

Crédit Agricole CIB,

A global CIB, serving real-economy and committed
to sustainable development

CSR Policy

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Public use



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1. Our approach

Crédit Agricole CIB's social, societal and environmental approach is fully part of the Crédit Agricole S.A. Group's "2025 Ambitions" project that relies on the Group's "Raison d'Etre": "Act every day in the interest of our customers and society". This new plan revolves around three dimensions: a Client Project aiming at better meeting our clients' needs and expectations, a Human Project focused on Group staff responsibility, and a Societal Project based on our commitments related to inclusion and energy transition.

The principles, policies and implementation procedures presented below were approved at the highest level of the Bank (Board of directors, General management, Executive Committee or Strategy Committee) or are formalised by Governance documents whose application is mandatory. The main part of our reporting is included in the universal registration document that is audited by our statutory auditors.

1.1. Clearly identified priority challenges

In serving the real economy Crédit Agricole CIB supports very many clients and projects that durably energise their territories, on all continents and in all sectors of activity.

Given our levers of action and characteristics, we are determined to play a particularly significant role in fighting climate change. We also believe we can indirectly help with sustainable development goals, in preserving biodiversity and in respecting human rights.

Crédit Agricole CIB endeavours, more generally, to contribute on its own scale and according to its characteristics to reach the 17 sustainable development goals of the United Nations. However, our priorities are defined notably by the following global social challenges: fighting against climate change, preserving biodiversity and respecting human rights. Crédit Agricole S.A has defined them as key priority challenges. We analysed how our stakeholders view these challenges for the Corporate and Investment Bank (CIB) in order to better define Crédit Agricole CIB's priorities of action. This revealed that innovating in the client relationship, federating our peers to foster good practices and the internal appropriation of our CSR policy were particularly significant issues for our CIB.

The positive and negative environmental and social impacts indirectly created by the Bank's activity are far greater than its direct footprint. This is why taking these indirect impacts into account is one of Crédit Agricole CIB's main sustainable development challenges. Our action aims to increase the positive impacts and to reduce the negative impacts linked to our financings and investments.

Our main lever of action is our financing and investment policy, but we also take the lead on more direct initiatives towards our staff and other stakeholders.

We have therefore set ourselves ambitious goals in terms of financing the energy transition and defined CSR policies linked to the assessment and management of environmental and social risks linked to our activity and that define our rules of intervention.

In all circumstances we want to reconcile a useful and loyal support to our clients with our regulatory obligations, a reasonable approach of the direct and indirect environmental and social impacts of our business and a responsible behaviour towards our staff and other stakeholders. These policies comply with the commitments taken towards other international institutions whose values we share and which can be consulted on our internet site, in an effort to be completely transparent with all our stakeholders.

[Link to Our good practice guide : our principles to build the future](#)

1.2. Strong societal and environmental commitments

1.2.1. Fighting climate change

Challenges for the Bank:

The works by the Intergovernmental Panel on Climate Change (IPCC) demonstrated the existence of global climate change, its human origins and the levels at which greenhouse gases must be contained in order to maintain the consequences of climate change within acceptable limits. One of the major difficulties lies in the extremely different levels of greenhouse gas emissions per person or GDP unit according to each country, and the legitimate growth ambitions of very populated regions.

International negotiations are taking place within the United Nations Framework Convention on Climate Change (UNFCCC), on the differentiated commitments to reduce greenhouse gas emissions for each country and the mechanisms that must be set up to reach these goals. An important agreement was reached during the 21st Conference of the Parties (COP) held in Paris in 2015 with the global goal to limit the increase of global temperature below 2°C. This goal requires important reductions of emissions compared to current levels. The individual commitments made by each country in 2015 are only a first step that should limit global warming to around 2.7 to 3°C according to UNFCCC calculations.

One of the major 21st century challenges for financial players is to finance the development of an increasingly low carbon economy that meets nevertheless the needs of the world population. This transition, necessarily gradual, is indispensable and urgent if we want to contain climate disorders within acceptable environmental, social and economic limits.

In its strategy to contribute to worldwide carbon neutrality objective by 2050, Crédit Agricole CIB committed to reach zero exposure to thermal coal in 2030 for OECD countries and in 2040 for the rest of the World. Additionally, in 2021 Crédit Agricole CIB committed to reduce its exposure to oil extraction and production between 2020 and 2025 and increasing its exposure to low carbon energies (production and storage) over the same period.¹

In 2022, as part of its membership of the Net Zero Banking Alliance Crédit Agricole S.A. presented its vision of the climate transition and set ambitious targets in five sectors with a view to accelerating the pace of transition to carbon neutrality by 2050. Decarbonisation trajectories by 2030 have been defined for five priority sectors (oil and gas, automotive, commercial real estate, electricity generation and cement)¹. Crédit Agricole CIB has made a significant contribution to the Crédit Agricole Group's work and the definition of these targets.

Climate change also carries

- risks for the economic activity and population (physical risks),
- transition risks or risks linked to possible legal actions.

These risks concern above all our clients, but the Bank must assess them.

Finally, our Bank must also improve its direct carbon footprint.

Our Climate Policy:

Crédit Agricole CIB's climate policy reflects these various challenges.

¹ additional details available on Crédit Agricole website : Press release of Dec 6th 2022 : [196180 \(credit-agricole.com\)](https://www.credit-agricole.com/press-releases/196180)

Concerning the financing of the energy transition, Crédit Agricole CIB:

- Is developing its project financing activities in favour of climate friendly financing and its green bond and green loan structuring.
- Encourages relevant partnerships.

Concerning the management of climate risks, Crédit Agricole CIB has over the last several years launched work to better understand and manage climate risks and pursues them:

- By assessing the carbon footprint linked to its financing and investment portfolio,
- By defining sector policies for the sectors that represent a large portion of this footprint. The goal is to cover 80% of this footprint.
- By gradually introducing an analysis that takes into account the challenges of global warming and a carbon price in analysing credit files. The goal is to identify the most relevant climate risks for the Bank and to define a methodology to evaluate them.

Finally, in September 2014, with more than 1 000 private economic players, Crédit Agricole CIB made a public appeal for governments to set up as quickly as possible the conditions required to introduce a carbon price to encourage the energy transition.

This policy reflects commitments taken by Crédit Agricole in 2009 through the Climate Principles and is fully part of the five *Mainstreaming Climate Action within Financial Institutions Principles* that the Crédit Agricole Group supported as early as October 2015:

- Committing to Climate Strategies because the involvement of top leadership is a crucial element of any policy in the fight against climate change.
- Managing Climate Risks by evaluating our portfolios and new transactions and working with our clients to better evaluate and manage these risks.
- Promoting Climate Smart Objectives by encouraging instruments, tools and knowledge to overcome risks and obstacles that impede investment in low carbon and climate resilient projects.
- Improving Climate Performance, in particular by defining operational tools that improve activities' climate performance.
- Accounting for Climate Activities, to develop financings in favour of the climate, the carbon footprint of portfolios and the management of climate risks.

[Link to Mainstreaming Principles](#)

[Link to Call for carbone pricing](#)

1.2.2. Preserving biodiversity

Challenges for the Bank:

An Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) was created in 2012 under the aegis of the United Nations on the IPCC model to help political decision-makers.

In the same way as for climate change, international negotiations were conducted within the framework of the Convention on Biological Diversity (CBD), negotiated under the aegis of the United Nations and adopted in Rio de Janeiro in 1992. The CBD is based on three pillars: the conservation of biodiversity, the sustainable use of resources and the fair and equitable sharing of benefits extracted from genetic resources.

The COP 15 took place in Montreal in December 2022. The Kunming-Montreal Global Biodiversity Framework (GBF), adopted by the 196 parties to the Convention on Biological Diversity provides a set of 23 targets and global goals for 2030 and 2050 among which:

- Effective conservation and management of at least 30% of the world's lands, inland waters, coastal areas and oceans, for 2030. This target is also known as the '30 by 30' deal
- Restore 30% of damaged lands and seas by 2030;
- Reduce by half both excess nutrients and the overall risk posed by pesticides and highly hazardous chemicals by 2030.
- Progressively phase out or reform subsidies that harm biodiversity by at least \$500bn per year, by 2030;
- The integrity, connectivity and resilience of all ecosystems are maintained, enhanced, or restored, substantially increasing the area of natural ecosystems by 2050
- Human induced extinction of known threatened species is halted, and, by 2050, extinction rate and risk of all species are reduced tenfold, and the abundance of native wild species is increased to healthy and resilient levels;
- . reducing the rates of introduction and establishment of other known or potential invasive alien species by at least 50 percent, by 2030,

Consequently, halting and reversing nature loss is an essential component of Crédit Agricole's ESG strategy, in line with our Sustainability and Social Responsibility commitments.

Our Biodiversity Policy:

In the first place, Crédit Agricole CIB expects its clients to develop their business in compliance with CBD principles and to follow the widely accepted hierarchy of values: avoid negative impacts, contain impacts that can't be avoided, and offset if possible the negative residual impacts.

Our Bank will in particular not finance projects or activities requiring the transformation of land with high biodiversity value, that would significantly impact a wetland of international significance covered by the Ramsar convention or that is incompatible with a site listed by Unesco as a World Heritage site or corresponding to designation criteria of the Alliance for Zero Extinction. A specific water policy completes these principles.

In 2021, the Bank initiated a mapping of the risks associated with the loss of biodiversity, based on geographic and sectoral criteria. This work made it possible to distinguish the sectors dependent on the good state of biodiversity from those likely to generate negative impacts on natural environments, as well as to identify the most vulnerable countries in terms of biodiversity loss.

Since 2022, CA-CIB calculates two indices linked to biodiversity in order to better evaluate physical and transition risks.

Additionally, CACIB has participated to working groups in order to have a mapping of available data, methodologies and data providers linked to biodiversity. The bank was involved in pilots to better understand the possible tools and metrics to assess the loss of biodiversity and its impacts. In 2023, jointly with Credit Agricole SA, our bank took part in the working group led by the Principles for Responsible Banking to define targets and good practices regarding Nature.

[Link to IFC's Performance Standard 6](#)

Policy on water resources: cf. Appendix

1.2.3. Human rights

Challenges for the Bank:

Human rights are defined as the natural and fundamental rights of human beings, independently of national, ethnic or legal contexts. They cover fundamental freedoms (physical, family, and religious freedom, freedom to enjoy property rights, freedom of expression), social rights (work, health, education...), and collective rights (development, self-determination...). These rights are universal, inalienable, indivisible and interdependent.

Their implementation might lead to contradictions (social rights vs. freedom in particular), these rights also imply obligations (respecting others, paying taxes...), and their conditions of application are generally specified by international and national rules. In 1948 the United Nations General Assembly adopted a Universal Declaration of Human Rights that covers fundamental freedoms and social rights. In 2007 the General Assembly adopted a specific declaration on the rights of Indigenous Peoples.

The first responsibility to effectively enforce these rights lies with the States. However, in accordance with the clarification brought by the guiding principles adopted in 2011 by the UN's Human Rights Council, called Ruggie Principles, companies must respect these rights, even if there is no local obligation to do so. These principles also restate the need for victims to be able to access judicial or non-judicial remedy, to redress possible abuses.

The OECD's Guidelines for Multinational Enterprises stipulate that companies must conduct reasonable due diligence to "try to prevent and reduce the negative impacts on human rights directly linked to their activities, goods and services because of a business relationship with another entity even if they do not contribute to these impacts". This is a significant challenge for a financial player like Crédit Agricole CIB because of the very many business relationships it has all over the world in every sector of activity.

Our Human Rights policy:

Crédit Agricole CIB's policy in terms of human rights is expressed through "Respect", the Human Rights Charter published in 2009 by the Crédit Agricole Group. The charter states the Group's commitments both towards its staff and in its sphere of influence. In compliance with the principles mentioned above, our Bank makes the commitment to "exercise the due diligence required with its clients, suppliers and service providers in order not to be, directly or indirectly, an involuntary accomplice in human rights violations." A specific policy concerning equality between men and women completes this general charter.

Crédit Agricole CIB expects in particular its business relations, clients or suppliers, to be reasonably vigilant in terms of human rights in the operations they control and regarding their supply chain.

This means in particular, concerning operations owned or controlled by clients, that they comply with the 8 fundamental conventions of the International Labor Organisation, that they collect secure the consent, if need be, of indigenous peoples impacted, and that they encourage reparation of possible abuses committed in particular through procedures to manage these grievances. These principles are clearly mentioned in the Bank's CSR sector policies and in the Equator Principles concerning project finance (cf. below).

It also includes, concerning clients' and suppliers' supply chains, the need for our business relations to be particularly vigilant to ensure there is no slavery or human trafficking².

[Link to Human Rights Charter](#) (French only)

Gender policy: cf. Appendix

1.3. Making daily progress

Aware of the limited influence of an isolated player, however significant, on market practice, Crédit Agricole CIB has decided to work consistently and efficiently to define market standards with its peers. The Crédit Agricole Group thus spearheaded or was in the first circle of institutions that supported and developed important initiatives to encourage good practices (Equator Principles, Climate Principles and Mainstreaming Climate Action within Financial Institutions principles, Green Bonds Principles, Poseidon Principles...).

We put in place CSR sector policies in order to manage the social and environmental impacts of our activities. They complete the measures we have set up to protect our clients' interests defined and supervised by Compliance and implemented by all Crédit Agricole CIB business lines, as well as all the policies defined by the human resources department and the good practices guide developed by Crédit Agricole CIB.

We have already made strong commitments and set up a system that is relatively complete to manage social and environmental risks. However, we are aware that improvements are possible and convinced that it is necessary to maintain a momentum of continuous progress. This is what the Group's FReD approach is about, initiatives to formalise and launch action plans in the following three pillars: trust (FIDES), respecting people and territories (RESPECT) and preserving the environment (DEMETER).

Crédit Agricole CIB tries to conduct its business according to principles and standards of good practices that are consistent with applicable laws and internationally recognised standards. In particular, the Bank refers to the OECD's Guidelines for Multinational Enterprises and to the Group Charter on human rights. It might nevertheless happen that stakeholders (staff, clients, suppliers, third parties directly impacted or not by the Bank's activity) believe they suffer from negative consequences stemming from the Bank's initiatives that do not comply with these values. In such a situation, the Bank will make its best efforts to study the elements presented to it and, as the case may be, launch corrective actions.

² Cf. in particular the UK's Modern Slavery Act of 2015 for a precise definition of these terms.

2. Our financing and investment policy

Two areas, project finance and sustainable bonds, are of particular importance as potential action levers for banks and are suitable for greater analysis on their part. In these two areas, Crédit Agricole CIB has strongly contributed to create standards of good practice with the Equator Principles and the Sustainable Bonds Principles.

In other areas where it is more difficult to standardise practice, Crédit Agricole CIB has adopted CSR sector policies that detail the environmental and social criteria used by the Bank.

2.1. The Equator Principles

The Equator Principles are a voluntary commitment to analyse in detail the environmental and social aspects of each new project financing or advising mandate related to a project, and to require that projects be developed and operated in compliance with the environmental and social standards of the International Finance Corporation (IFC).

Crédit Agricole CIB was the first French bank to adopt these principles when they were launched in 2003. The Equator Principles have become in a few years a reference for responsible finance in project finance.

[Link to Equator Principles](#)

2.2. Green, Social, Sustainable and Sustainability-linked Bond Principles

Green, Social, or Sustainability-linked Bonds offers the same characteristics as a standard bond while ensuring that the funds raised are intended exclusively for the financing or refinancing of projects or assets with an environmental and/or social purpose, the investor thus benefits from a measurement of the environmental and/or social impacts of his investment.

Green, Social, Sustainable or Sustainability-linked Bond Principles create a framework for the use of proceeds, the process for project evaluation and selection, the management of proceeds and the reporting for the issuance of these Green, Social, or Sustainability-linked Bonds. They offer investors the availability of the information required to evaluate the environmental impact of their investments, information available in the Green Bond Reports and Social Bond Reports published at least annually by the Group.

Crédit Agricole CIB is a co-founder of the Green Bond Principles and the only European bank that took part in drafting them in 2014.

These principles have become a market standard. In 2016 under the leadership of 3 banks, including Crédit Agricole CIB, they were extended to Social Bonds, by drafting Guidance for Issuers of Social Bonds.

Unlike green, social and sustainable bonds, where the proceeds are used to finance projects with a specific environmental, social or sustainable objective, a sustainability-linked bond is linked to an issuer's overall sustainability strategy. As a general rule, the coupon of the bond may vary depending on whether the issuer meets the pre-defined sustainability performance targets.

The Green Bond Principles Executive Committee formed a working group, in which Crédit Agricole CIB participated, to propose market guidelines in line with this innovative approach and thus published the *Sustainability-Linked Bonds Principles* in June 2020.

[Link to Green Bond Principles](#)

[Link to Social Bond Principles](#)

[Link to Sustainable Bond Principles](#)

[Link to Sustainable Linked Bond Principles](#)

2.3. Green, social and sustainable loans

In addition to sustainable bonds, Crédit Agricole CIB offers its customers green/social loans and loans indexed to sustainable development (Sustainability Linked Loan). These products offer an effective and concrete solution in line with the borrower's sustainable development strategy through the financing of green and sustainable activities as well as through environmental, social and governance (ESG) commitments.

- Green/social loans are standard loans whose proceeds are intended to finance green or social investments. They are structured in accordance with the Green Loan Principles / Social Loan Principles, and aligned with Crédit Agricole S.A.'s Green Bond Framework / Social Bond Framework. They contribute to Crédit Agricole SA group's pools of green and social assets, which are refinanced on the green and social bond market.
- Sustainability-linked loans are used for the borrower's general financing needs and are distinguished by an indexation of their margin to the company's ESG performance. They are governed by the Sustainability-Linked Loan Principles.

2.4. Governance for the internal labelling of transactions

A strong governance was put in place for the internal labelling of transactions. It is assessed and validated by the Sustainable Banking team based on international regulations and standards, the Crédit Agricole Group's ESG strategy and principles (in particular the Group's Green and Social Bond Frameworks) and market best practices. The process includes several levels of decision-making and control involving in particular the Sustainable Banking team, the business lines, risk and compliance. The portfolio of certified transactions is specifically monitored in the Bank's internal systems under the control of the Sustainable Banking team.

2.5. Sector Policies

Our CSR Sector policies detail the social and environmental criteria taken into account in the Bank's financing policies.

These criteria mainly reflect the societal challenges that were identified as most relevant for a corporate and investment bank, in particular concerning human rights, the fight against climate change and the protection of biodiversity.

Crédit Agricole CIB looked for good practices recognised by international institutions or important professional bodies. The bank then defined analysis and exclusion criteria using these references. The principles and rules defined apply to all Crédit Agricole CIB's financings and investments and are updated regularly following the progress of its knowledge and its assessment of challenges.

For each sector a framework of reference is defined to list the relevant norms and standards to appreciate clients' environmental and social practices compared with the sector's good practices. The policies specify the criteria used to analyse the transactions and the exclusion criteria used to define the projects and transactions the Bank does not wish to support.

Crédit Agricole CIB drafted and published CSR sector policies for sectors in which environmental and social challenges are the strongest:

- Armament ([Armament](#)),
- Energy ([Oil and gas](#), [Shale oil and gas](#), [Power generation](#) , [Nuclear power](#)),
- Mining ([Metals and mining](#)),
- Transportation ([Aviation](#), [Shipping](#), [Automotive](#)),
- Construction ([Transport infrastructure](#), [Real estate](#)),
- Deforestation ([Deforestation](#)).

3. Implementing our financing policy

3.1. A team dedicated to Sustainable Finance

Since 2010, a Sustainable Banking team has been created within Crédit Agricole.

Within the Sustainability scope, the organisation has evolved to develop synergies between all Crédit Agricole CIB's divisions and to improve the accompaniment given to our clients in meeting their environmental and social challenges:

- the Sustainable Investment Banking team, which supports its clients on sustainable finance and energy transition aspects, has grown. It operates in a larger number of sectors and in all Crédit Agricole CIB's main regions;
- the Climate & Sustainability Strategy team has been created and focuses on energy transition and decarbonisation of Crédit Agricole CIB;
- the network of sustainable finance coordinators has been expanded in most of business lines and support functions

3.2. Offering dedicated funds to finance environmental and social projects: green and social notes

Crédit Agricole has been a pioneer and a leader in sustainable finance, including in the Green Bonds market, for more than 10 years. In particular, Crédit Agricole CIB started issuing Green Notes in 2013. Green Notes are bonds or any other financing tools issued by Crédit Agricole CIB for which the proceeds are dedicated to projects with an environmental purpose.

In 2018, Crédit Agricole put in place a Green Bond Framework to serve as a common framework for all the Group's issuing entities, including Crédit Agricole CIB, for their respective Green Bond and Green Note issuances. In November 2020, Crédit Agricole published a Group Social Bond Framework covering all the Group's issuing entities, including Crédit Agricole CIB.

The Crédit Agricole Green and Social Bond's Frameworks were filled by the structuration of the sustainable finance ecosystem, and its financing and funding strategy is aligning with the European Green Deal for a fair and inclusive transition to carbon neutrality and social inclusivity, as well as with the UN Sustainable Development Goals. On the regulatory side in particular for the green bonds market, progress is underway to frame the definition of sustainability and its applicability to the finance and investment activities, notably with the publication of two Delegated Acts of the EU Taxonomy³ and the EU Green Bond Standards.

For its Green and Social Notes, Crédit Agricole CIB follows the principles laid down by the Green and Social Bond Principles, which are voluntary principles for the formulation of Green and Social Bonds and allowed to guide the market development. The Green and Social Bond principles set out a framework, based around the following four core components:

- Use of proceeds;
- Process for project evaluation and selection;
- Management of proceeds;
- Reporting.

³ More information on the EU Taxonomy [here](#)

The proceeds of the Green and Social issuance(s) of the Bank, in accordance with Crédit Agricole Green and Social Bond Framework, are earmarked to a set of “Eligible Activities”:

- “Eligible Green Activities” (Renewable Energy, Green Buildings, Energy efficiency, Clean transportation, among others). For eligible green activity, the eligibility of a specific project or asset can be assessed against environmental scientific and market-based criteria, notably inspired by the EU Taxonomy.
- “Eligible Social Categories” (Territorial economic development, Solidarity/ Socioeconomic advancement and empowerment, Social Infrastructure/ Access to essential services).

Link to Green & Social [Bond](#) Frameworks: [Debt and rating | Crédit Agricole \(credit-agricole.com\)](#)

3.3. Evaluation and management system for environmental and social risks

Crédit Agricole CIB has developed a system to evaluate and manage risks stemming from environmental and social impacts linked to transactions and clients, which is codified in a governance text.

The system is based on three pillars : the application of the Equator Principles for transactions directly linked to a project, CSR sector policies, and an analysis of clients’ or transactions’ environmental and social sensitivity.

3.3.1. Implementing as closely as possible to the field

The model developed by Crédit Agricole CIB is based on the daily involvement of all members of staff viewed as sustainable development players within their business line to appreciate and manage direct or indirect social and environmental risks.

The relationship managers and senior bankers are in charge of analysing social and environmental issues linked to their business. They are helped, if necessary, by the Economic Research specialists of Crédit Agricole S.A. (ECO), and by the expertise of the Corporate Social Responsibility division which reports to the Risk and Permanent Control department and coordinates Crédit Agricole CIB’s sustainable development initiatives.

The gradual incorporation of sustainable development priorities into our operations (widening the scope of application of the Equator Principles, sector CSR policies, scoring of corporate clients, etc.) and our decision to make employees a central part of the strategy has led the Bank to step up training for employees to raise their awareness of CSR matters. For example, “Climate Fresk” workshops are being proposed at Crédit Agricole CIB France and international entities. In addition, in line with the needs of the business lines in terms of skills development in these areas, a training and certification programme, the ESG Academy, was developed in 2022 and upgraded in 2023.

Relationship managers and senior bankers use the analyses of independent environmental and social experts in cases provided for by procedures.

The most complex transactions from an environmental or social point of view are submitted, in view of obtaining a recommendation, to an ad hoc Evaluation committee for transactions involving an Environmental or Social Risk (CERES), once the file is examined by the Corporate Social Responsibility Division.

The CERES committee, chaired by the head of Compliance, acts as the head committee of the evaluation and management system for environmental and social risks linked to the Bank’s activity. This committee issues recommendations before the credit committee for all transactions on which a specific focus on environmental and social risks is deemed necessary. This committee ratifies in particular the transaction scoring defined by the Equator Principles, issues opinions and recommendations on transactions considered sensitive from an environmental or social point of view, and approves significant

modifications brought to procedures, methodologies and governance texts relative to sustainable development.

Transactions rated A or sensitive by the CERES committee can only be approved by the Bank's highest credit committee chaired by General Management.

3.3.2. Applying the Equator Principles

In line with the general principles presented above, the evaluation and management of environmental and social risks are first conducted by relationship managers. For project finance, relationship managers are assisted by a network of local correspondents who bring the support required in each regional structuring centre, in permanent contact with a coordination team. This team is composed of operational staff from the Project Finance business line, and coordinates in particular the practical aspects linked to the implementation of the Equator Principles. It manages a network of local correspondents and organises specific training sessions for participants. The Export Finance business line reinforced its team in 2020 with the creation of a specialist position who provides support to relationship managers in the assessment and management of environmental and social risks linked to "Project-Related Corporate Loans".

The Equator Principles were defined to respond to the constraints and action levers of the project finance process as defined by the Basel Committee on banking control. Even if they cannot be transposed as such to other financings, they offer nevertheless a useful methodological framework to take into account and prevent environmental and social impacts when the financing is linked to the construction of a specific industrial asset (plant, transport infrastructure...).

These principles initially only concerned project finance, but since July 1st, 2020 they apply to 5 kinds of banking activities defined by the Equator Principles Charter:

- Project finance advisory services where total project capital costs are USD 10M or more,
- Project financings with total project capital costs of USD 10M or more,
- Project-Related Corporate Loans (PRCL) including export finance in the form of a buyer credit when 3 conditions are met: the majority of the loan is linked to a project on which the client has operational control (direct or indirect), the amount of the loan and the bank's initial commitment are each at least USD 50M and the maturity at least 2 years,
- Bridge loans of less than 2 years that are intended to be refinanced by a project financing or a Project-Related Corporate Loan,
- Project-related refinance and project-related acquisition finance, where all of the following three criteria are met: the underlying project was financed in accordance with the Equator Principles framework; there has been no material change in the scale or scope of the project; project completion has not yet occurred at the time of the signing of the facility or loan agreement.

Beyond the cases provided for by the Equator Principles, Crédit Agricole CIB wants to enforce these principles on a voluntary basis for all financings directly linked to a project (including the cases in which the thresholds mentioned in the Equator Principles are not reached).

For the Bank the Equator Principles imply a due diligence process and for borrowers the obligation to develop their projects in compliance with the Standards of the International Finance Corporation (IFC).

For the Bank, the first step is to evaluate each project according to the environmental and social risks and impacts using IFC's categorisation system. Crédit Agricole CIB categorises the projects based on a

tool to evaluate social and environmental impacts developed by the Bank in 2008. The relevance of this tool is continuously evaluated according to the experience accumulated; the last update was in 2010.

Environmental and social obligations are then written in the loan contracts to ensure the projects are developed and run in compliance with IFC's environmental and social standards. This includes in particular the obligation to consult populations involved, and in certain situations, to obtain their consent.

The CERES committee approves the projects' categorisation and the files rated A require an opinion by this committee before they are presented to the credit committee. After they are signed, the CERES committee examines the category A financings every semester.

[Link to IFC's projects categorisation system](#)

3.3.3. Implementing sector policies

In line with the general principles presented above, the compliance of transactions with CSR sector policies is analysed by the relationship manager with the Corporate Social Responsibility division if necessary. If there is a doubt, the case is submitted to the CERES committee, which formulates an opinion before the presentation to the credit committee.

These policies apply to all the Bank's activities, the application depending on the nature of the transactions as defined in the policy texts.

When the transaction is directly linked to the development, extension, operation or acquisition of an asset included in the scope of a policy, the project will be studied according to all the analysis criteria mentioned and the Bank will determine whether an exclusion criterion exists. For activities involving existing operations, the various analysis criteria will be reviewed *a posteriori*, to reach an overall positive or negative opinion on the project's environmental and social impacts.

When the Bank has an advisory role, it will promote the principles included in the policy. The Bank will thus not accept an advisory role if it is aware of the proven and definite existence of an exclusion criterion and will comply with the sector policy to participate in the financings if there are any, especially concerning compliance with exclusion criteria.

For transactions which are not directly linked to the development, extension, operation, acquisition of a specific asset but that are nevertheless included in the scope of these policies such as, in particular, Corporate activities with clients significantly involved in the sectors concerned, the Bank expects its clients to develop good practices and a behaviour that will limit their environmental and social impacts in line with the policies concerned.

A client's approach will be assessed according to the Bank's principles and sector policies during the annual review of its facilities.

3.3.4. Sensitivity analysis

The environmental or social sensitivity of transactions is appraised since 2009 within Crédit Agricole CIB. It reflects the existence of questions on the management of environmental or social impacts judged critical, or the existence of controversies linked to the client's transaction. The sensitivity analysis is conducted as soon as possible and is updated according to information available during each stage of the file's analysis.

In compliance with the general principles mentioned above, the compliance of transactions with CSR sector policies is analysed by relationship managers with, if necessary, the help of the ESR Risks division. If there is a doubt, the case is submitted to the CERES committee which issues an opinion

before presentation to the credit committee. After signature, financings rated Sensitive are examined every semester by the CERES committee.

3.3.5. Due diligence and CSR client scoring

For transactions directly linked to a project, the quality of the management of environmental and social aspects of the project is evaluated on the basis of information provided by the client. The depth of analysis, generally conducted by independent consultants, depends on each specific context and in particular on the nature and importance of the likely environmental and social impacts.

In other cases, the lack of specific information concerning a project (study of impacts, impacts' management plan) leads to an approach that is more focused on the client. In addition to the analysis of sector policy specific criteria, the quality of the environmental and social management of clients with which the Bank would like to develop a business relationship is appraised to reach a CSR scoring of corporate clients on the following scale: Advanced, Compliant, Sensitive.

In 2016, the Bank tested the use of ratings calculated by an extra-financial agency. These tests allowed a change in the CSR scoring of clients according to three levels of due diligence: a light level, a standard level, and a strengthened level.

The light level involves the search for negative information and exclusion cases with respect to the applicable sector policy. It involves certain clients in very regulated environments (High Income OECD countries) as long as the rating given by the extra-financial agency is not judged too low.

The standard level involves seeking the client's explicit commitments in terms of environmental and social management (system to manage impacts, reference to ILO standards...).

The strengthened level involves a more detailed analysis of the client's commitments and practices on issues considered very important for the Bank: climate, water and human rights. This strengthened level is triggered according to sector and geographical criteria and to the client's apparent expertise of the issues involved. The client can be rated independently on all three issues.

Work initiated in 2021 made it possible to identify the risks associated with the loss of biodiversity for the Bank's clients: while certain sectors appear to be dependent on the good state of biodiversity, others generate negative impacts on natural environments.

In 2022, CACIB worked on the definition and the calculation of these two indices related to biodiversity loss. Their goal is to assess the impacts and dependencies of our corporate clients. In 2023, enhanced due diligences are required beyond a given threshold. The metrics are defined at a sector/country level. These works complete the initial elements developed on water and pollution.

3.3.6. Third party complaints

The most appropriate and efficient way to respond to possible complaints linked to projects financed is intrinsic to each project. This is why the Bank is vigilant and expects its clients to implement a free, prior and informed consultation process, and that they obtain if necessary, a free, prior and informed consent from indigenous peoples and that they define a procedure to manage complaints at the project level.

Our Bank considers the complaints it receives linked to the transactions in which it is involved, from people directly impacted or from civil society organisations. Its lever of action is often limited and the publication of information on the transaction generally constrained by client confidentiality. According to the Bank's internal procedures, any mail received from a third party in relation to a transaction must be

given immediately to the Corporate Social Responsibility division with copies to the commercial relationship manager, to the business line head involved, to the head of communications and to the compliance department. The ESR division studies the material received with the help of the business lines concerned and communicates its conclusions to the CERES committee. The corrective measures that might be considered necessary generally require support from the Bank's clients. The Bank interacts in good faith with its clients in order to find a solution. In the most extreme cases the Bank may reconsider its commercial relationship.

Our Bank will make its best efforts to respond to mail received taking into account confidentiality constraints.

4. Protecting clients' interests and following business ethics

Crédit Agricole CIB follows Crédit Agricole Group's Ethical Charter and the values it promotes. Within this framework, the Bank applies all the regulatory provisions applicable to the Crédit Agricole Group in terms of market integrity, client protection rules, client needs, loyalty and diligence towards clients.

Each member of staff within the Bank must aim simultaneously to protect the interests of investors, clients, Crédit Agricole CIB's assets and the Group's image. The Group must at all times deserve the trust of its clients and counterparties. Protecting Crédit Agricole CIB's image and reputation relies on the professionalism of its staff and their capacity to act according to the law, regulations and good practices, and according to the best standards in terms of ethics.

Crédit Agricole CIB has also established a Code of Conduct « Our principles to build the future » that define a common base of principles that must guide the behaviour of all our staff and define their relations with internal or external partners.

4.1. The primacy of clients' interests

4.1.1. Supervising the sales process

The Bank has a secure process to start a client relationship and to supervise the sale of market products. Clients' protection is based on a complete client classification system, not only in application of the MIFID rules (European Directive on Markets in Financial Instruments) applicable in the European Economic Area (increased protection of non-professional clients to whom an investment service is provided), but also worldwide following an internal process called « internal suitability rating ». These measures are part of the sales process to ensure that financial instruments proposed to clients are consistent with their needs, their knowledge of risks and their sustainability preferences.

As part of this process the Compliance department issues prior recommendations on transactions considered sensitive and controls *a posteriori* that the advice is followed. Furthermore, Compliance pays particular attention to commercial margins and to the documentation including the greenwashing risk, meant to inform clients, while preserving the proper archiving and conservation of underlying data.

4.1.2. Governance linked to the introduction of new products in the Bank's commercial offering

Every new product or activity must be approved by the New Activities and Products Committee (NAP), which analyses the related risks and defines supervisory measures. A presentation to the NAP committee includes an analysis of CSR aspects and always includes a legal and compliance opinion.

These measures also cover aspects linked to the transparency of the documents given to the commercial network and to clients, and the suitability of the new product to the needs, including their sustainability preferences when appropriate, and the competence of targeted clients.

4.2. Ethics

4.2.1. Preventing market abuse

One of Crédit Agricole CIB's main priorities is its obligation to be vigilant in preventing and detecting market abuse. Preventing and detecting market abuse revolves around three main axes: the training of staff concerned, setting up dedicated measures and procedures, and controls. Crédit Agricole CIB has set up a specific organisation to follow market transactions on a global scale via detection tools that

trigger alerts on the basis of criteria and models selected. They allow a control of transactions that might be linked to price manipulation or to a fraudulent use of insider information.

The goals of this whole organisation are to detect suspicious orders or transactions, to qualify alerts and to declare them if necessary to the appropriate regulator.

The system complies with the requirements of the Market Abuse Regulation 596/2014.

4.2.2. Preventing conflicts of interest

As a Provider of Investment Services (PIS) and a member of the Crédit Agricole Group, the Bank might be confronted with situations in which the interests of a client might be in conflict with:

- Those of another client, or
- Those of the CIB CACIB (or the Crédit Agricole Group), or
- Those of Persons Concerned⁴.

In line with the MIFID Directive, the Bank has established, implemented and kept operational an efficient policy to manage conflicts of interest. The aim of this policy is to:

- Give consistent and practical instructions on the identification of conflicts of interest based on the requirements of the MIFID directive, and on local rules and regulations;
- Present the Bank's internal controls and systems relating to the management of conflicts of interest, and to specify the measures that enable it to protect its clients' interests;
- Ensure that all Persons Concerned are informed of their obligations and responsibilities concerning the management of confidential and/or insider information.

Furthermore, a dedicated team, the Conflicts Management Group or « CMG » was created within Compliance. This team's mission, whose responsibility covers the whole world, is to identify as early as possible the situations where there is a potential conflict of interest within the Bank, and, with a view of solving these problems, to inform Senior Management.

Finally, the entire Bank's staff must follow a mandatory training programme to be able to identify all situations of conflict of interest that might arise as part of the Bank's activities and services it provides on the one hand, and those that might arise in a personal capacity.

4.2.3. Complying with competition rules

In line with its culture and values, Crédit Agricole CIB has committed to do everything it can to promote free and loyal competition and respect measures in force. Crédit Agricole CIB has developed procedures to strengthen its compliance with the principle of free market competition and the compliance of its operations with competition laws in force.

⁴ i.e. Any permanent or temporary employee, consultant or related agent, or other person employed or retained in a similar capacity by CIB CACIB

All Crédit Agricole CIB's business lines and support functions must:

- Know the main forms of anti-competitive behaviour that might concern Crédit Agricole CIB and the good practices to avoid such behaviour;
- Understand the benefits of free competition that apply in a professional environment;
- Behave in a way that fosters efficient and fair competition in a professional environment;
- Be able to identify potential problems and resulting risks;
- Take all reasonable measures to ensure compliance of their activities with competition laws;
- Be trained in competition law and ensure to remain knowledgeable and alert;
- Report immediately all incident, as well as suspicions or breaches to competition laws by colleagues, clients, competitors or any other partner of Crédit Agricole CIB that are subject to competition laws.

4.2.4. Preventing fraud and fighting corruption

The Fight against Fraud & Corruption (FFC) team within the Ethics Advisory Group (EAG) pole of the Compliance department provides Crédit Agricole CIB with the coordination and supervision of permanent actions with all employees, relayed by a worldwide network of correspondents within each department and entity dedicated to Corporate and Investment Banking activities.

All of the communication, training (general or dedicated to the most sensitive personnel) and supervision actions, integrated into each business line and entity constitute a control system adapted to the risks of fraud and corruption. As such, the anti-corruption system has obtained ISO37001 certification.

These communication actions make it possible to involve organizations and each employee in collective and individual issues concerning them, in a pragmatic approach adapted to each situation. This system is based on a regular assessment of the risks related in particular to commercial activities, relations with third parties and general operation of Crédit Agricole CIB.

FFC ensures, within the framework of the anti-corruption system, the management of alerts by delegation of the Head of Compliance, as well as the gifts, invitations and benefits policy. Thus, the FFC division thus organises a coherent and comprehensive approach, allowing the correct implementation of the commitments affirmed by the management bodies of Crédit Agricole CIB.

All staff are trained on a regular basis to be able to identify situations involving the risk of fraud that may arise within activities and services provided by the Bank.

4.2.5. Fight against money laundering, terrorism financing and compliance with international sanctions

Crédit Agricole CIB's Compliance department is responsible for developing and maintaining the Financial Security framework. This system consists of measures designed to prevent money laundering, terrorist financing and compliance, and to ensure compliance with international sanctions.

The Crédit Agricole CIB Group's Financial Security framework is based on the European obligations arising from the 5th European Directive 2018/843 of May 30th, 2018, on the prevention of the use of the financial system for money laundering and terrorist financing, as transposed into French law. It applies to the entire Group, including entities abroad.

A classification of the Financial Security risks makes it possible to identify and assess Financial Security risks and to determine, within the limits authorised by law, the intensity of the due diligence applied to clients and their transactions. In particular, it takes into account the level of Financial Security risk in the countries associated with them.

Thus, at the time of entering into a relationship, the due diligence required concerning the client is a first filter. This prevention is based on knowledge of the client and its beneficial owners. It is supported by searches into so-called negative information, as well as knowledge of the purpose and intended nature of the business relationship. During the business relationship, ongoing due diligence adapted to the level of identified risks is exercised and knowledge of the client is updated throughout the business relationship.

To this end, computerized tools for profiling and screening clients and their transactions, as well as for detecting unusual transactions, assist Group's employees.

All staff concerned are regularly trained in the fight against money laundering, corruption and the financing of terrorism, and in compliance with international sanctions.

4.2.6. Code of Conduct

In 2014 the Bank developed a plan of actions to strengthen the Compliance Culture. One of the initiatives was to conduct a review to encourage compliant behaviour in terms of relations with internal and external partners. This initiative defined a common base of principles to guide daily staff behaviour and disseminate it through a code of conduct.

This code of conduct has 7 principles:

- Responsibility and integrity;
- Expertise and challenges;
- Cooperation and team spirit;
- Mutual respect;
- Commitment to client service in the long-term;
- Promotion of the Bank's reputation;
- Knowledge and adherence to rules.

More recently, the Crédit Agricole CIB adopted the Credit Agricole Group approach by adopting the Group Ethical Charter. As a result, Crédit Agricole CIB reviewed its code of conduct to take into account and apply all of the Ethics Charter topics.

This system is supplemented by an anti-corruption code of conduct that defines the Bank's principles and the best practices to prevent, detect and deter corrupt practices and influence peddling.

4.3. Managing dysfunctions and whistleblowing

The whole compliance set up (organisation, procedures, training programmes) aim to encourage ex ante control. However, when preventive measures have not fulfilled their role, and a dysfunction occurs, it is important that this dysfunction is:

- Detected and analysed as quickly as possible;
- Brought to the attention of compliance functions and to the right operational managers within each business line;
- Followed and corrected, and that its causes be eliminated.

The centralisation of dysfunctions by an information process described in the specific governance text, allows the highest levels of management to measure the exposure to non-compliance risk within the Bank. As soon as a member of staff is aware of a dysfunction he or she must inform their superior who informs operational managers and Compliance, Permanent Control and Legal functions.

These measures are completed by a whistleblowing ability, allowing the member of staff - if he/she is aware of an anomaly in the way a dysfunction is dealt with which he/she thinks stems from a shortcoming or from pressure coming from his/her superior, or if he/she feels he/she is being actively or passively pressured in encouraging him/her to act in a dysfunctional way or to hide a dysfunction, - to alert the compliance manager of his/her entity or, possibly, his/her superior's boss.

In 2018, Crédit Agricole CIB took part in the project to strengthen the whistleblowing system by deploying, as a pilot entity, a new tool which allows to report alerts in a confidential and secure manner. This tool also enables the confidentiality of the facts reported, any people involved and conversations which may occur between the whistleblower and the officer responsible for processing the alert, to be ensured. In 2019, this tool was extended to all Crédit Agricole CIB entities and made available on the Bank's website.

This is one of the components of Crédit Agricole CIB's vigilance plan, which is part of that of Crédit Agricole SA. As the parent company, Crédit Agricole SA has chosen to establish a vigilance plan and report on the effective implementation of this plan for Crédit Agricole SA and the companies it controls directly or indirectly. This vigilance plan includes, in accordance with the law, reasonable measures to identify risks and prevent serious damage to human rights and fundamental freedoms, human health and safety as well as the environment, which could potentially result from the activity of Crédit Agricole SA and those of consolidated companies over which Crédit Agricole SA exercises control, as well as from the activities of subcontractors or suppliers with whom an established commercial relationship is maintained, when these activities are attached to this relationship.

In this spirit, the CERES Committee of Crédit Agricole CIB validated in 2019 the action plans of the business lines concerned and their respective deadlines.

4.4. Managing client complaints

The Bank constantly strives to improve its system for monitoring and handling complaints. These complaints have to be systematically recorded and replied to within the following deadlines:

- Ten days from the submission of the complaint to acknowledge receipt, unless the response itself has been given to the claimant within this period,
- Two months between the submission of the complaint and the date of the response to the claimant.

In the specific case where the complaint relates to payment services subject to the European Payment Services Directive, known as DSP 2, the response shall be sent not later than fifteen days after receipt of the complaint. This period may be extended to thirty-five days in exceptional situations (for reasons outside the control of the payment service provider).

Claimants who are not satisfied with the Bank's response can use an external ombudsman.

Address of the ombudsman: www.lemediateur.fbf.fr (French only) or www.amf-france.org

4.5. Training

Crédit Agricole CIB has developed a training programme covering all compliance topics based on Crédit Agricole SA set up. This programme is managed by human resources and available to all staff.

Simultaneously, Crédit Agricole CIB complements this training with specialized training on targeted topics and populations. These trainings are developed and given by Compliance's sectors of expertise in the form of e-learning and classroom learning. In addition, communication actions and awareness campaigns are implemented jointly by Compliance and Human Resources to remind employees of their main Compliance obligations.

4.6. Tax policy

The Bank and all its subsidiaries ensure all the existing tax regulations (ETNC, FACTA, AEI, etc.....) are respected in every country.

5. Being a responsible and committed employer

Values shared through a worldwide Code of Conduct

Crédit Agricole CIB's code of conduct guides staff on a daily basis, in a changing and increasingly demanding environment, thanks to the dissemination of common values. 7 principles are contained in this code of conduct:

- Responsibility and integrity;
- Expertise and challenges;
- Cooperation and team spirit;
- Mutual respect;
- Commitment to client service in the long-term;
- Promotion of the Bank's reputation;
- Knowledge and adherence to rules.

These principles aim to align the behaviour of members of staff with the Bank's values, in particular concerning their relations with internal and external partners.

This Code of Conduct is one of the Bank's initiatives aiming to strengthen Compliance and risk culture.

5.1. Fostering staff development

Crédit Agricole CIB's Human Project places its employees at the heart of its strategy to make them the key players in its performance and transformation. By developing an empowering managerial culture and by offering a working environment that promotes autonomy, collaboration, trust and initiative, the Bank aims to strengthen each person's accountability and commitment to clients and society at large.

5.1.1. Members of staff are active participants in their own training

Crédit Agricole CIB has an active training policy to meet strategic challenges. The Bank encourages a permanent adaptation of the skills of all its employees to the quick changes in the economic, environmental, social, regulatory and technological environment.

The global learning portal, HRE-learning, structured into business and cross-functional academies, offers digital training accessible to all throughout the year in banking and finance, personal development, languages and the office suite. This portal allows staff to be actively involved in their training, thus fostering curiosity. This digital approach completes classroom and remote training offered to members of staff. Since 2020, in order to increase the accessibility of its training offer, the Bank has enabled its employees to train in languages and in personal development from their personal devices (smartphones and tablets) and from their professional mobile phones.

5.1.2. Annual appraisal, a major aspect of career management

Appraisal and objectives setting campaigns make it possible to focus on individual and collective performance, achievements and development needs. To professionalise these meetings Crédit Agricole CIB has set up a global performance management support and training programme.

Since 2022, a new MyDev app was added, used to formalise annual appraisals, development goals and targets for the coming year. This new responsibility assessment enables employees to meet their expectations through more recurring dialogue, more individualised support and enhanced professional development.

In addition to this tool, top managers benefit from a personal and managerial development tool enabling them to gather feedback from their managers, peers and N-1 and thus identify their strengths and areas for personal and managerial development. In order to promote the empowerment of each individual, it is up to the employee to share, if he or she so wishes, the results of this "360" campaign with his or her manager and the HR team.

Our bank promotes a responsible management that is respectful of individuals, both in France and abroad. The manager is a key player in the personal fulfilment and development of members of staff. This is why Crédit Agricole CIB sets up initiatives aiming to professionalise managers and strengthen their role in terms of human resources. Among these initiatives, the Management Academy develops a managerial culture that is shared by all Crédit Agricole CIB's managers. This training programme revolves around four major areas: Interpersonal skills, Mobilising people, Carrying out strategy and Driving action.

5.1.3. Internal mobility, how to expand a career path

Crédit Agricole CIB encourages internal mobility to allow all members of staff to progress within the Bank and the Crédit Agricole Group. Internal mobility is thus preferred to external recruitment as often as possible. MYjobs, a dedicated portal, is accessible to all Crédit Agricole CIB staff. It lists all the jobs available within the CIB but also in the Crédit Agricole S.A. group, both in France and abroad. It also offers practical advice on mobility.

Crédit Agricole CIB has various ways to encourage more transversality, to develop a mobility culture and to accompany its staff in their professional career: mobility committees, business forums, CV workshops, speed interviews and week of professional development.

Thanks to its network and presence in the largest global financial centres (Paris, London, New York, Hong Kong SAR, Singapore, Tokyo), Crédit Agricole CIB offers its teams many opportunities to acquire an international experience.

Each year approximately 500 internal mobility career changes take place, of which approximately 100 in the international network.

5.2. Encouraging staff commitment and participation

Staff commitment is a major lever for Crédit Agricole CIB to reach its goals; the Bank seeks to increase their participation through several measures.

5.2.1. The commitment survey, promoting staff participation

In 2022, initiatives aimed at encouraging employee participation were ramped up to reflect the numerous transformational challenges linked to the development of the company and our organisational methods.

For example, the Accountability Index was rolled out to all Crédit Agricole CIB employees in France and abroad, replacing the Commitment and Recommendation Index (ERI) in place since 2016. For the launch of the Ambitions 2025 strategic plan, the IMR aims to measure the deployment of managerial, organizational and cultural transformations initiated by the Human Project and to assess employee engagement in our social, societal and environmental commitments.

5.2.2. The collective and individual expression reflects the company's responsibility

Crédit Agricole CIB encourages an active and constructive dialogue with its members of staff and their representatives. This participation takes various forms: direct public speaking, surveys, social barometers, collaborative tools and establishing a good social dialogue.

In France, social dialogue is conducted through a unique body whose members are elected by staff: the Social and Economic Committee (CSE).

The member of staff can make his/her opinion known to the Human Resources department and more specifically to his or her dedicated HR manager. As part of the prevention of psychosocial risks, Crédit Agricole CIB wants all company players to mobilise and to voice the possible difficulties encountered by staff (Top management, managers, health at work department, social assistant, human resources manager, personnel representatives and staff).

5.2.3. Compensation, rewarding performance

The wage policy is key to Crédit Agricole Group's strategic human resources management. Crédit Agricole CIB's remuneration policy is based on principles of fairness, performance incentives in line with risk management and the sharing of the Company's values. This policy is deployed taking into account the economic, social and competitive context of the markets in which the Bank operates, as well as applicable legal and regulatory obligations.

Crédit Agricole CIB places a great importance on the principle of equal treatment at work. Provisions can be made locally to reduce possible gender wage gaps, for example as in France under the agreement on gender equality at work.

Within Crédit Agricole CIB, variable compensation plans indexed on individual and collective performance are set up in line with the defined goals, the entity's results and taking risks into account.

Variable compensation amounts are determined according to the business lines' performance taking into account the business' risk profile and all the costs including the cost of risks, liquidity and capital remuneration. Individual allocations to members of staff are decided by managers according to a global evaluation of their performance, taking into account financial and non-financial goals and their knowledge and respect of rules defined internally.

5.2.4 Social benefits, contributing to the well-being of staff

As a responsible employer, committed to the well-being of its employees, Crédit Agricole CIB promotes a wide range of social benefits around the world. Our Bank pays special attention to the fact that these social benefits fit within a framework that is:

- Ethical, reflecting the Group's values,
- Attractive and reasonable regarding local practice in the banking sector,
- Adapted to the population it is addressing.

In many countries healthcare is made easy through programmes partly financed by the Bank.

2022 saw individual health consultations with employees in Taiwan, improvement of healthcare costs in Singapore and Hong Kong, implementation of an employee support programme in Singapore and new health and well-being initiatives in the United States. Italy set up a platform for all employees to manage some of their benefits related to health, education and care for the elderly. Ensuring family protection in case of death or work interruption is also an important issue for Crédit Agricole CIB. The Bank completely finances these schemes for its staff throughout the world.

Concerning pension preparation, Crédit Agricole CIB has been for multiple years now at the forefront in many countries via the creation of company-subsidised savings. It is the case in France, Spain, Italy, the UK and the United States where this kind of scheme has been in place for more than 20 years.

Employee savings offerings give staff a stake in the company's performance and results.

Capital increases are regularly offered to Group members of staff worldwide. In 2022, this programme covered 9 countries, including France, in which Crédit Agricole CIB is located.

Since 2016 in France, a profit-sharing arrangement includes FReD, the Bank's CSR indicator, which reflects the shared commitment of staff and of the company to the success of its CSR policy.

In addition, internationally mobile populations benefit from specific social benefits that are adapted if necessary to the country of origin / host country.

5.3. Encouraging a professional / personal life balance

Crédit Agricole CIB is keen on ensuring the well-being of its staff and offers an environment and work conditions that guarantee their security and health.

Crédit Agricole CIB offers flexible and hybrid organisation of work, while ensuring that the right to disconnect is respected. In France, employees providing care to family members also have the option of receiving 20 additional telework days per year.

The Bank is continuing its efforts to support employees in challenging family situations. The Bank offers the services of a confidential and free telephone platform providing guidance and advice to employees on procedures related to their status as employees providing care to family members.

In 2017, Crédit Agricole CIB set up a system for employees to donate rest days to colleagues who need to care for a sick family member (child, spouse, civil-union partner or ascendants).

Crédit Agricole CIB considers that quality of life at work is a personal fulfilment and performance lever and an indispensable condition of its efficiency. The Bank therefore launched training programmes to prevent stress. All the training programmes requested during evaluation interviews or during the year by members of staff and managers in this area are systematically approved.

Throughout the year, Crédit Agricole CIB also organises health issue events in its entities: advisory services in human factors engineering, free testing, vaccination campaigns, first aid training, nutrition workshops, etc.

5.4. Promoting diversity

As a socially responsible employer, Crédit Agricole CIB wants to reflect society's diversity and does everything it can to treat each member of staff fairly.

5.4.1. Understanding and managing diversity

Because imbuing employees with a sense of belonging also means recognising what makes them unique, Crédit Agricole CIB is committed to creating a tolerant and open working environment allowing everyone to express their potential. In order to combat all forms of discrimination, regular awareness-raising actions are deployed. An annual diversity event has been organized since 2011 and represents a key moment in communication, reflection and awareness among Crédit Agricole CIB employees.

In 2022, Diversity Month, which took place in November, offered an opportunity to create forums for discussion around inclusion via conferences, informative materials, events and presentations by members of the Executive Committee and role models.

For many years, Crédit Agricole S.A. Group in France has actively promoted the employment of persons with disabilities through job retention and awareness initiatives and also through recruitment from the sheltered and disability-friendly sectors. The seventh agreement, signed in January 2022, is a logical continuation of the efforts made over the last fifteen years and covers all Group entities.

To that end, Crédit Agricole CIB implements a policy of integrating and recruiting persons with disabilities in France and abroad.

5.4.2. Diversity, a win-win challenge

For several years now, the Bank has implemented action plans to promote gender equality at work. The main focuses of the professional gender equality agreement, renewed in France in 2021 for a period of three years, are to ensure balanced job recruitment and equal pay, train employees on the principles of professional equality and non-discrimination and raise their awareness of the issues involved, help all employees to boost their employability, and roll out initiatives in favour of parenthood.

The Bank also supports its female talent, both in France and abroad, through a range of leadership development programmes. The programmes' objectives are to provide women with the keys to strengthening their strategic positioning, developing their networks and progressing within management bodies.

Created by women who want to discuss and share their experience on various issues, networks also raise the awareness of Crédit Agricole CIB staff on gender diversity issues (PotentiElles in Paris, CACIB Women's Network in New York, CWEEN in India, SPRING in London, RISE in Hong Kong SAR, WING in Tokyo, MORE in Taiwan and EQUAL in Singapore).

6. Managing impacts linked to the Bank's operations

Even if indirect environmental and social impacts created by financing activities are much higher than the Bank's direct impacts, Crédit Agricole CIB is nevertheless careful to manage as best as possible its direct footprint and the direct impacts in its supply chain.

6.1. Buildings' certification

Crédit Agricole CIB head office activities are carried out on two campuses: Evergreen in Montrouge and SQY Park in Saint-Quentin-en-Yvelines.

Evergreen is an eco-campus with a low carbon footprint in particular because the buildings are certified with the BBC label (low consumption buildings). They are also run according to the HQE reference (High environmental quality).

Protecting biodiversity was also taken into account as the site has 4 ha. of green spaces, more than 90 plant species and a bird refuge that follows the LPO (Bird protection league) charter. The Montrouge campus has obtained the Biodiversity ® Life label.

The Champagne and Provence buildings of SQY site were extensively renovated and obtained the BBC renovation certification.

6.2. Carbon footprint of operations

Regarding its direct impacts, Crédit Agricole CIB assessed its overall greenhouse gas footprint on its main sites, according to scopes 1, 2 and 3.

Following Crédit Agricole's membership of the Net Zero Banking Alliance in July 2021 and in line with the announcements of the Societal Project to contribute to carbon neutrality between now and 2050, We are fully involved to reduce greenhouse gas emissions caused by its own operations. As a reminder, the Group's reduction targets are:

- -50% greenhouse gas emissions associated with the energy consumption of buildings and the vehicle fleet (scopes 1 and 2) between 2019 and 2030 (absolute target⁵);
- -50% greenhouse gas emissions from business travel (scope 3 category 6) between 2019 and 2030 (absolute target);

These reduction targets are ambitious and go beyond the minimum requirements required under the SBTi methodology.

Buildings management and green energy:

Measures to improve lighting and air conditioning optimise energy consumption have been deployed.

Also, the electricity used on two sites in the Ile-de-France region comes from renewable energy sources and there is an on-going work to identify additional international sites.

⁵ exception for acquisition

Professional travel:

Various initiatives were launched to reduce the emissions linked to professional travel, which is an important item of the greenhouse gas emissions' assessment. The generalisation of new communication technologies such as video conferencing aims to reduce the number of professional trips-A transport policy favours train travel over air travel, while the distances covered with these two modes of transport as well as associated CO2 emissions is monitored over time.

Commuting:

In France the use of public transport is encouraged by the reimbursement of 90% of the travel pass. A car-pooling system and shuttles are also available to employees, while teleworking is developing.

Finally, Crédit Agricole CIB has decided to offset all its internal emissions.

6.3. Sustainable use of resources and waste management

Paper:

Crédit Agricole CIB's initiatives are part of the Group's responsible paper policy whose aims are to reduce the consumption of paper, to generalise the purchase of responsible paper and to recycle all used office paper.

The automatic configuration of printers in black and white and recto-verso, the removal of individual printers and the use of lighter paper contribute to lower paper consumption.

Water:

Various devices were installed to optimise water consumption and members of staff are aware that leaks must be reported.

Rainwater is also used on the Montrouge site to minimise water required for plants.

Waste:

Separate waste collection is set up for Montrouge, Saint-Quentin and London.

In Paris printer cartridges and toners are collected and recycled by printer suppliers. A broker recommended by the Crédit Agricole Group collects IT hardware (system units and screens). Several collections take place each year and detailed reports are given to Crédit Agricole CIB. The buildings' light bulbs and neon tubes, used batteries are also collected for recycling. Finally, the methanation of organic waste from the company restaurants offers an additional way to recycle waste.

6.4. Relations with suppliers

A governance text describes the general principles and functioning of purchasing within Crédit Agricole CIB as part of Crédit Agricole S.A. Group's Purchasing business line. These rules apply to all purchases made by Crédit Agricole CIB units. The text insists on including if possible a company from the sheltered sector in the list of bidders.

The consideration of CSR issues applied to purchases made by the Crédit Agricole Group has made it possible to manage legal, financial and reputational risks by applying best practices in order to forge balanced relationships with suppliers. The following practices are now followed:

- Adding in the contracts a clause providing for a recourse to Crédit Agricole S.A. Group's ombudsman;
- Adding in the contracts a sustainable development appendix reminding Group commitments in this area and our expectations towards suppliers;
- The collection of the CSR rating of prospective suppliers by an external provider during tenders or consultations.

In addition, the centralisation and processing of supplier invoices in an electronic workflow brought improvements in our suppliers' invoice payment chain and faster invoice processing times.

All the buyers have had training on the issue of human rights in the value chain. In 2021, Crédit Agricole CIB's Supplier Relations and Responsible Purchasing label, awarded by the business ombudsman attached to the Ministry of the Economy and Finance and by the Conseil National des Achats (National Purchasing Council), was renewed for three years.

Providers can refer to the Bank's ombudsman for suppliers:

mediateur.fournisseur@credit-agricole-sa.fr

7. Volunteer work, sponsoring and partnerships

7.1. Volunteer work and sponsoring

The Crédit Agricole S.A. Group, in line with its values of solidarity and proximity, has an interest, historically, in initiatives that improve education, public health and the access to culture in the regions in which, in France and abroad, its units are established.

Crédit Agricole CIB is in particular keen on encouraging the commitment of its staff in extra-professional projects that are consistent with its values via the programme *Solidaires by Crédit Agricole CIB* which has four parts:

- Solidarity events: staff are encouraged to give some of their time by taking part in solidarity events,
- Volunteer solidarity missions: staff use their time and/or their skills for a charitable organisation, on the basis of a specific mission,
- The Solidaires “Helping Hand”: the Bank offers financial support to non-profit organisations’ projects in which members of staff have a leading role, in the areas of solidarity, social inclusion, the environment, education and health, both in France and abroad.
- Payroll donation: staff can make a donation to a selected association by giving up pennies from their salary via a monthly deduction made when the payroll is issued. Staff can also add €1 to €5 per month to their donation, with Crédit Agricole CIB matching each donation made. 100% of these donations are reserved for one of the 5 selected associations.

Many of these initiatives or projects fit within the 17 sustainable development goals defined by the United Nations.

The Bank also directly supports forward looking projects that encourage artistic creation, the discovery of world cultures and the transmission of cultural heritage, as well as practical initiatives that protect our environment.

For instance, for already 30 years, CACIB has been a sponsor of prestigious cultural institutions in New York:

- The Museum of Modern Art (MoMA) whose vocation is to promote contemporary art and make it accessible to a large public
- The Metropolitan Museum of Art (Met) which presents 10 000 years of history and art through paintings, sculptures and items from five continents.

7.2. Bank’s partnerships with higher education

Crédit Agricole CIB also encourages knowledge and exchanges between the academic and corporate world. The Banks supports in particular research and innovation via the Finance and Sustainable Development Chair of Paris Dauphine University and the École Polytechnique.

This multi-disciplinary research project supported from the beginning by Crédit Agricole CIB brings together specialists in quantitative finance, mathematicians and specialists in Sustainable Development. One of the directions of research pursued since 2010 by the Finance and Sustainable Development Chair involves the quantification of the indirect impacts of financing and investment activities, in particular greenhouse gas emissions caused by the activities of the Bank’s clients.

A new PhD, overseen by the Chair, undertaken in 2018 and defended at the end of 2021 on the subject of the climate risks which could affect banks, particularly in relation to the assessment of scenarios and country risk. This work focuses on assessing transition risk by country category based on quantitative analysis and aims to go beyond the mere consideration of nationally determined contributions (NDCs).

Since 2019, Crédit Agricole CIB is a partner of the Fintech Chair of Paris Dauphine University through a partnership agreement aiming to foster an ecosystem combining research, teaching and entrepreneurship on digital finance issues.

Crédit Agricole CIB is also a partner of the HEC Foundation, financing a course on mergers and acquisitions. Thanks to this training (M&A certificate), supported by Crédit Agricole CIB, HEC Paris students will learn new skills and gain access to new career opportunities. The curriculum of HEC Paris is strengthened by exchanges within an innovative and unique academic ecosystem.

Crédit Agricole CIB, together with Crédit Agricole Nord de France and Amundi, is also partner of the newly launched Master of Science « Climate Change & Sustainable Finance », an innovative course, developed between EDHEC Business School and Mines ParisTech. It consists in a multidisciplinary educational path involving finance teaching excellence by EDHEC teachers and researchers and a technical and scientific approach of the green transition by experts of Mines ParisTech.

Thanks to such cross-teaching, the future professionals in the finance area will be trained to sustainable finance objectives and will be able to use environmental, social and governance criteria in their decisions. This partnership will contribute to building adapted expertise to sustainable finance challenges. It is also part of the consistent commitment of the Group towards young people and employment.

Since 2021, Crédit Agricole CIB has been a partner of « La physique Autrement » chair of Paris Saclay University, aiming at promoting science awareness. La « Physique Autrement » is a research team dedicated to setting up new ways of disseminating and teaching physics science. Located within Paris Saclay University, the team, consisting of researchers and designers, has established more than 200 projects since 2013 to make our universe foundations understandable to the largest number.

In 2022, Crédit Agricole CIB is supporting the creation of the “Future Capital Markets Bank” Chair at the Europlace Institute of Finance Louis Bachelier and the University of Paris, which aims to contribute to a better understanding of the modelling and calculation challenges for the capital markets bank of tomorrow.

8. Measuring and reporting on our initiatives

A complete report is included each year in Crédit Agricole CIB's universal registration document.

[Link to Universal Registration document](#)

APPENDICES:

CSR Policy: water resources

Water is an essential resource for life and to maintain ecosystems. It is also an essential resource for the production of goods and services⁶. Agriculture, energy and large industry represent respectively 70%, 15% and 5% of fresh water withdrawal in the world. The 10% remaining cover the needs of households and institutions.

Fresh water is however a limited resource that is unequally distributed in the world. There are also increasing pressures on fresh water. It is estimated by UNESCO that in 2020, 26% of the population did not access to drinkable water services managed in a safe way.

Water demand tends to increase considerably because of population growth and living standards (global economic development) that create an increase in the demand for food, energy and manufactured goods.

According to the reference scenario of the Environment Outlook (OECD 2012) fresh water withdrawal in the world will increase by 55% between 2000 and 2050 mainly because of the increase in manufacturing (+400%), electricity production (+140%) and household needs (+130%). There is a de facto increased competition between the various users i.e. individuals, economic sectors and ecosystems.

The increasingly critical pressure of human activities on water also creates negative consequences on the quantity of resources (for instance the depletion rate of water tables has increased significantly between 1950 and 2010, to be more stable between 2010 and 2017³), but also on their quality. Most problems of water pollution are linked to intensive agriculture, industrial production, mining and the absence of treatment of wastewater in urban areas.

Moreover, issues linked to water are exacerbated by climate change. Changes in rainfall, increasing droughts and flooding, deterioration of the quality of water are all the potential negative consequences due to climate change.

With this increased competition between water users, the main challenge in the future will be to be able to combine the fundamental right to water access, the preservation of ecosystems and sustainable economic development. For this, governments will need to intervene in order to promote a durable management of water resources. The private sector will also need to control the impacts of its activities on water.

To meet these challenges, the Bank expects its clients to implement policies on the reasonable use of water resources and on preventing water pollution. Effective procedures are particularly important for clients that use large amounts of water in countries in which water management is a critical challenge.

³ UN Water (2022). "UN World Water Development Report 2022 "

Gender equality policy

Crédit Agricole CIB is entirely committed to RESPECT, Crédit Agricole S.A. Group's charter of human rights.

Equality between men and women is an important component of this Charter.

Our policy

The charter recognises the right to equal opportunities and pay for all, in our economic activities and our sphere of influence.

In particular, we want to prevent any discrimination in our global human resources policy, whether in terms of hiring, training, promoting, paying, employment security or working conditions.

It is also important for us not to contribute or be an accomplice to human rights violations that might occur with our clients, suppliers or service providers.

Implementing our policy through appropriate procedures and action plans

We are convinced that appropriate procedures and action plans are required to ensure our policy is followed.

For several years, Crédit Agricole CIB has rolled out an action plan aimed at increasing the number of women in governance bodies:

Ensuring the balance of recruitments in the professions and fair pay, training and raising employee awareness of the principles of professional equality and non-discrimination, supporting all employees in the promotion of their careers with a particular attention paid to women, continuing to offer a support system for women when they return from maternity leave and promoting the taking of paternity or childcare leave are the main pillars of the agreement on professional equality between men and women renewed in France in 2021 for a period of 3 years.

Crédit Agricole CIB supports its talented women, in France and abroad, through a range of leadership development programs. The aim of these programs is to give them the keys to strengthen their strategic positioning, develop their network and evolve within management bodies.

In 2017, Crédit Agricole CIB also launched its "Corporate Mentoring program" on a global scale, enabling Crédit Agricole CIB's talents to be accompanied by members of the Executive Committees or the Management Committees of the business lines and countries. This experience-sharing program aims to promote greater diversity within the teams. In this respect, since its launch, Crédit Agricole CIB has set itself the objectives of gender diversity in the selection of "mentees", ensuring a representation of women of more than 50% among the participants. Each year, Crédit Agricole CIB employees are selected to participate in the Crédit Agricole Group's mentoring program.

To complement this action plan and fully align with the Rixain law, Crédit Agricole CIB is committed to developing its pool of female talent and has set targets for the feminization of its governing bodies to reach 30% of women on its Management Committee by 2025. In order to achieve this, Crédit Agricole CIB has committed to:

Systematically include a female candidature for the positions of management and member of Circle 1 or Circle 2, it being specified that Crédit Agricole CIB strives to seek first and foremost candidates with the experience and skills appropriate to the position to be filled.

Deploy a systematic succession plan approach for all strategic positions of the Bank incorporating diversity and gender diversity objectives.

Align all HR processes (recruitment, mobility, etc.) with these objectives.

Develop the visibility of these female and international talents with the bank's COMEX and CODIR.

In order to accelerate the feminization and internationalization of its management bodies (COMEX and CODIR, Circle 1), Crédit Agricole CIB carried out, in 2022, a review of its pool of strategic talent to enrich its short-, medium- and long-term succession plans for Circle 1 positions. Thanks to a particular focus on diversity criteria and in particular gender diversity, 32% of potential successors identified are women.

In addition, as long-standing partners of the Financi'Elles federation, Crédit Agricole S.A. and Crédit Agricole CIB reaffirmed their commitment to implementing ambitious Human Resources policies on gender equality by signing the Financi'Elles Charter of Commitments in November 2021 on the occasion of the 10th anniversary of the federation of banking, finance and insurance networks.

Lastly, the Board of Directors, in accordance with Article L. 225-37-1 of the French Commercial Code, deliberates annually on Crédit Agricole CIB's policy on professional and wage equality and on the implementation of the gender equality plan. On this occasion, it examines the results obtained, in particular the index on gender equality in the workplace. In France, Crédit Agricole CIB's gender equality index was 85 out of 100 in 2022.

We have introduced an environmental and social scoring of our suppliers and clients that takes relations at work into account. In the case of operations linked to a project financing, the issues linked to gender equality are evaluated and managed as part of the Equator Principles analyses. These principles are based on the International Finance Corporation's Environmental and Social Performance Standards.

The Bank also developed an internal document to help take into account these issues, specifying how gender equality considerations must be included when analysing and following transactions.

Developing and disseminating skills

We believe that the development and dissemination of suitable skills concerning the promotion of gender equality are an important part of the implementation of our CSR policies.

To highlight the importance of gender equality, Crédit Agricole CIB offers its staff a certain number of initiatives such as awareness measurement and specific training programmes.

Each year, the Bank organizes Diversity Month in November. This event aims to raise the awareness of all Bank employees about the importance of diversity and inclusion and its contribution to overall performance. Furthermore, to help Crédit Agricole CIB reach its targets in terms of diversity on a global scale, women's networks were launched in several places: in India in 2008, in Paris and New York in 2010, in London in 2015, in Hong Kong SAR in 2016, in Tokyo and Taiwan in 2018 and in Singapore in 2020. These networks offer a forum, both for women and men, to discuss and share information and also seek to increase the awareness at all levels of management concerning the importance of the gender equality issue.

In the case of operations linked to a project financing, the Bank will try to ensure that the consultants hired to analyse the project have the skills required concerning possible issues of gender diversity.