatible with the Paris Agreement (IEA SDS).</p> <p>For scopes 1 and 2: Crédit Agricole S.A. is committed to reducing its direct footprint, including energy (in terms of square metres) and transport (in terms of FTEs), by 15% over the period 2016-2020.</p> <p><i>See Chapters 2.3.6 and 2.3.7</i></p>



## 4. RESULTS

### 4.1 NON-FINANCIAL PERFORMANCE INDICATORS

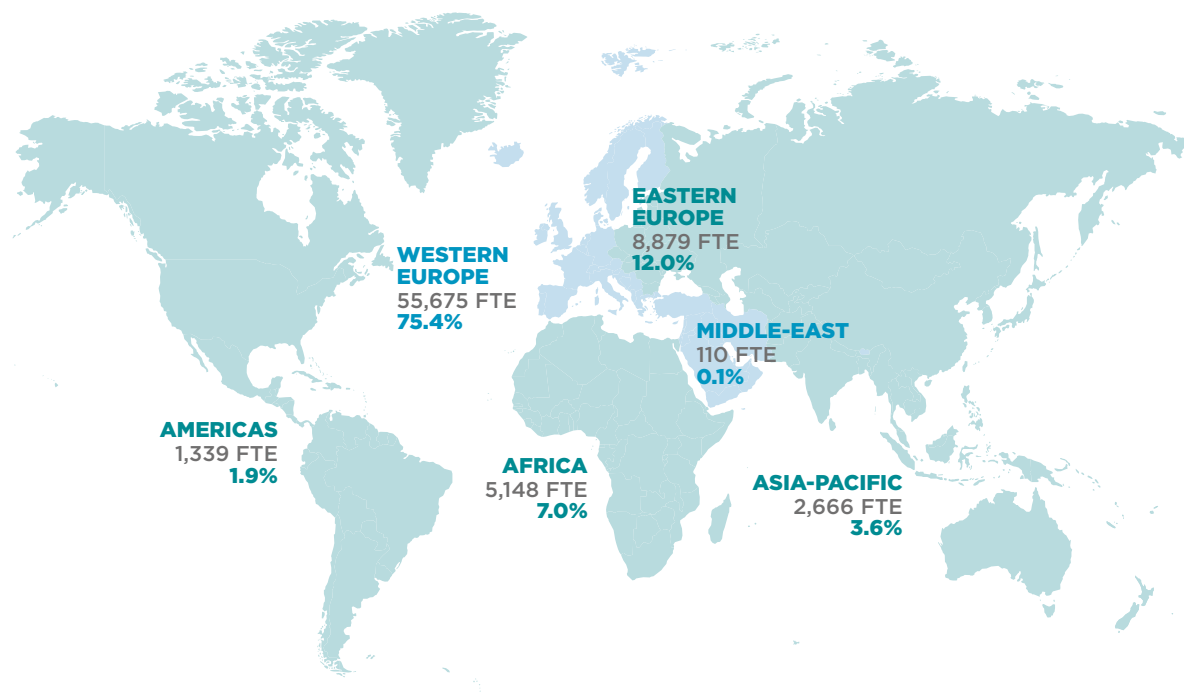
ESG strategy	Policy	Performance indicator	Definition	Unit	2019	2020	Entities concerned
Environmental Performance	The Group's climate strategy TCFD Chapter: climate risk management	Investments in coal	Among the entire Amundi portfolio, investments in thermal and metallurgical coal	%	0.1	0.07	Amundi
		Financing of coal	Among the entire Crédit Agricole CIB portfolio, financing of thermal and metallurgical coal	%	0.46	0.33	Crédit Agricole CIB
		Progress on specific initiatives relating to the environment	Investments in the energy transition sector	€bn	11.7	21.9	Amundi
		Financing of green activities	Financing of green activities as defined in the Green Bond Framework	€bn	7.1	11.14	Crédit Agricole CIB
		Investments in renewable energies	Investments in renewable energies	€bn	1.86	2.6	CAA
		Financing of REn	Financing of renewable energies	€m	249.8	311.7	LCL
		Financing of REn projects in France	Financing of renewable energies in France	%	28	28.1	Unifergie
		GHG emissions financing and investments	GHG emissions related to all investments and financing (Scope 3)	MtCO <sub>2</sub> eq	139	143	Crédit Agricole Group
	Measures and targets related to our direct environmental footprint	Energy-related GHG emissions/sq.m.	GHG emissions related to the energy consumption of buildings (direct footprint)	TCO <sub>2</sub> eq/sq.m.	0.03492	0.03046	Crédit Agricole S.A.
		GHG emissions related to business travel/FTE	GHG emissions related to employee travel by air and rail (direct footprint)	TCO <sub>2</sub> eq/FTE	0.636	0.101	Crédit Agricole S.A.
Social Performance	A universal approach for our businesses: being there for everyone	Assets in the fund with social and solidarity impact	Investments in the Social and Solidarity Economy sector	€m	256	331	Amundi
		Health-related financing	Financing of the health sector (hospitals, medico-social accommodation, health-related services and care)	€bn	5.89	6.9	LCL
		Number of vulnerable customers supported	Monitoring and providing personalised support to customers in vulnerable situations, whether due to circumstances or the need for structural support	Number	18,514	21,544	LCL, CACF and regional Banks
		Assets from Financing granted to microfinance institutions	Financing granted to microfinance institutions	€m	54	74	Grameen Crédit Agricole Foundation
	A strong ethical culture	Raising employee awareness of ethics	Percentage of employees made aware of ethics	%	16.93	20.3	Crédit Agricole S.A.
	HR strategy: managerial transformation for empowerment	Increase in ERI Survey participation rate	% of women in the highest decision-making body of each entity (Executive Committee when there is one or, failing that, the Management Committee)	%	24	24	Crédit Agricole S.A.
		Executives trained in the new leadership model	Percentage of executives trained in the new leadership model	%	42	54.5	Crédit Agricole S.A.

ESG strategy	Policy	Performance indicator	Definition	Unit	2019	2020	Entities concerned
Social Performance	HR strategy: an atmosphere of trust between employees and the company	Women in decision-making bodies	Change (in points) in employee participation in the Engagement and Recommendation Index	In points	7	3	Crédit Agricole S.A.
	HR strategy: an organisational transformation to be closer to customers	Training courses given	Number of hours of training received by employees (regardless of the training theme)	Millions of hours	2.31	1.83	Crédit Agricole S.A.
	Taxation and responsible lobbying policy	Effective tax rate	Tax rate paid by Crédit Agricole S.A.	%	7.37	22.23	Crédit Agricole S.A.
	Responsible purchasing	Suppliers with a CSR assessment (EcoVadis)	Share of suppliers that received an assessment in a call for tenders	%	46.7	67.75	Crédit Agricole S.A.
	Combatting cybercrime	Cyber risk training for employees	Percentage of employees trained in cyber risks	% over 3 sliding years 2018-2020	N/A	88.5	Crédit Agricole S.A.
	Governance representative of the Group's identity and guarantor of long-term commitments	Non-financial criteria in the variable compensation of managers	Share of non-financial criteria in the variable compensation of executives	%	40	40	Crédit Agricole S.A.
		Network of CSR players	Number of CSR Managers within the Group (full-time or part-time)	Number	150	175	Crédit Agricole Group
	ESG Performance Management Platform	Number of social and environmental impact indicators piloted	Number of indicators of impact of financing or investments calculated and piloted	Number	N/A	65	Crédit Agricole Group
	FReD mechanism	Number of employees whose compensation is linked to the FReD mechanism	Number of employees for whom at least part of the variable portion or profit-sharing is linked to the FReD mechanism	Number	10,000	23,408	Crédit Agricole S.A.
ESG performance	ESG development	Outstanding ESG multi-criteria investment solutions	Assets under management invested in funds with an "ESG Integration" investment process	€bn	310.9	355.9	Amundi

## 4.2 HUMAN RESOURCES INDICATORS

### Workforce

At end-2020, Crédit Agricole S.A. had 73,817 employees (full-time equivalent or FTE) and was operating in 45 countries.

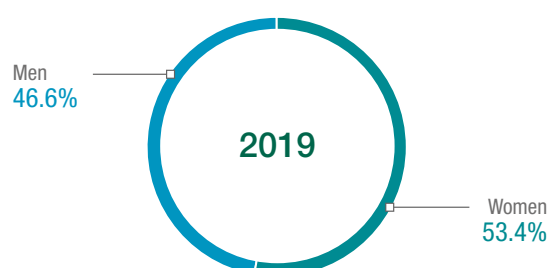


### Headcount by type of contract (full-time equivalent)

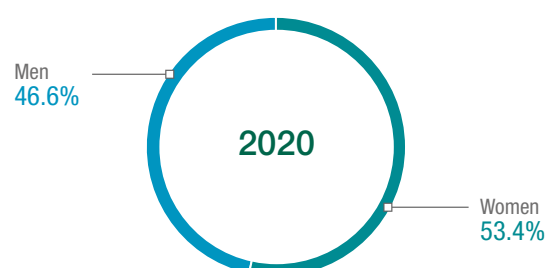
	2020			2019		
	France	International	TOTAL	France	International	TOTAL
Active permanent contracts (CDI)	34,815	35,553	70,368	34,367	35,011	69,378
Fixed-term contracts (CDD)	632	2,817	3,449	606	3,053	3,659
<b>Total employees</b>	<b>35,447</b>	<b>38,370</b>	<b>73,817</b>	<b>34,973</b>	<b>38,064</b>	<b>73,037</b>
Non active permanent contract (CDI) employees	1,066	908	1,974	1,104	1,282	2,386
<b>TOTAL</b>	<b>36,513</b>	<b>39,278</b>	<b>75,791</b>	<b>36,077</b>	<b>39,346</b>	<b>75,423</b>

Beneficiary View.

### Breakdown of workforce by gender



Scope covered: 99%



Scope covered: 99%

## Breakdown of workforce by level/gender

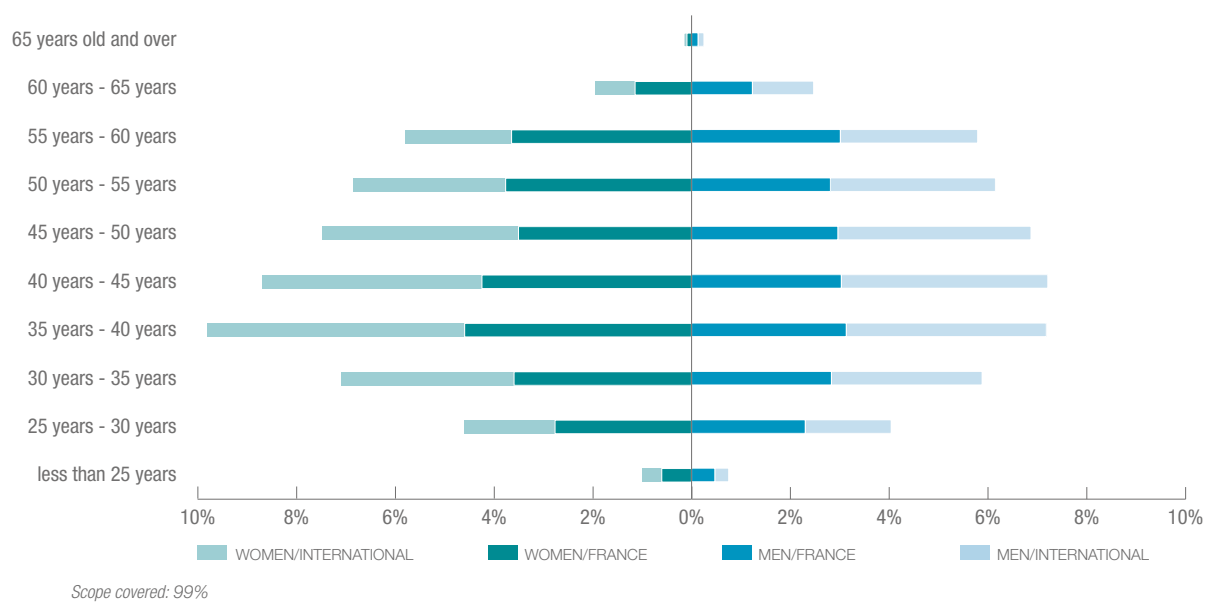
## France

	2020		2019	
(as a %)	Managers	Non-managers	Managers	Non-managers
<b>Workforce in France</b>	<b>69.9</b>	<b>30.1</b>	<b>68.7</b>	<b>31.3</b>
Women	61.4	38.6	60.1	39.9
Men	80.7	19.3	79.9	20.1
Scope covered - France	99%		99%	

## International

	2020			2019		
(as a %)	Senior managers	Managers	Other employees	Senior managers	Managers	Other employees
<b>International workforce</b>	<b>3.1</b>	<b>25.9</b>	<b>71.0</b>	<b>3.0</b>	<b>25.6</b>	<b>71.4</b>
Women	1.6	20.0	78.4	1.6	19.6	78.8
Men	4.6	32.0	63.4	4.4	31.8	63.8
Scope covered - International	99%			99%		

## Age structure



## Average age and length of service

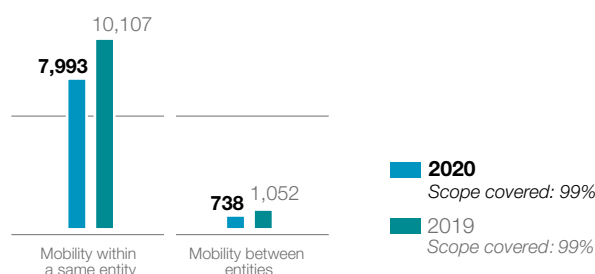
	2020			2019		
	France	International	TOTAL	France	International	TOTAL
Average age	43 years and 6 months	43 years and 4 months	43 years and 5 months	43 years and 4 months	43 years	43 years and 2 months
Average length of service	15 years and 10 months	13 years and 4 months	14 years and 7 months	15 years and 11 months	13 years	14 years and 6 months
Scope covered	99%			99%		

## Departures of permanent contract employees by reason

	2020				2019			
	France	International	TOTAL	%	France	International	TOTAL	%
Resignation	841	1,276	2,117	46.5	1,194	1,705	2,899	50.1
Retirement and early retirement	520	352	872	19.1	455	478	933	16.2
Lay-off	187	343	530	11.6	223	329	552	9.5
Death	19	30	49	1.1	20	22	42	0.7
Other	489	500	989	21.7	626	734	1,360	23.5
<b>TOTAL PERMANENT CONTRACT DEPARTURES</b>	<b>2,056</b>	<b>2,501</b>	<b>4,557</b>	<b>100.0</b>	<b>2,518</b>	<b>3,268</b>	<b>5,786</b>	<b>100.0</b>
<i>Scope covered</i>				<i>99%</i>				<i>99%</i>

## Mobility/career management

## Internal mobility



## Promotions in France

	2020			2019		
	Women	Men	TOTAL	Women	Men	TOTAL
Promotion in the non-manager category	603	302	905	837	311	1,148
Promotion from non-manager to manager	325	198	523	353	178	531
Promotion in the manager category	503	566	1,069	446	520	966
<b>TOTAL</b>	<b>1,431</b>	<b>1,066</b>	<b>2,497</b>	<b>1,636</b>	<b>1,009</b>	<b>2,645</b>
%	57.3	42.7	100.0	61.9	38.1	100.0
<i>Scope covered France</i>			<i>99%</i>			<i>99%</i>

## Equal treatment

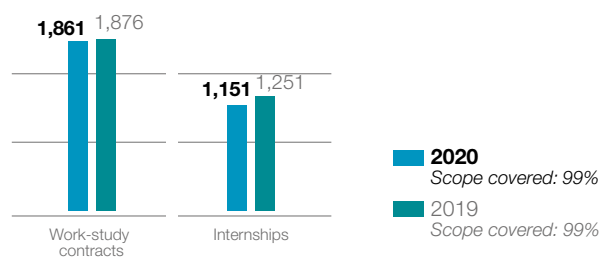
## Proportion of women (%)

	2020		2019	
	%	Scope covered	%	Scope covered
Among all employees	53.5	100%	53.6	100%
Among permanent contract employees	50.9	100%	53.1	100%
Among management levels 1 and 2	21.7	100%	22.9	100%
Among the Group Executive Committee	4 out of 16	100%	2 out of 16	100%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)	29.9	99%	30.0	99%



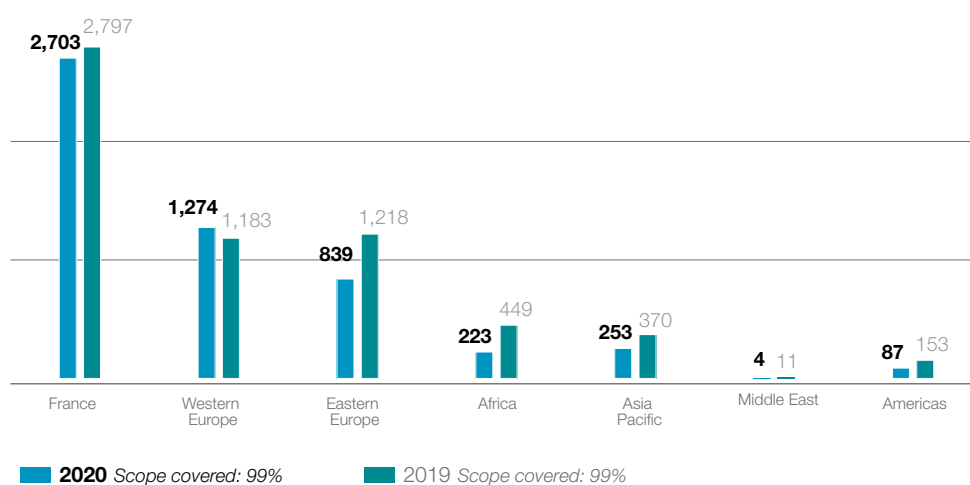
## Internships/Work-study contracts

Internships and work-study contracts (average monthly FTE)



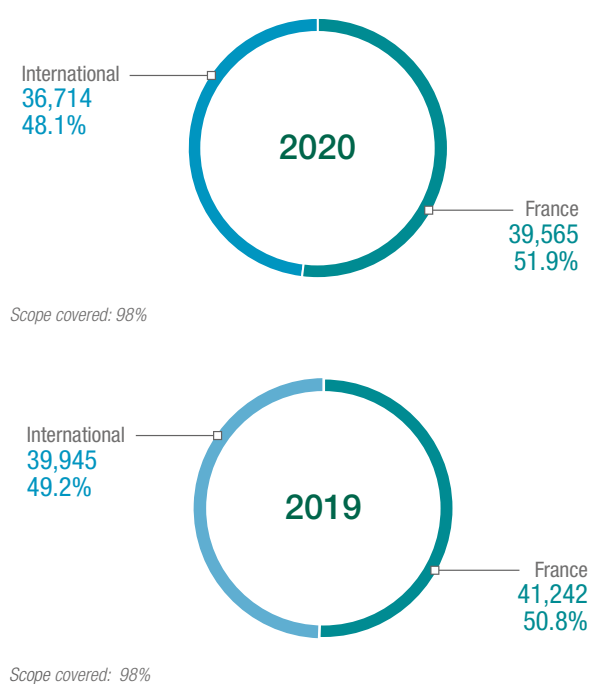
## Recruitment

Recruitment by geographic area



## Training

Number of employees trained

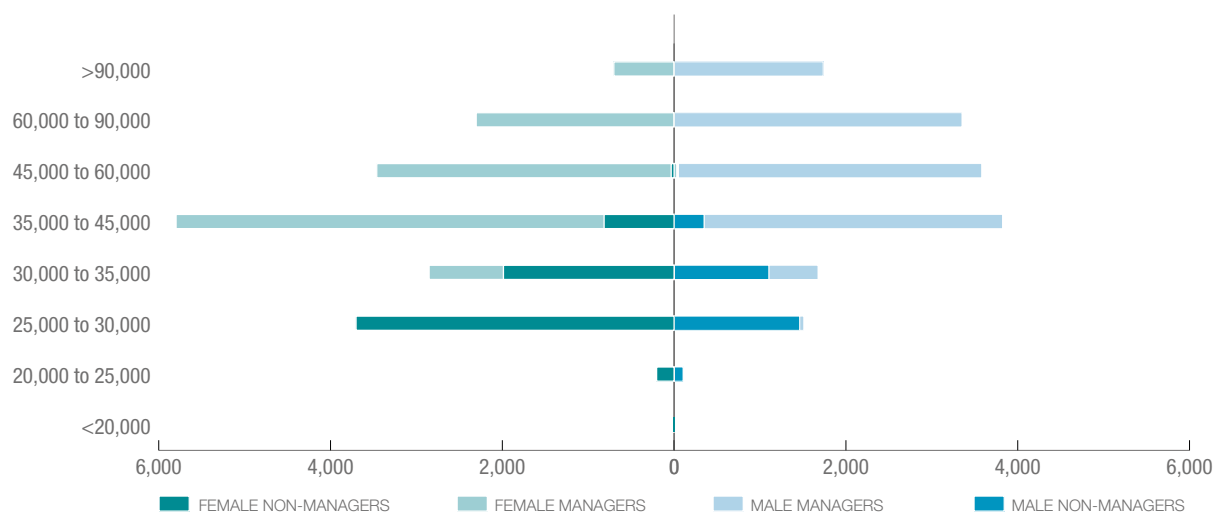


## Training topics

	2020 (12 months)				2019 (12 months)	
	TOTAL	%	o/w France	o/w International	TOTAL	%
Knowledge of Crédit Agricole S.A.	10,471	0.6	1,386	9,085	26,809	1.2
Personnel and business management	62,712	3.4	32,408	30,304	90,483	3.9
Banking, law and economics	267,144	14.6	169,629	97,515	471,488	20.4
Insurance	525,161	28.8	231,435	293,726	367,415	15.9
Financial management (accountancy, tax, etc.)	18,873	1.0	6,084	12,789	32,666	1.4
Risks	72,698	4.0	35,049	37,649	81,579	3.5
Compliance	424,303	23.2	108,248	316,055	472,426	20.4
Methods, organisation, quality	63,461	3.5	10,590	52,871	111,089	4.8
Purchasing, marketing, distribution	51,244	2.8	13,536	37,708	117,048	5.1
IT systems, networks, telecommunications	30,498	1.7	14,687	15,811	56,640	2.4
Languages	88,237	4.8	28,685	59,552	144,251	6.2
Office systems, software, new ICT	23,100	1.3	10,565	12,535	36,357	1.6
Personal development, communication	98,030	5.4	28,200	69,830	202,529	8.8
Health and safety	66,578	3.6	16,475	50,103	72,799	3.1
Human rights and the environment	10,477	0.6	1,553	8,924	13,870	0.6
Human Resources	12,366	0.7	4,008	8,358	16,480	0.7
<b>TOTAL</b>	<b>1,825,353</b>	<b>100.0</b>	<b>712,538</b>	<b>1,112,815</b>	<b>2,313,929</b>	<b>100.0</b>
Scope covered		98%				98%

## Compensation

## Annual fixed salary scale



Scope covered France: 99%

## Average monthly salary of active permanent contract (CDI) employees in France (gross basic salary)

	2020			2019		
	Women	Men	OVERALL	Women	Men	OVERALL
Managers	4,405	5,377	4,898	4,352	5,294	4,830
Non-managers	2,530	2,526	2,529	2,518	2,515	2,517
<b>TOTAL</b>	<b>3,680</b>	<b>4,827</b>	<b>4,185</b>	<b>3,620</b>	<b>4,735</b>	<b>4,107</b>
Scope covered France			99%			99%

## Collective variable compensation paid during the year on the basis of the previous year's results in France

	2020			2019		
	Total amount (in thousands of euros)	Number of beneficiaries	Average amount (in euros)	Total amount (in thousands of euros)	Number of beneficiaries	Average amount (in euros)
Profit-sharing	42,435	31,276	1,357	57,075	32,241	1,770
Incentive plans	203,009	42,693	4,755	181,081	43,865	4,128
Employer's additional contribution	50,912	33,493	1,520	50,559	33,629	1,503
<b>TOTAL</b>	<b>296,356</b>			<b>288,715</b>		
<i>Scope covered France</i>			99%			99%

## Health &amp; safety

## Absenteeism in calendar days

	2020					2019		
	TOTAL				Average number of days' absence per employee	TOTAL		Average number of days' absence per employee
	Women	Men	Number of days	%		Number of days	%	
Sickness	511,988	221,149	733,137	51.0	10.1	697,218	52.3	9.4
Accident	12,423	6,513	18,936	1.3	0.3	26,375	2.0	0.4
Maternity, paternity, breast feeding	370,459	15,197	385,656	26.8	5.3	427,244	32.1	5.8
Authorised leave	81,410	54,201	135,611	9.4	1.9	158,790	11.9	2.1
Other	91,753	72,761	164,514	11.4	2.3	23,310	1.7	0.3
<b>TOTAL</b>	<b>1,068,033</b>	<b>369,821</b>	<b>1,437,854</b>	<b>100.0</b>	<b>19.8</b>	<b>1,332,937</b>	<b>100.0</b>	<b>18.0</b>
<i>Absenteeism rate</i>					5.4%			5%
<i>Scope covered</i>					97%			98%

The number of work or commuting accidents recorded over the year was 800 in 2020. It was 1,311 in 2019.

## Work organisation

## Proportion of part-time employees

	2020			2019		
	Women	Men	TOTAL	Women	Men	TOTAL
Part-time employees	6,368	789	7,157	6,599	754	7,353
Part-time employees as % of total	16.6	2.4	9.9	17.4	2.3	10.3
Women as % of part-time employees			89.0			89.7
<i>Scope covered</i>			99%			99%

## Labour relations

Number of company agreements signed during the year by subject

	2020			2019		
	France	International	TOTAL	France	International	TOTAL
Compensation and benefits	54	44	98	60	27	87
Training	0	18	18	0	19	19
Employee representative bodies	10	2	12	32	1	33
Jobs	3	5	8	2	9	11
Working hours	15	14	29	6	8	14
Diversity and gender equality at work	2	3	5	3	1	4
Health & Safety	0	0	0	3	0	3
Other	24	23	47	19	15	34
<b>TOTAL</b>	<b>108</b>	<b>109</b>	<b>217</b>	<b>125</b>	<b>80</b>	<b>205</b>
<i>Scope covered</i>			<b>96%</b>			<b>92%</b>

## 4.3 RECOGNITION OF NON-FINANCIAL PERFORMANCE BY STAKEHOLDERS

By relying on its ESG strategy and of all the actions implemented by the entities, Crédit Agricole S.A. is consolidating its non-financial performance. In 2020, it reaffirmed its place on the leading socially responsible investment indexes:



- Rated A- by CDP in 2020;
- rated A by Morgan Stanley Capital International (MSCI) since 2017;
- rating of 63 by VigeoEiris since 2019 and included in NYSE-Euronext indices since May 2013;
- rated Prime by ISS ESG since December 2015;
- included for several years in the British FTSE4Good index, re-confirmed in September 2020.

### Signatory of the

- United Nations Global Compact since 2003;
- Principles for Responsible Investment since 2006;
- Diversity Charter since 2008;
- Sustainable Purchasing Charter since 2010;
- Charter for the energy efficiency of commercial buildings since 2013;
- Science-Based Targets since 2016;
- RE100 since 2016;
- Principles for Responsible Banking and Collective Commitment to Climate Action since 2019;
- Business for Inclusive Growth (B4IG) since 2019;
- Poseidon Principles since 2019;
- One Planet Sovereign Wealth Fund Asset Manager Initiative since 2019;
- Tobacco Free Finance Pledge since 2020.

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### Co-founding member of the

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- Equator Principles since 2003;
  - Green Bonds Principles since 2014;
  - Portfolio Decarbonization Coalition since 2014;
  - Mainstreaming Climate Action Within Financial Institutions since 2015;
  - Catalytic Finance Initiative since 2015;
  - French Business Climate Pledge since 2015;
  - BBCA association (low-carbon building design) since 2015;
  - Finance for Tomorrow since 2017.
- 

### Participant in the

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- Call for carbon pricing at the initiative of the World Bank Group in 2014;
  - Montreal Carbon Pledge since 2015;
  - Paris Appeal on Climate Change since 2015;
  - IIRC (International Integrated Reporting Council) since 2016;
  - Task Force on Climate Disclosure since 2017;
  - Climate Action 100+ since 2017;
  - AIGCC (Asia Investor Group on Climate Change) since 2020.
- 

### Other positions

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- Statement on modern slavery since 2017;
  - Contributor to the RH Sans Frontières endowment fund since 2018.
-



## IMPLEMENTATION OF THE PRINCIPLES FOR RESPONSIBLE BANKING

The complete report on the implementation of the “Principles for Responsible Banking” is available on [credit-agricole.com](https://credit-agricole.com) website.

Reporting and self-assessment point	Relevant reference(s)/illustrative link(s) to the answer
<b>PRINCIPLE 1: ALIGNMENT</b>	
1.1 Crédit Agricole S.A. business model.	See Universal Registration Document, chapter “Presentation of Crédit Agricole S.A.”
1.2 Alignment of the strategy with the Sustainable Development Goals (SDGs), the Paris Climate Agreement and successful national and regional frameworks.	See <a href="https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision">https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision</a> and Universal Registration Document, chapter “Extra-financial performance”, paragraphs 1.3 and 2.3.1
<b>PRINCIPLE 2: DEFINITION OF IMPACT AND TARGET</b>	
2.1 Group impact analysis	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 1.2 and 1.3
Conclusion on impact analysis: this entire analysis of non-financial risks/issues and their materiality has enabled Crédit Agricole S.A. to define the corresponding impact and risk management policies.	
2.2 Definition of Group target	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 2.3.1 and 1.3
Conclusion on the definition of the target: as part of its Ambitions 2022 medium-term plan, Crédit Agricole S.A. has set itself ambitious objectives in line with its <i>Raison d’Être</i> <sup>(1)</sup> .	
2.3 Plans for implementation and monitoring of objectives	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.3
Conclusion on the monitoring of objectives: the deployment of the non-financial reporting platform throughout the Group will make it possible to transparently monitor the implementation of our social and environmental commitments.	
2.4 Progress in implementing objectives	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 2.3.6, 2.3.2 and 4
Conclusion on progress made: In a particularly difficult environment in which the bank was mobilised to support its customers, employees and stakeholders in the face of the pandemic, significant progress was made in 2020 in implementing our environmental and societal strategy.	
<b>PRINCIPLE 3: CLIENTS AND CUSTOMERS</b>	
3.1 Overview of the policies and practices currently implemented or to be implemented by the Group to promote responsible relationships with its customers.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.4.2
3.2 Description of the work performed or planned by the Group with its customers to encourage sustainable practices and enable sustainable economic activities.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 1.2., 1.3 and 2.2.4
<b>PRINCIPLE 4: STAKEHOLDERS</b>	
4.1 Description of the stakeholders (or groups/types of stakeholders) with whom the Group has consulted, engaged, collaborated or partnered to implement these principles and enhance its impact.	<a href="https://www.b4ig.org/">https://www.b4ig.org/</a> <a href="https://www.at-entreprise-pauvrete.org/toutes-nos-publications/lancement-du-collectif-dentreprises-pour-une-economie-plus-inclusive/">https://www.at-entreprise-pauvrete.org/toutes-nos-publications/lancement-du-collectif-dentreprises-pour-une-economie-plus-inclusive/</a> <a href="https://lanoteglobale.org/">https://lanoteglobale.org/</a>
<b>PRINCIPLE 5: GOVERNANCE AND CULTURE</b>	
5.1 Description of the governance structures, policies and procedures put in place or expected to be put in place by the Group to manage significant positive and negative (potential) impacts and to support the effective implementation of the Principles.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.2
5.2 Description of the initiatives and measures implemented or expected to be implemented by the Group to foster a responsible banking culture among its employees.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.4 and paragraph 2.2.2
5.3 Governance structure for the implementation of the principles.	
Conclusion: Oversight of the implementation of the PRB is an integral part of Crédit Agricole S.A. ESG governance.	
<b>PRINCIPLE 6: TRANSPARENCY AND ACCOUNTABILITY</b>	
Progress in the implementation of the principles of banking responsibility.	Universal Registration Document, “Non-Financial Performance” chapter
<b>Conclusion: Crédit Agricole S.A. has made significant progress in the implementation of the PRB, an integral part of its ESG strategy, during financial year 2020.</b>	

(1) Please refer to the glossary of Crédit Agricole S.A.’s Universal registration document for the definition of *Raison d’Être*.



# 3



## DUTY OF VIGILANCE

<b>Legal framework</b>	<b>87</b>	<b>Report of the implementation of measures to prevent or mitigate these risks</b>	<b>90</b>
<b>Our commitments</b>	<b>87</b>	Relationships with the customers of Crédit Agricole S.A.	90
<b>Our ethical principles</b>	<b>87</b>	Relationships with employees of Crédit Agricole S.A.	91
<b>Managing and monitoring the vigilance plan</b>	<b>88</b>	Relationships with suppliers and sub-contractors	92
<b>Our approach</b>	<b>88</b>	Financing and investment activities of Crédit Agricole S.A.	93
<b>Methodology for identifying and managing the risks referred to in the current vigilance system</b>	<b>88</b>	<b>Alert and notification system</b>	<b>95</b>
Identification of risks	88	<b>System for monitoring the actions implemented and evaluating their performance</b>	<b>95</b>
Risk management systems	89		

## LEGAL FRAMEWORK

Law No. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and contracting companies applies to Crédit Agricole S.A.

As a parent company, Crédit Agricole S.A. corporate entity has opted for preparing a vigilance plan and reporting on its effective implementation for Crédit Agricole S.A. corporate entity and the companies it directly or indirectly controls. These are together being referred to as “Crédit Agricole S.A.”.

The vigilance plan includes, in accordance with the law, reasonable measures to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of persons and the environment, which could potentially result from the activities of Crédit Agricole S.A. corporate entity and of the consolidated companies over which Crédit Agricole S.A. corporate entity exercises control, as well as from the activities of sub-contractors or suppliers with whom an established commercial relationship is maintained, when such activities are related to that relationship.

## OUR COMMITMENTS

Our vigilance measures are in line with the fundamental principles to which we adhere and the applicable international rules and regulations, in particular with regard to respect for human rights, the fight against modern slavery, the prevention of attacks on human health and safety, the protection of the environment and, in particular, the development of “climate finance” (see Chapter 2, part 4.3 “Recognition of Non-Financial Performance by Stakeholders”).

Beyond the applicable regulatory base, our commitments are based on our purpose: “Acting every day in the interest of our customers and society”. Thus, environmental, social and societal issues are at the heart of the Group

2022 strategic project, which will guide our actions in the coming years through three flagship projects: the customer project, the human project and the societal project (<https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision>).

To carry out these projects while exercising its banking-insurance business in a responsible manner, Crédit Agricole Group has chosen to promote a strong culture of compliance and ethics. Particular attention is paid to the impact of our activities on people and the environment in order to achieve our goals and meet our commitments to customers, employees, partners and society.

## OUR ETHICAL PRINCIPLES

Our commitments are reflected in policies that formalise the principles of compliance and ethics as applicable within our Group and in our relationships with our customers, suppliers, service providers and employees (see Chapter 2, part 2.4.2 “A Strong Culture of Ethics”).

- **The Code of Ethics** shared by Crédit Agricole Group since 2017, sets the framework for the Group's principles regarding business action and conduct. The principles described in this charter also include measures to prevent corruption and are intended to be integrated into the internal control procedures of the entities.
- **Codes of Conduct** implemented by the entities of Crédit Agricole S.A. operationally describe the principles of the Code of Ethics. These Codes of Conduct have been presented to the Boards of Directors of each entity for consideration. Their implementation is part of the process of controlling the risks of non-compliance.

The Board of Directors of Crédit Agricole S.A. is strongly involved in promoting an ethical culture within the Group. It approved and monitored the deployment of the Code of Ethics and its implementation in the form of Codes of Conduct. The Board integrates the examination of CSR issues and policies within the remit of its Strategy and CSR Committee, which, in conjunction with the Appointments and Governance Committee, monitors ethical issues within the Group.

In 2020, a programme to foster a culture of ethics was implemented with the aim of educating the employees of Crédit Agricole S.A. on ethics and assessing their level of ethical culture using common indicators.

## MANAGING AND MONITORING THE VIGILANCE PLAN

The vigilance plan is managed and monitored at the highest level of Crédit Agricole S.A. The Board of Directors has been informed of the procedures for implementing the vigilance plan in its meeting of 13 May 2020. With regard to social and environmental issues and risks, the Board has adopted a cross-functional approach involving, depending on the subject, most of its Specialised Committees, primarily the Strategy and CSR Committee, but also the Appointments and Governance Committee, the Risk Committee and the Compensation Committee, which enables the Board to be fully informed and facilitates the inclusion of these matters in its deliberations (see Chapter 3, part 1.2 “Activity of the Board in 2020” and 1.3 “Activities of the Board’s Specialised Committees”).

The CSR Committee of Crédit Agricole S.A., chaired by the Corporate Secretary, member of the Executive Committee, approves the guidelines and monitors the implementation of the vigilance plan and the associated action plans. Twice per year it is responsible in the capacity of “Committee on the duty of vigilance” and keeps the Executive Committee updated.

The management of the vigilance plan is entrusted to the CSR department, under the responsibility of the Corporate Secretariat, in collaboration with the Group departments overseeing Purchasing, Legal, Risk, Compliance, Human Resources, Safety and Security, as well as with the Crédit Agricole S.A. subsidiaries.

## OUR APPROACH

For financial year 2020, the Crédit Agricole S.A. vigilance plan consisted of:

- the process of risk mapping for the identification, analysis and prioritisation of risks of serious violations that its activities could potentially cause to fundamental human rights and freedoms, the health and safety of persons, and the environment. This approach is reflected in the description of the methodology used as well as a summary of the risks identified and the associated areas of vigilance;
- prevention or mitigation measures and assessment procedures implemented within Crédit Agricole S.A. to prevent these risks;
- a mechanism for alerting and receiving alerts relating to the existence or realisation of such risks;
- a system for monitoring the actions implemented and evaluating their performance. This mechanism, which includes monitoring indicators, is presented in the report on the implementation of the vigilance plan.

More detailed information on policies and action plans is given in the non-financial performance statement (see Chapter 2, “Non-Financial Performance”).

Pursuant to the regulations, the report on the effective implementation of the vigilance plan is published each year for the financial year ending 31 December.

The approach of the Vigilance plan is based on the principle of continuous improvement. As a result, the tools used to identify and manage risks and the measures implemented to prevent these may change in the light of the results of risk mapping approaches, changes in the activities financed and those induced by the operations of Crédit Agricole S.A., as well as priority CSR issues. In this light, the indicators for monitoring the implementation of the vigilance plan, which were defined in 2020, may change or be supplemented with new indicators for subsequent financial years.

## METHODOLOGY FOR IDENTIFYING AND MANAGING THE RISKS REFERRED TO IN THE CURRENT VIGILANCE SYSTEM

### IDENTIFICATION OF RISKS

In line with the law, the scope of the vigilance plan of Crédit Agricole S.A. includes employees, suppliers and sub-contractors with whom it has an established relationship, and covers the main activities of Crédit Agricole S.A. in the exercise of its business as banker and insurer, *i.e.* its financing and investment activities as well as the distribution of financial and insurance products and services to its customers.

The risk identification process is based on two steps:

- a first step to identify generic risks with regard to the areas of vigilance covered by the law and the commitments of the Group;
- a second step to identify the risks of major impacts specific to our activities that require particular vigilance.

With regard to the areas of vigilance covered by the law and the commitments of Crédit Agricole S.A. with regard to CSR, the generic risks of serious violations of human rights, fundamental freedoms and the health and safety of individuals that we have identified are:

- the use of forced labour, slavery and child labour;
- the violation of the rights of indigenous peoples, including their right to property;
- discrimination and harassment in the workplace;
- failure to respect freedom of association and the principle of collective bargaining;
- violations of the health and safety of persons;
- the lack of decent working conditions, compensation and social protection;
- violating the right to privacy.



In terms of environmental protection, the identified serious risks of damage are:

- the worsening of climate change and associated climate risks;
- excessive consumption of natural resources;
- pollution and degradation of soil, air and water quality;
- the loss of biodiversity;
- the proliferation and non-treatment of waste.

In order to identify and assess the significant risks directly related to our activities, in the areas covered by the law on the duty of vigilance, our approach is based on priority CSR issues (deemed to have major impacts for stakeholders and the Group) which contain both opportunities and risks.

In 2020, the risks thus identified were also assessed in light of the methodological framework for identifying social and environmental risks presented in the non-financial performance statement, which covers a broader scope than the scope of application defined by the law on the duty of vigilance. This approach is structured in four stages: the formalisation of four non-financial areas corresponding to the Group's purpose, the cross-referencing with the areas of action defined in ISO 26000, which made it possible to identify some 30 non-financial challenges and then, with regard to these challenges, the identification of some fifteen significant potential non-financial risks and the inclusion of the perception of the stakeholders on the challenges deemed to be the most significant. The consultation of our stakeholders, carried out every two years, enables us to analyse the significant risks that we identify with regard to their expectations and the non-financial issues that they perceive to be the most significant (nearly 1,800 individuals representing customers and the general public were consulted as part of a CSR barometer in 2020). See Chapter 2, part 1 "Non-financial risks".

## RISK MANAGEMENT SYSTEMS

The Group exercises vigilance within the framework of existing risk management systems (see Chapter 5, "Risk management" and Chapter 2, part 3 "ESG risk management").

In order to achieve its strategic orientations while managing and mitigating its risks appropriately, the Group has established a risk appetite framework, consisting of two main elements: the Risk Appetite Statement and all the instruments declaring and ensuring compliance with the risk appetite statement. These include key indicators for each type of risk. The Risk Appetite Statement, submitted annually to the Board of Directors of Crédit Agricole S.A. for approval, is a decisive element for the control and monitoring of governance risks. This statement includes a key indicator relating to climate risk. In addition to quantitative indicators, the Group's risk appetite is also expressed through qualitative indicators based on the Group's CSR strategy and policies with the aim of controlling all risks, including non-financial risks.

The overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group is reviewed by the Board of Directors, which relies on the work carried out by its Specialised Committees, in particular the Risk Committee. It analyses the Risk Strategies of the entities and business lines before proposing their approval to the Board.

Prior to review by the Board, the Group Risk Committee chaired by the Chief Executive Officer of Crédit Agricole S.A. approves the Risk Strategies presented by the entities and business lines. These strategies require the prior opinion of the Risk Department and, an opinion of the CSR Department for strategies applying to business sectors in which the social and environmental impacts are potentially high. In particular, it approves the Climate Strategy developed jointly and reviewed each year by the Risk Department and the CSR Department (cf. Chapter 2, part 2.2.2 "Governance of non-financial performance" and part 3 "ESG risk management").

In this context, Crédit Agricole S.A. has identified the main areas in which its activities have a major socio-economic impact and could therefore carry significant direct risks to respect for human rights and fundamental freedoms, human health and safety and environmental impact.

This approach made it possible to identify the following areas of vigilance:

### ■ Relationships with the customers of Crédit Agricole S.A.:

- preventing risks related to cybercrime and ensuring the security of customers' personal data and transparency of their use;
- preventing discrimination in access to financial services offered by entities of Crédit Agricole S.A.

### ■ Relationships with employees of Crédit Agricole S.A.:

- maintaining occupational health and ensuring equity in social protection;
- ensuring the safety and security of employees;
- combating discrimination;
- maintaining a social dialogue within the Group.

### ■ Relationships with suppliers and sub-contractors of Crédit Agricole S.A.:

- ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the vigilance system of Crédit Agricole S.A.;
- assessing and managing significant environmental, societal and governance (ESG) risks in our purchasing.

### ■ Financing and investment activities of Crédit Agricole S.A.:

- assessing and managing major direct environmental, social and governance (ESG) risks in financing and investments;
- paying particular attention to climate risk management in financing and investing.

In accordance with the Decree of 3 November 2014, a dedicated procedure is in place to control the risks related to the Group's activities, describing in particular the respective responsibilities of its three lines of defence within the internal control system (business lines in the first place, permanent control exercised by the Risk Management and Compliance business lines in the second place, Audit-Inspection in the third).

Moreover, the prevention of ESG risks as part of the operational risk management system, which includes the risk of non-compliance, legal risk, the risk of internal and external fraud and the risks generated by the use of key outsourced services (PSEE), is formalised in a set of common standards and procedures.

The identification and qualitative assessment of risks is carried out through risk mapping, carried out annually by the business lines and entities in accordance with the specific characteristics of their business sector. Risk indicators are set up for processes with major impact risks and, if necessary, improvement action plans are defined.

Compliance standards and the system for monitoring non-compliance risks are described in an *ad hoc* body of rules (*Corpus Fides*). Finally, a dedicated control system, incorporating a procedure for managing irregularities and reporting alerts, ensures that non-compliance risks are managed, particularly with regard to non-compliance with rules relating to financial and banking activities, professional and ethical standards, instructions, ethics in professional conduct, as well as in the fight against money laundering, corruption or terrorist financing, and respect for the integrity and transparency of the markets. Within the Compliance business line, each Compliance Manager updates a mapping of non-compliance risks, consolidated by the Group Compliance department.

## REPORT OF THE IMPLEMENTATION OF MEASURES TO PREVENT OR MITIGATE THESE RISKS

### RELATIONSHIPS WITH THE CUSTOMERS OF CRÉDIT AGRICOLE S.A.

In its business of distributing financial and insurance products and services to its customers, Crédit Agricole S.A. has identified two areas requiring particular attention.

#### Preventing the risks associated with cybercrime and ensuring the protection of personal data and transparency in their use

Crédit Agricole S.A. is particularly attentive to strengthening the Group's resilience in the light of the magnitude of IT risks, particularly cyber-threats, in terms of governance, organisation and IT projects. Our cyber security strategy is based on operational governance, dedicated policies and a decentralised organisation that relies on stakeholders present within each entity, the implementation of security standards and regulations to integrate cyber security at all levels of the information system (IS). The analysis of cyber risks is carried out systematically from the design phase of projects impacting IS with a "Security by design" approach. Crédit Agricole S.A. is actively raising awareness and developing a "cyber risk" culture among its employees, customers and suppliers in order to change practices and promote the acquisition of habitual behaviours, which are essential in terms of cyber security. These provisions of various and complementary natures (technical, organisational, behavioural) make it possible to reduce the probability of occurrence of cyber risks or limit their effects. They are described in detail in Chapter 2, part 2.4.6 "Cyber security and combating cyber-crime".

The Group has adopted a normative framework for the protection of personal data by implementing, in 2017, a personal data Charter, co-created with customers. It is based on five key principles (data security, utility and loyalty, ethics, transparency and pedagogy, customer control).

The commitments made in that charter ensure that customers have control over their data and their use and are fully consistent with the implementation of the European regulation on the protection of personal data.

In 2018, a set of standards and procedures relating to the management and protection of personal data, including employee data, was distributed to all Crédit Agricole S.A. A comprehensive programme of mandatory compliance training is deployed for all employees in France and abroad (see Chapter 2, part 2.4.2 "A Strong Ethical Culture").

#### Avoiding discrimination in the access to financial and insurance products and services by supporting the most financially vulnerable customers

In order to be useful to all its customers and to prevent the risk of discrimination in access to financial and insurance services, Crédit Agricole has been committed for several years to a process of financial inclusion and support for the most financially vulnerable customers. The Group shows its commitment to this approach by committing to preventing over-indebtedness and improving access to credit and insurance for those customers. To illustrate, the Group offers products that are accessible to all, such as LCL Essentiel.

To prevent and manage situations of over-indebtedness, specific support measures (personalised support agency, national unit and adapted offer) have been set up by Crédit Agricole Consumer Finance and LCL; these can be offered to customers when a situation of financial vulnerability is found.

Within Crédit Agricole Assurances, in the area of health insurance Pacifica offers a Complementary Solidarity Health offer (resulting from the merger in 2019 of the ACS and CMU-C schemes) with a regulated and free or subsidised single level of cover. Crédit Agricole Assurances also abides by the AERAS agreement, which facilitates access to insurance and loans for persons who currently have or have had serious health problems, and offers adapted policies through its subsidiary, CACI, a loan insurer.

As France's leading provider of housing finance, the Crédit Agricole Group contributes more specifically to social housing. In November 2020, LCL signed a partnership with Action Logement, a leading player in social housing, which will give its customers access to personalised advice and a wider range of services.

In 2020, the Crédit Agricole Group is specifically committed to supporting its SMEs and small businesses, corporates and farmers at a time of health crisis, notably by ensuring the distribution of State-guaranteed loans, with a total amount of €26.9 billion granted to more than 178,000 customers. In addition, it has awarded up to more than 550,000 moratoriums and extensions. From April 2020, at the time of the first lockdown, the Group also set up a €200 million mutual support scheme for professionals, aimed at all policyholders who have taken out professional multi-risk insurance with a cover for business interruption (Chapter 2, part 2.4.1 "A universal approach to our businesses: being there for everyone").

## RELATIONSHIPS WITH EMPLOYEES OF CRÉDIT AGRICOLE S.A.

On 31 July 2019 Crédit Agricole S.A. has signed an International Framework Agreement with the global union federation for the private services industry, UNI Global Union. This global agreement covers human rights, fundamental labour rights and the development of social dialogue. It reinforces the commitments of Crédit Agricole S.A. by offering the same social basis to all its employees, regardless of where they work, and by helping to improve working conditions. This agreement provides a frame of reference for Crédit Agricole S.A.'s 75,000 employees in the 47 countries where it operates.

### Maintaining occupational health and ensuring equity in social protection

Crédit Agricole S.A. ensures that its facilities provide a working environment that protects the health of its employees and provides prevention, information and support services for employees (free screening campaigns and vaccination, ergonomic advice, nutrition and stress management, personalised support for employee carers, etc.).

Measures to prevent psycho-social risks (toll-free numbers, listening units) are deployed throughout Crédit Agricole S.A. In addition, specific attention is paid to the situation of employees in light of organisational transformations and, if necessary, accompanying measures are put in place (training, awareness-raising, collective agreements).

Crédit Agricole S.A. is also actively involved in the social protection of all its employees, particularly in matters related to health, retirement, death, short and long-term disability. Accordingly, in 2017, a supplementary hospitalisation scheme was implemented at the Crédit Agricole S.A. level in France. In 2020, the implementation of the Take Care programme was completed for all the entities concerned. It made it possible to strengthen health and provident schemes (death, short and long-term disability coverage) in four countries of the International Retail banking business line (Egypt, Morocco, Serbia and Ukraine).

The International Framework Agreement of 31 July 2019 includes a strong commitment to parenthood as it sets out the principle of 16 weeks paid maternity leave for all employees of Crédit Agricole S.A. as of 1 January 2021. It also recommends that entities introduce adoption or paternity leave in order to take into account the different situations of parenthood.

Lastly, the Agreement includes a major commitment to employee benefits (short and long-term disability, death and health); it calls for an inventory of all employee benefits systems in effect in the entities, in order to map current practices in relation to their national and professional context. This mapping was carried out in 2020 and showed the absence of any failure to comply with the legal obligations required locally in terms of health and welfare. It will be updated in 2021 (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

### Ensuring the safety and security of employees

Crédit Agricole S.A. ensures the safety and security of its employees and persons on its premises.

In 2020, following the health crisis caused by the COVID-19 outbreak, the Group's attention was particularly focused on the measures to be taken to protect the health and safety of the Company's employees and their working conditions. The Group has taken numerous measures in this regard, working in conjunction with occupational health services and employee representatives, in line with the decisions and recommendations of the public authorities (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

In addition, specific measures are also deployed to ensure the safety of employees during business travel as well as for expatriate employees. Risk prevention actions specific to employees in contact with customers or who travel frequently by road are implemented.

A procedure describing the general framework, organisation and operation of the Physical Security and Safety Business Line and recalling the tasks entrusted to the Physical Security and Safety Department (*Direction sécurité-sûreté*—DSS) was published in 2018 and distributed within the Crédit Agricole Group. It will be updated in 2021 and supplemented by incorporating operational policies (security of non-commercial buildings, business travellers and expatriates, events organised by the Group, protection of executives, crisis monitoring and management, physical security and safety controls), in line with the ongoing review of the Group's operational policies and security standards.

In 2018 and 2019, as part of the implementation of Crédit Agricole S.A.'s Individual Security Plan, e-learning training on what to do in the event of a terrorist attack was offered to all employees. In addition, "first response team members" have been trained in the containment strategy. The reasons and practical details of this approach were presented to the Consultation Committee, which includes all the representative trade unions within Crédit Agricole S.A.

The Safety and Security Department ensures compliance with regulatory obligations and the implementation of the Group's security policy at all Crédit Agricole S.A. sites, in particular by ensuring that employees are trained in fire safety. In this context, with the support of IFCAM and other Crédit Agricole S.A. entities, it has designed an e-learning training course on what to do in the event of security incidents such as fire or rescue. This training, which has been approved by the Group Safety Committee, has been mandatory since the end of 2020 for all Crédit Agricole S.A. entities and is offered to the Regional Banks.

### Combating discrimination

Crédit Agricole S.A. is a signatory of the Diversity Charter and it has already been committed to an approach aimed at promoting diversity and gender balance for several years. This diversity policy, which is based on the principles of non-discrimination and the integration of career and age diversity, takes the form of agreements on topics such as non-discrimination in recruitment, training, promotion, compensation and the life-work balance. Training and awareness-raising activities are regularly implemented within Crédit Agricole S.A. and annual indicators make it possible to monitor the results of the measures implemented.

Furthermore, in order to help reduce unjustified wage gaps between women and men, a gender equality index has been created pursuant to the Law of 5 September 2018 on the freedom to choose one's professional future. This index allows companies to measure their progress in this area and, if necessary, to implement corrective actions. After several years of commitment and initiatives in the area of gender equality at work, at 31 December 2019, Crédit Agricole S.A. once again scored well above regulatory requirements:

- 83/100 for Crédit Agricole S.A. corporate entity;
- between 75 and 98/100 for the other entities of Crédit Agricole S.A.

The International Framework Agreement of 31 July 2019 also provided for concrete measures applicable at each career path stage designed to ensure gender equality.

Lastly, employment and integration of people with disabilities have been the subject of a proactive policy since 2005 under three-year Disability agreements. The number of newly-hired people with disabilities and the volume of purchase contracts signed with the sheltered and disability-friendly sector are among the indicators measured annually. On 23 December 2019, Crédit Agricole S.A. and employee representatives signed a sixth three-year agreement (2020-2022) on the employment of people with disabilities. With this agreement, Crédit Agricole S.A. undertakes, in particular, to employ new people with disabilities at its entities by 2022. Since the first agreement was signed in 2005, the employment rate of disabled people within Crédit Agricole S.A. has doubled, reaching 3.88% at the end of 2019, and the volume of purchases from inclusive companies has increased sixfold. For the period 2017-2019, the recruitment target has been achieved with 51 individuals recruited on permanent contracts. The International Framework Agreement also confirms the importance of this commitment to disabilities (see Chapter 2, part 2.4.3.3 “Strengthening the framework of trust between employees and the company”).

### Maintaining a social dialogue within the Group

Crédit Agricole S.A., through its Group Human Resources Department and representatives of the Human Resources function within each entity, maintains a dynamic dialogue with all stakeholders in the social dialogue.

This dialogue is organised at several levels to take into account the multiplicity of Crédit Agricole Group's locations in Europe. Fourteen countries (representing more than 90% of Crédit Agricole's employees) are represented on the European Works Council, which meets annually; similarly, in France twice a year, employee representatives and management discuss the Group's strategy and social and economic situation.

Moreover, two other bodies within Crédit Agricole S.A. also facilitate maintaining the social dialogue: a Consultation Committee in which executives can present their projects and engage in discussions with employee representatives; meetings of union representatives are also organised on a monthly basis to foster exchanges, maintain a local dialogue and explain strategic developments in the Group's business lines.

The importance of the trade unions, whose role is an integral part of the Group's life, has been reinforced. On 8 March 2019 Crédit Agricole S.A. signed an Agreement on the career path of staff representatives which aims to promote engagement in staff representation and to enhance the mandate of staff representatives in their career development. Through this agreement, Crédit Agricole S.A. is committed to promoting the attractiveness of trade union and elected positions among employees wishing to become involved in social dialogue within its entities. Crédit Agricole S.A. also undertakes to promote and respect equal access for women and men to trade union and elective office and to combat all forms of discrimination based on the exercise of such office (see Chapter 2, part 2.4.3.3 “Strengthening the framework of trust between employees and the company”).

## RELATIONSHIPS WITH SUPPLIERS AND SUB-CONTRACTORS

### Ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the vigilance system of Crédit Agricole S.A.

Crédit Agricole S.A. has a “Responsible Purchasing” policy that applies to the entire Crédit Agricole Group. Shared by all employees and suppliers, it aims to promote, in case of a purchase, the consideration of the right need and of economic, societal and environmental aspects. This policy is accompanied by a “Responsible Purchasing Charter” that formalises the reciprocal commitments between Crédit Agricole S.A. and its suppliers, based on the fundamental principles of the United Nations Global Compact. In particular, it specifies the level of vigilance expected in terms of respect for human rights and labour law, environmental impact, business ethics and transparency. The Charter is systematically attached to all supplier contracts.

Moreover, a specific clause titled “Respect for human rights, protection of the environment and fight against corruption” was included in all the standard supplier contract models of Crédit Agricole S.A., under which suppliers declare and guarantee that they will respect and enforce in their supply chains all their obligations to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment resulting from their activities, in accordance with laws and/or regulations relating to respect for human, social and environmental rights. At the end of 2019, a permanent control indicator was set up at Crédit Agricole S.A. corporate entity to ensure that this clause was included in all supplier contracts. This control system is gradually being extended to the different entities of Crédit Agricole S.A.

In 2018, the “Supplier Relations and Responsible Purchasing” label awarded by France's Mediator of the Republic has been renewed and extended to all Crédit Agricole S.A. subsidiaries, including the requirements of ISO 20400 standard. In 2020, a CSR purchasing and training division was created within the Group Purchasing Department tasked with monitoring actions

related to this label and coordinating Responsible Purchasing within the entities. The Purchasing Management Committee, which monitors the CSR performance of suppliers, reviews CSR issues related to the label and the duty of vigilance on a quarterly basis.

In order to strengthen mutual knowledge between Crédit Agricole S.A. companies and their suppliers and to involve suppliers in our responsible purchasing approach, meetings are organised on a regular basis. Thus, the fourth edition of the Supplier Meetings, held in 2020 for the first time in 100% digital format, brought together more than 300 suppliers.

### Assessing and managing significant Environmental, Social and Governance (ESG) risks in our Purchasing

The requirements of the law on the duty of vigilance are included in the Purchasing procedural memorandum that applies to all employees. In addition, a free e-learning module entitled “Responsible Purchasing” is available to all employees of the Group via the common platform of the Crédit Agricole training institute.

In 2018, the Group Purchasing Department finalised the introduction of its risk mapping by identifying, analysing and prioritising the categories of purchases presenting risks based on ethical, social and environmental criteria.

This approach has made it possible to prioritise purchasing categories according to four levels of CSR risk based on the intrinsic gravity of a risk and its probability of occurrence. For categories with the highest levels of risk (real estate projects, promotional items, IT hardware and servers), the Group Purchasing department has decided to strengthen its CSR assessment system and apply specific risk prevention measures (diagnosis, recommendations and CSR issues specific to the offer) in addition to the general measures taken as part of the “Responsible Purchasing” policy.



The three categories identified are the subject of a progress plan drawn up with our suppliers and specifiers and then broken down into specific actions to address different issues related to the level of maturity of suppliers with regard to CSR:

- **For the “Real estate projects” category**, in which the players are numerous and complex to grasp, the Group Purchasing Department, in collaboration with the buyers of the two main entities most active in this category, Crédit Agricole Immobilier and LCL, have undertaken actions focused on two areas for improvement:
  - continued the project initiated in 2019 to identify the key players in the sector and then to engage in a dialogue with these suppliers to raise their awareness of the risks involved and together identify avenues for improvement;
  - to improve the relevance of the analysis grids in our calls for tender on the environmental and social impacts in the responses from suppliers. To this end, the Group Purchasing department was able to benefit from a tool developed by a sector-based approach with the support of experts and of the real estate trade federation, to support real estate players in implementing CSR criteria in the course of their projects.
- **For the “Promotional items” category**, a listing of Crédit Agricole Group suppliers that includes numerous questions on social, environmental and ethical issues is a first step towards mitigating CSR risks. Three of the four distributors listed have a very good EcoVadis (gold) rating, while the fourth has embarked on an improvement plan and is expected to improve its rating at the next evaluation. Suppliers outside the panel who can meet the specific needs of certain Group entities on an occasional basis for local purchases will also submit a CSR assessment. At the same time, actions have been carried out with specifiers and users to raise their awareness of CSR issues related to purchasing and to invite them to systematically go through the panel’s suppliers.
- **For the “IT hardware and servers” category**, the Group Purchasing department organises meetings dedicated to CSR with the main suppliers. As this sector is fairly mature on societal issues, the approach makes it possible to exchange views on each party’s responsible purchasing policies and on the actions implemented within the companies. In addition, within Crédit Agricole S.A., the Group’s Innovation, Digital Transformation and IT division has drawn up an “IT White Paper” in 2020, including a

section devoted to the Green IT and CSR strategy and roadmap. The conclusions of this work will be shared and implemented from 2021. The Group Purchasing department is fully involved in the process and has provided an initial deliverable by formalising three CSR rating grids covering the IT Purchasing category: P2i, Hardware, Software that can be used with the Tier 1 suppliers of the Group, and which can also be employed throughout the supply chain.

The CSR performance of the suppliers and that of the offer are evaluated during the tender phase. The evaluation covers the CSR performance of the supplier as well as that of the offer and is based on a documentary audit. The evaluation of the supplier’s CSR performance has been entrusted since 2012 to an independent and specialised third party, EcoVadis. The score obtained on the CSR criteria is an integral part of the selection of a product or service in the allocation of the contract to the supplier. It represents 15% of the overall rating since 1 January 2020. This year, a guide was also co-created by buyers as well as representatives of internal specifiers and suppliers) to help buyers incorporate CSR criteria into their calls for tenders.

In 2020, the Group Purchasing department also completed this system by working with three other banks and a third-party evaluator to launch an on-site CSR audit process for common purchasing categories.

The Group Purchasing department has also broadened its approach to evaluating risk and compliance of suppliers. The KYS (Know Your Supplier) system was described in an umbrella procedure note and broken down into three technical notes covering scoring, screening and identification of suppliers. Scoring makes it possible to prioritise risk levels and, for suppliers that present the highest level of risk, results in a closer frequency of adverse news screening (negative information relating particularly to the environment, respect for human rights, employee health and safety) (weekly frequency). The results of these analyses are presented to the Group Supplier Risk Committee formed at the beginning of 2020, which is responsible for determining whether to continue – or terminate – the relationship with the supplier.

Additional elements relating to the approach taken by the Group Purchasing department are presented in the non-financial performance statement (see Chapter 2, part 2.4.5 “Responsible purchasing”).

## FINANCING AND INVESTMENT ACTIVITIES OF CRÉDIT AGRICOLE S.A.

### Assessing and managing major direct climate, environmental, social and governance (ESG) risks in our financing and investments

For several years, Crédit Agricole S.A. has been committed to an approach that integrates environmental, societal and governance (ESG) risks into its decision-making criteria.

#### Investments

As a signatory to the Principles for Responsible Investment (PRI) since their launch in 2006, Amundi includes environmental, social and governance (ESG) criteria in its analysis process and investment decisions, in addition to financial criteria. Accordingly, Amundi’s ESG policy is as follows:

- a strict exclusion policy for issuers (companies and States) that do not meet the ESG criteria adopted by the Group;

- a systematic ESG analysis of companies, summarised by a proprietary ESG rating, consisting of several criteria based on both international standards and the assessments of recognised rating agencies, which takes into account major environmental, social and governance issues such as climate change, child labour and transparency in business conduct;
- distribution of ESG ratings to all managers;
- a commitment policy aimed at developing companies towards best practices;
- a voting policy that integrates ESG issues.



Amundi has set itself the objective of systematically taking ESG considerations into account in its voting policy, based on a three-year action plan ([https://www.amundi.fr/fr\\_instit/Local-content/Responsible-Investment/Un-plan-d-actions-ESG-a-3-ans](https://www.amundi.fr/fr_instit/Local-content/Responsible-Investment/Un-plan-d-actions-ESG-a-3-ans)) and a department dedicated to responsible investment.

The Crédit Agricole Assurances Group has also been a signatory to the Principles for Responsible Investment (PRI) since 2010. In 2017, it developed and published a CSR policy, based on a mapping of the CSR risks associated with its activities, which defines its framework for action and is divided into its three business lines: insurer, investor and employer. This policy describes its approach to integrating non-financial criteria into its investment processes.

Crédit Agricole Assurances applies the same exclusion policy for issuers that do not meet the Group's ESG criteria, based on the list of excluded issuers maintained by Amundi. Government debt securities issued by the countries on that list are therefore excluded from investments. Except in justified cases, private issuers domiciled in those countries are also excluded (see Chapter 2, part 2.5 "Incorporating ESG criteria into the investment and asset management policies).

### Financing

In the area of project financing, Crédit Agricole CIB has developed a system for assessing and managing risks resulting from the environmental and social impacts of transactions and customers, which is described in its CSR Policy published in 2017 and codified in a governance rule.

Since 2003, Crédit Agricole CIB has been guided by the Equator Principles, to which it adhered from the onset. These principles are a voluntary commitment to carry out a detailed analysis of the environmental and social aspects of each new project financing and to require that projects be developed and operated in accordance with the environmental and social standards of the International Finance Corporation (IFC).

This ESG risk management system is based on three pillars:

- the application of the Equator Principles provides an appropriate methodological framework for assessing ESG risks for operations directly related to a project;
- the CSR sectoral policies published by the Group, which specify the criteria for analysis and exclusion in all transactions for sectors where social and environmental issues have been identified as the most important: arms, energy, mining, transportation, transport infrastructure, construction, agriculture and forestry (<https://www.credit-agricole.com/responsable-et-engage/notre-strategie-rse-etre-acteur-d-une-societe-durable/nos-politiques-sectorielles>);
- an analysis of the environmental or social sensitivity of transactions or customers regarding the management of the environmental and social impacts related to the projects financed or the customers' CSR approach, which is assessed in accordance with the principles of the sectoral policies of the Bank.

This system for assessing and managing environmental and social risks is supervised by an umbrella committee, the Committee for the Evaluation of Transactions presenting an Environmental or Social Risk (CERES), chaired by the Head of Crédit Agricole CIB's Compliance function (see Chapter 2, part 3 a "ESG Risk Management").

### Paying particular attention to climate risk management in financing and investing

Aware of the increase in global warming caused by greenhouse gas (GHG) emissions, Crédit Agricole aims at strengthening its action and commitments in favour of energy transition and the integration of climate risks by adopting a Group climate strategy in 2019. All Crédit Agricole S.A. entities shall apply this strategy, in line with the 2015 Paris Agreement, which obliges signatory States to limit global warming to +2°C by 2100, based on the recommendations of the Intergovernmental Panel on Climate Change (IPCC). It will enable a gradual reallocation of its financing and investment portfolios and assets under management to support our customers in the energy transition (see Chapter 2, part 2.3.1 "Group's climate strategy").

In 2019, the Group set up a dedicated governance structure to steer its climate strategy, with the mission of reconciling the economic development of territories and the climate trajectory (see Chapter 2, part 2.2.2 "Governance of non-financial performance").

For a number of years, the Group has undertaken work designed to better understand and manage climate risks and aims to continue to do so:

- quantifying the carbon footprint of its financing and investment portfolio;
- drawing up sector policies for the sectors covering over 80% of this footprint;
- gradually introducing an analysis linked to the consideration of global warming issues and a carbon price in the analysis of credit files. The goal is to determine the most relevant climate risk or risks for the Bank and to develop a methodology to assess them.

Particular attention paid to climate risk management has also resulted in the revision of the Group's sectoral policy on energy in the oil and gas sector, excluding the financing of the least efficient hydrocarbons. This development is in addition to the general policy of withdrawing funding from coal-related activities, which has been in place since 2015. In 2019 the Group decided to strengthen its commitments in financing the energy transition: to exit from thermal coal in 2030 in the EU and the OECD (no development of relationships with companies whose coal activity represents more than 25% of their business except with those that have announced plans to phase out their thermal coal activities or which intend to announce such plans by 2021. No commercial relationship with companies developing or planning to develop new thermal coal capacity).

A detailed description of approaches to integrating ESG and climate risks into financing and investment activities is presented in the non-financial performance statement (see Chapter 2, part 2.5 "Integration of ESG criteria in investment and asset management policies").

## ALERT AND NOTIFICATION SYSTEM

The Group's body of procedures in the area of Compliance includes a procedure on the right to alert. In order to strengthen risk prevention, the centralised system for reporting alerts and collecting notifications made available to all Group employees as part of the fight against fraud and corruption was extended in 2018 to allow facts falling within the scope of the Group's duty of vigilance and ethical commitments, as defined in its Code of Ethics and in the Codes of Good Conduct adopted by each entity.

This system, the development of which has been shared with Crédit Agricole S.A.'s representative trade unions, is now open not only to employees but also to third parties. An awareness-raising message on the right to alert was sent by the Chief Executive Officer of Crédit Agricole S.A. to all employees of the Group. In order to facilitate alerts relating to, among other things, human rights, health and safety or the environment, these can now be made via a digital reporting and the alert processing tool that is accessible through a link on our website: <https://www.credit-agricole.com/le-groupe/ethique-et-conformite/lanceur-d-alerte>, or at the convenience of the person wishing to issue an alert, by any written means. Confidentiality about the identity of persons filing a report is standard rule for alerts in accordance with European regulations.

This alert processing tool was implemented within Crédit Agricole S.A. corporate entity in September 2018 and its deployment was finalised in Crédit Agricole S.A.'s entities in 2020. It is available in 11 languages (French, English, German, Spanish, Italian, Dutch, Portuguese, Polish, Ukrainian, Serbian and Romanian). It facilitates the quantitative and qualitative analysis of alerts (number and type of alerts) which contributes to the assessment of the risks of non-compliance and the evolution of the prevention measures implemented. As part of this deployment, support measures have been made available to the entities: creation of a MOCCA documentation area, distribution of guides for employees responsible for alerts, training of users of the BKMS alert processing tool (see Chapter 2, part 2.4.2 "A strong ethical culture").

An Alert Management Committee was also set up in October 2019, which intervenes as necessary depending on the sensitivity of an alert and will meet at least once a year to analyse the Alert Launcher system (statistical elements, analysis of the reason for the alerts as well as their geographic area of emission).

## SYSTEM FOR MONITORING THE ACTIONS IMPLEMENTED AND EVALUATING THEIR PERFORMANCE

Crédit Agricole S.A.'s vigilance plan is the sum of complementary risk prevention policies, each with its own governance, processes and associated action plans, which respond to the areas of vigilance determined by Crédit Agricole S.A. and are monitored by global coordination at the highest level of the company. The monitoring of the actions implemented is based on indicators of means or results to ensure that they effectively meet the objectives of the law. A summary of these indicators is presented at the end of the report on the 2020 vigilance plan.

In addition, environmental, social and governance issues are at the heart of "Ambitions 2022", the strategic project of the Group. Each of the three major projects make up this strategic plan includes policies and action plans to address the main risks identified, with corresponding performance indicators that are detailed in the non-financial performance

statement (see Chapter 2, part 1.3 "Analysis of non-financial risks"). The management of non-financial risks in the Group covers a broader scope than Crédit Agricole S.A.'s due diligence plan, notably due to our voluntary commitments, which go beyond the legal framework and extend throughout Crédit Agricole Group. Consequently, the indicators mentioned in the non-financial performance statement may supplement the vigilance plan monitoring indicators mentioned in this report.

Finally, FReD is the internal system for promoting and assessing the ESG culture of Crédit Agricole S.A. The average of each entity's progress evaluation provides an index: the "Group FReD index" which has an impact on the variable compensation of executives throughout the Group (see Chapter 2, part 2.2.4 "System for employee contribution to ESG performance").

Area of vigilance	Means/results indicator	2020	Scope	2019	Scope
Preventing the risks associated with cybercrime and ensuring the security of customers' personal data and the transparency of their use	Percentage of Crédit Agricole S.A. entities participating in the FReD approach that have communicated the Group Code of Ethics to their employees	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Number of Crédit Agricole S.A. entities participating in the FReD approach that have circulated a Code of Conduct	16	Crédit Agricole S.A.	15	Crédit Agricole S.A.
	Percentage of employees trained in cyber risks (over a three-year rolling period)	88.5	Crédit Agricole S.A.	N/A	
Preventing discrimination in access to financial services and insurances	Number of financially vulnerable customers supported	11,290	LCL, CA Consumer Finance France	6,336	LCL, CA Consumer Finance France
Maintaining occupational health and ensuring equity in social protection	Average number of days of absence per employee	19.8		18	
	■ Including average number of days of absence per employee as a result of an industrial accident	0.3		0.4	
	■ Including average number of days of absence per employee related to parenthood	5.3		5.8	
	■ Including average number of days of absence per employee for other reasons	14.3	Crédit Agricole S.A.	11.8	Crédit Agricole S.A.
	Number of countries qualifying for the "Take Care" programme	4		4	
	Number of employees qualifying for the "Take Care" programme	8,326	Crédit Agricole S.A.	8,326	Crédit Agricole S.A.
	Percentage of entities having trained their employees in safety habits (practice)	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
Ensuring the safety and security of employees	Percentage of employees trained in safety habits (e-learning)	50.67	Crédit Agricole S.A. (France)	50.67	Crédit Agricole S.A. (France)
	Percentage of expatriate employees in countries identified as "high risk" registered in the PLANIS monitoring tool	85.71	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Percentage of women in the highest decision-making bodies (i.e. the highest decision-making body of each entity, namely the Executive Committee when there is one or, failing that, the Management Committee)	24	Crédit Agricole S.A.	23.9	Crédit Agricole S.A.
Combating discrimination	Employment rate of people with disabilities in France (as a %)	4.99	Crédit Agricole S.A. (France)	3.58	Crédit Agricole S.A. (France)
Maintaining a social dialogue within the Group	Number of collective agreements entered into by the entities of Crédit Agricole S.A. Group:				
	■ in France	108	Crédit Agricole S.A.	125	Crédit Agricole S.A.
	■ outside France	109	Crédit Agricole S.A.	80	Crédit Agricole S.A.
Ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the Group's vigilance system	Percentage of contracts of the types made available by Crédit Agricole S.A. to its subsidiaries that include the "Duty of vigilance" clause	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Percentage of contracts with active suppliers (>€50K) that include the "Duty of Vigilance" clause		Crédit Agricole S.A.		Crédit Agricole S.A.
	Methodology: sampling				
Assessing and managing significant environmental, social and governance (ESG) risks in our purchasing	Number of entities carrying out this control	79	Corporate entity	72	Corporate entity
	Percentage of buyers of the Crédit Agricole S.A. Group who have completed the "Responsible Purchasing" training	85	Crédit Agricole S.A.	77	Crédit Agricole S.A.
	Percentage of suppliers with a CSR assessment by EcoVadis in calls for tenders	67.7	Crédit Agricole Group	46.7 <sup>(1)</sup>	Crédit Agricole Group
ESG strategy (Financing)	Percentage of corporate customers evaluated on CSR criteria	100	Crédit Agricole CIB	100	Crédit Agricole CIB
ESG strategy (Investments)	Outstandings incorporating an ESG filter (in billions of euros)	355.9	Amundi	310.9	Amundi
Climate strategy	Scope 3 GHG emissions (in MMTCo <sub>2</sub> e)	143	Crédit Agricole Group	139	Crédit Agricole Group
Alert follow-up	Number of alerts per year in the BKMS tool	83 (of which 7 concerning the lack of respect for human and environmental rights)	Crédit Agricole S.A.	24	Crédit Agricole S.A. (entities in which the tool was deployed in 2019)

(1) The percentage published in 2019 (cumulatively since 2014) was 59%. The percentage for 2019 alone is 46.7%.



# 4

## **REPORT BY ONE OF THE STATUTORY AUDITORS**

**Report by one of the Statutory Auditors, appointed as an independent third party, on the non-financial information statement included in the management report**

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**Independent Limited assurance report on the indicators relating to the implementation of the climate strategy presented in Crédit Agricole's 2020 Management Report**

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## REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE NON-FINANCIAL INFORMATION STATEMENT INCLUDED IN THE MANAGEMENT REPORT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

### For the year ended December 31, 2020

To the shareholders of Crédit Agricole S.A.,

In our capacity as Statutory Auditor of Crédit Agricole S.A. (hereinafter the "entity"), appointed as an independent third party and accredited by Cofrac (accreditation Cofrac Inspection n°3-1060 whose scope is available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby report to you on the non-financial information statement for the year ended 31 December 2020 (hereinafter the "Statement"), included in the management report pursuant to the legal and regulatory provisions of articles L. 225102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

### THE ENTITY'S RESPONSIBILITY

Pursuant to legal and regulatory requirements, the Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal nonfinancial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement (or which are available on request from the entity's Corporate Social and Environmental Responsibility Department).

### INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

### RESPONSIBILITY OF THE STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225105 I, 3 and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular the French duty of care law and anti-corruption and tax evasion legislation;
- the compliance of products and services with the applicable regulations.

### NATURE AND SCOPE OF OUR WORK

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code determining the conditions in which the independent third party performs its engagement and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 – *Assurance engagements other than audits or reviews of historical financial information*.

Our procedures allowed us to assess the compliance of the Statement with regulatory provisions and the fairness of the Information:

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities and, where applicable, the impact of these activities on compliance with human rights and anticorruption and tax evasion legislation, as well as the resulting policies and their outcomes;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;

## REPORT BY ONE OF THE STATUTORY AUDITORS

Report by one of the Statutory Auditors, appointed as an independent third party, on the non-financial information statement included in the management report

- we verified that the Statement includes each category of social and environmental information set out in article L. 2251021 III, as well as information set out in the second paragraph of article L. 22-10-36 regarding compliance with human rights and anticorruption and tax evasion legislation;
- we verified that the Statement includes an explanation for the absence of the information required under article L. 225-102-1 III, 2;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators;
- we verified, where relevant with respect to the principal risks or the policies presented, that the Statement provides the information required under article R. 225-105 II;
- we assessed the process used to identify and confirm the principal risks;
- we asked what internal control and risk management procedures the entity has put in place;
- we assessed the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented;
- we verified that the Statement covers the scope of consolidation, *i.e.*, all the companies included in the scope of consolidation in accordance with article L. 233-16 within the limitations set out in the Statement;
- we assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - substantive tests, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities (Amundi Asset Management, Pacifica, Crédit Agricole Bank Polska S.A., Crédit Agricole Italia, Crédit Agricole Egypt S.A.E. et Crédit Agricole CIB - UK) and covers between 22% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we referred to documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that we considered to be the most important;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## MEANS AND RESSOURCES

Our work was carried out by a team of 7 people between October 2020 and March 2021 and took a total of 8 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted forty interviews with sixty people responsible for preparing the Statement.

## CONCLUSION

Based on our work nothing has come to our attention that causes us to believe that the non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

Neuilly-sur-Seine, 23<sup>th</sup> of March 2021

One of the Statutory Auditors  
PricewaterhouseCoopers Audit  
*French original signed*  
Anik Chaumartin  
Partner

*French original signed*  
Sylvain Lambert  
Sustainable Development Partner

## APPENDIX: LIST OF THE INFORMATION WE CONSIDERED MOST IMPORTANT

Selection of qualitative and quantitative information, associated with the policies, measures and outcomes related to the fifteen principal issues identified for the activity of Crédit Agricole S.A., disclosed in the following sections of the management report:

Main issues ESG (challenges Crédit Agricole S.A.)	Policies, measures and outcomes reviewed within the framework of our work	Sections of the management report
Climate change mitigation and adaptation	<b>Climate Strategy</b> <b>Climate risk management: response to the 11 TCFD recommendations</b> Indicators reviewed: Investments in the coal sector in the energy mix (%), Financing in the coal sector in the energy mix (%), Outstanding amounts of specific environmental initiatives (€bn), Financing of green activities (€bn), Investments in renewable energies (€bn), Financing of renewable energies (€m), Financing of renewable energies projects in France (%), GHG emissions from financing and investments (Mteq CO <sub>2</sub> ) Actions and associated results reviewed: Pilot exercise on climate risk resilience conducted by ACPR; Physical risks; study on the impact of natural disasters on credit risk (LCL)	2.3.1 3.2
Sustainable use of resources	<b>Measures and targets related to our direct environmental footprint</b> Indicators reviewed: GHG emissions related to energy/m2 and GHG emissions related to business travel/ FTEs; scope 1 GHG emissions indicators (related to gas and fuel consumption, scope 2 GHG emissions (related to electricity consumption in buildings/data centres, heating network and cooling network); scope 3 GHG emissions (related to financing, investments and business travel by plane and train) Actions and associated results reviewed: carpooling service in partnership with Klaxit; re-use of construction materials (CA Immo)	2.3.7
Access to essential services	<b>Access for all to our offers and services</b> Revised indicator: Social and solidarity impact fund outstanding (€M) Actions and associated results reviewed : Sponsorship programme; Solidarity Bankers programme; Emergency fund "Tous mobilisés pour nos aînés"; Signature of a partnership with Action Logement	
Community involvement	<b>Economic development for all - Developing preventive actions - Promoting social cohesion and good living together</b> Indicators reviewed : Financing granted for the benefit of unbanked populations (M€) and Health-related financing (M€) Actions and associated results reviewed: Sponsorship budget; Number of LCL Essentiel subscriptions	2.4.1.
Fight against corruption	<b>A strong ethical culture</b> Indicator revised: Rate of employees aware of ethics (%) Actions and associated results reviewed : Development of the innovation ecosystem; deployment of alert tools	2.4.2
Consumer data and privacy protection		
Fair marketing, information and contracting practices		
Employment and employer/ employee relations	<b>HR strategy: fostering autonomy and responsibility - Framework of trust between employees and the company</b> Indicator reviewed: Progression of the participation rate in the IER Actions and associated results reviewed: Recruitment; Work-study; Social network impressions	
Human capital development	<b>HR strategy: fostering autonomy and responsibility - Managerial transformation to empower</b> Indicator revised: Percentage of women in the highest management bodies (%) Actions and associated results reviewed: Data Scientist certification <i>course</i> ; Provision of the Jobmaker support tool; 100% digital employer brand strategy	2.4.3.
Working conditions and social protection	<b>HR strategy: fostering autonomy and responsibility - Organisational transformation to be closer to the customer</b> Revised indicator: Training provided (in millions of hours) Actions and associated results reviewed : Signature of collective agreements; Creation of a booklet on the theme of disability; Implementation of a medical teleconsultation system; Implementation of a psychological unit to deal with the health crisis	
Social dialogue		
Promotion of social responsibility in the value chain (Responsible Purchasing)	<b>Responsible Purchasing</b> Indicator revised: Percentage of suppliers with a CSR assessment (Ecovadis) during tenders (%) Actions and associated results reviewed: Group Supplier Risk Committee; Development of the purchasing IS; Systematic integration of CSR issues in the purchasing act	2.4.5
Combating tax evasion	<b>Tax policy and responsible lobbying</b> Revised indicator: Effective tax rate (%)	2.4.4
Exposure to Cybercrime	<b>Fight against cybercrime</b> Indicator revised: Staff training on cyber risks (% over 3 years 2018-2020) Actions and associated results reviewed: Role and responsibilities of the specialised Security and IT Risks unit; Operational Committee for Information Systems Security; Plenary Committee for Technology Security; IS Security Watch Unit	2.4.6

## REPORT BY ONE OF THE STATUTORY AUDITORS

Report by one of the Statutory Auditors, appointed as an independent third party, on the non-financial information statement included in the management report

Main issues ESG (challenges Crédit Agricole S.A.)	Policies, measures and outcomes reviewed within the framework of our work	Sections of the management report
Integrating ESG risks and opportunities into our business Integrating ESG risks and opportunities into our business	<b>Governance representative of the Group's identity and guaranteeing long-term commitments</b> Indicators reviewed : Women on the Board of Directors (%), Non-financial criteria in the variable remuneration of executives (%) and CSR network (number) Actions and associated results reviewed: ESG Strategy Committee; Sustainable <i>Banking experts</i>	2.5
	<b>ESG performance monitoring platform</b> Indicator reviewed: Number of social and environmental impact indicators monitored Actions and associated results reviewed : ESG performance management system	
	<b>FReD scheme</b> Indicator reviewed: Number of staff whose remuneration is linked to the FReD scheme Actions and associated results reviewed: Promotion of the circular economy; External assurance report	
	<b>ESG Development</b> Revised indicator: Outstanding ESG multi-criteria solutions (€bn) Actions and associated results reviewed: Transition Risk Index	

## INDEPENDENT LIMITED ASSURANCE REPORT ON THE INDICATORS RELATING TO THE IMPLEMENTATION OF THE CLIMATE STRATEGY PRESENTED IN CRÉDIT AGRICOLE'S 2020 MANAGEMENT REPORT

*This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

### For the year ended December 31, 2020

To the shareholders of Crédit Agricole S.A.,

At the request of Crédit Agricole S.A. and in our capacity as statutory auditors of the company, we have undertaken a limited assurance engagement in respect of the indicators relating to the implementation of the climate strategy listed below and reported in the Company's Management Report for the year ended 31 December 2020.

The indicators relating to the implementation of the climate strategy selected by Crédit Agricole S.A. are the following:

- Creation of a "Group Societal Project Committee" (CASA)
- Creation of a "Scientific Committee" (CASA)
- Setting up an information system (CASA)
- Creation of an "Operational Monitoring Committee" (CASA)
- Regular review of sectoral policies (CASA)
- Publication of climate reporting according to TCFD recommendations (CASA)
- Implementation of a transition note (CASA)
- Deployment of a range of green offerings (LCL)
- Financing renewable energy in France (UNIFERGIE)
- Establishment of an envelope to develop environmental transition projects (LCL)
- Financing of green activities (CACIB)
- Outstanding ESG multi-criteria solutions (AMUNDI)
- Outstanding specific environmental initiatives (AMUNDI)
- Amount of cash invested in SRI products (CASA)
- GHG emissions financing and investments (CASA)
- Investments in renewable energy (CAA)
- Renewable energy financing (LCL)
- Investments in the coal sector Energy mix (AMUNDI)
- Coal Financing Energy Mix (CACIB)
- Process for the treatment and phasing out of coal developers (CASA AMUNDI CACIB)
- Coal industry exit scenario (CASA)

These indicators have been prepared under the responsibility of Crédit Agricole S.A.'s Corporate Social Responsibility (CSR) Department in accordance with the "Indicator sheets - 2020 extra-financial reporting platform" standard, which is available on request from the Corporate Social Responsibility (CSR) Department.

Our responsibility is to express a limited assurance conclusion on these selected indicators; a higher level of assurance would have required more extensive verification work. The conclusions expressed below relate to the selected indicators and not to all the CSR information contained in the management report.

### NATURE AND SCOPE OF OUR WORK

We conducted the work described below in accordance with the professional standards of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this type of engagement, as well as with International Standard on ISAE 3000 (*Assurance Engagements other than Audits or Reviews of Historical Financial Information*).

We have performed the following procedures to obtain a limited assurance on that nothing has come to our attention that causes us to believe that the indicators selected by Crédit Agricole S.A. have not, in all material respects, been prepared in accordance with the "Indicator Sheets - Non-Financial Reporting Platform 2020" standard.

- We examined the appropriateness of the reporting procedures drawn up by Crédit Agricole S.A. at Group level with regard to their relevance, completeness, reliability, neutrality and understandability.
- We verified the implementation of a collection, compilation, processing and control process aimed at ensuring the completeness and consistency of the indicators and understand the internal control and risk management procedures relating to the preparation of these indicators.



## REPORT BY ONE OF THE STATUTORY AUDITORS

Independent Limited assurance report on the indicators relating to the implementation of the climate strategy presented in Crédit Agricole's 2020 Management Report

- We performed analytical procedures and verified, on a test basis, the calculations and consolidation of the data. This work was based on interviews with the people in Crédit Agricole S.A.'s Corporate Social Responsibility (CSR) Department, who are responsible for preparing and applying the procedures and consolidating the data.
  - The non-financial reporting platform includes the carbon intensities of companies, which are taken from a private database prepared by the supplier Trucost; our procedures did not include a review of the preparation of this database.
  - We have selected a sample of entities:
    - AMUNDI ASSET MANAGEMENT (AMUNDI)
    - Crédit Agricole S.A. (CASA)
    - LCL
    - Crédit Agricole Assurance (CAA)
    - Unifergie
    - Crédit Agricole CIB (CACIB)
  - At the level of the selected entities:
    - We verified, based on interviews with the persons in charge of preparing the data, the proper understanding and application of the procedures;
    - We carried out tests of detail, based on samples, consisting of verifying the calculations made and reconciling the data with supporting documents.
- These Crédit Agricole S.A. entities represent between 20.4% and 100% of the selected indicators relating to the implementation of the climate strategy. Our CSR experts assisted us in carrying out this work.

## CONCLUSION

Based on our work, nothing has come to our attention that causes us to believe that the indicators relating to the implementation of the climate strategy selected by Crédit Agricole S.A. and listed above, published in its 2020 management report, taken as a whole, are not presented fairly and in accordance with the standard used by Crédit Agricole S.A. and applicable in 2020.

Neuilly-sur-Seine, France

23<sup>th</sup> of March 2021

One of the Statutory Auditors  
PricewaterhouseCoopers Audit  
*French original signed*  
Anik Chaumartin  
Partner

*French original signed*  
Sylvain Lambert  
Sustainable Development Partner

## CROSS-REFERENCE TABLE

DPEF 2020	Pages	Global Compact	SDGs	PRB	ISO 26000	GRI G4
<b>1. NON-FINANCIAL RISKS</b>						
1.1. Consultation of stakeholders				3; 4	6.4.5.	
1.2. Materiality matrix	All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	All principles	6.4.3; 6.4.4; 6.4.5; 6.4.7; 6.5.4; 6.5.5; 6.6.3; 6.6.6; 6.7.3; 6.7.7; 6.8.3	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-LA1; G4-LA2; G4-LA9; G4-LA10; G4-LA11; G4-LA13; G4-LA15; G4-S04; GR-PR8	
1.3. Analysis of non-financial risks	All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	All principles	6.4.3; 6.4.4; 6.4.5; 6.4.7; 6.5.4; 6.5.5; 6.6.3; 6.6.6; 6.7.3; 6.7.7; 6.8.3	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-LA1; G4-LA2; G4-LA9; G4-LA10; G4-LA11; G4-LA13; G4-LA15; G4-S04; GR-PR8	
<b>2. ESG STRATEGY: TO BE A PLAYER COMMITTED TO LOW-CARBON AND SOCIALLY ACCEPTABLE GROWTH</b>						
2.1. An ESG strategy driven by the Group Project	All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	All principles	6.2; 6.3.4; 6.3.7; 6.4; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; G4-LA13; G4-LA15; G4-S04; G4-PR5; G4-PR8	
2.2. Governance	All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	5	6.2	G4-LA12	
2.3. Environmental strategy	7; 8; 9	6; 7; 11; 12; 13; 14; 15	All principles	6.5	G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-EC2	
2.4. Social strategy	All principles	1; 3; 5; 8; 10; 11; 12; 16	All principles	6.3.4; 6.3.7; 6.4; 6.5.4; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.7.9; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9;	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN10; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; GA-LA13; G4-LA15; G4-S04	
2.5. Integration of ESG criteria in investment and asset management policies	All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	1; 2; 3; 5; 6	6.5; 6.8.9	G4-EN23; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-EC1; G4-EC1; G4-EC2; G4-EC7; G4-EC8	

DPEF 2020	Pages	Global Compact	SDGs	PRB	ISO 26000	GRI G4
<b>3. ESG RISK MANAGEMENT</b>						
<b>3.1. ESG risk approach</b>		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	1; 2; 5	6.2; 6.3.4; 6.3.7; 6.4; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; G4-LA13; G4-LA15; G4-SO4
<b>3.2. Focus on climate risk management</b>		7; 8; 9	7; 11; 13	1; 2; 5	6.5.5.	G4-EC2; G4-EN17; G4-EN19
<b>4. RESULTS AND IMPACT</b>						
<b>4.1. Non-financial performance indicator</b>		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15; 16	All principles	6.2; 6.3.3; 6.3.7; 6.4.3; 6.4.4; 6.4.5; 6.4.6; 6.4.7; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.7; 6.8.7; 6.8.8; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; G4-LA13; G4-LA15; G4-SO4; GR-PR8
<b>4.2. Human resources indicators</b>		All principles	1; 3; 5; 8; 10; 11; 12; 16	1; 2; 5; 6	6.3.4; 6.3.7; 6.4; 6.8.8	G4-EC3; G4-LA1; G4-LA2; G4-LA3; G4-LA5; G4-LA6; G4-LA8; G4-LA9; G4-LA10; G4-LA12; G4-LA13

The Global Compact is a UN initiative that encourages companies to adopt socially responsible behaviour based on 10 principles.

The UN's Sustainable Development Goals are a list of 17 targets to be achieved by 2030.

The Principles for Responsible Banking are a UN framework for a more sustainable and inclusive banking system.

ISO 26000 is an international standard which defines how organisations can contribute to sustainable development.

The GRI G4 is the fourth edition of the Global Reporting Initiative that aims to provide indicators for measuring the development of sustainable development programmes.

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