

Montrouge, 9 December 2021

Press release

**Crédit Agricole CIB strengthens its commitments to protect the climate and support clients in their energy transition and decarbonisation strategy**

This announcement is part of Crédit Agricole Group's joint approach for its Societal Project as defined in its medium-term plan. It is comprised of three priorities: climate, social cohesion and agricultural and agri-food transitions.

Climate protection has been a key commitment for Crédit Agricole CIB for many years, whether by implementing best practices, its pioneer role on sustainable debt products range, or even the protection of conservation areas, and by supporting businesses in their energy transition.

The 2022 Group Medium Term Plan announced in 2019 made the following four commitments:

- Implement a scheduled phase-out from thermal coal in line with the Paris<sup>1</sup> Agreement targets as early as 2019, ending commercial relationships with companies for which thermal coal represents more than 25% of their turnover
- Disclosure of its total coal exposure<sup>2</sup>: this was below EUR 350m at the end of 2020, or 0.3% of the total financings outstanding representing a decrease of more than 25% compared to 2019<sup>3</sup>
- Define a climate transition scoring methodology as a talking point with its clients
- Double the size of its green loan portfolio to reach EUR13b (it represented EUR 11.68b as of 30/06/2021).

Today, the Bank announces a more ambitious framework demonstrating its commitment to putting sustainable and green finance at the heart of its strategy and is determined to continue to deliver on its commitments.

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<sup>1</sup> According to a schedule complying with the Paris Agreement: 2030 for all OECD countries and 2040 for the rest of the world.

<sup>2</sup> Sum of the direct exposure on coal mining or coal-fired power generation projects and indirect exposure via the share of our clients' revenues involved in these activities.

<sup>3</sup> Source: Universal Registration Document.



## Crédit Agricole CIB strengthens its sector exclusion policies in hydrocarbons

Crédit Agricole CIB further toughens its exclusion policies for the most polluting energies. This follows an update in 2020 for the following sectors: mining and metals, coal-fired power plants and transport infrastructure.

### Strengthening our sector policies

On October 18<sup>th</sup>, Crédit Agricole CIB committed through the Crédit Agricole Group, and alongside five other French banks, to stop financing, from January 2022, projects directly related to shale oil, shale gas and oil from tar sands, or companies whose exploration and production of these energies represent more than 30% of their activities.

### Widening our protection of the Arctic region

The Arctic has extremely fragile ecosystems. To protect them, Crédit Agricole CIB committed in 2017 to stop direct financing of oil projects in this region (on-shore and off-shore). These exclusion criteria are now extended to all new gas projects in the region. Furthermore, the exclusion zone is extended to the AMAP zone for the terrestrial Arctic and beyond the Köppen<sup>4</sup> line in the marine Arctic.

## Crédit Agricole CIB moves to a Net Zero<sup>5</sup> trajectory

As a member of the Net Zero Banking Alliance, which Crédit Agricole Group joined in July 2021, Crédit Agricole CIB announces the first milestones of its alignment strategy by publishing its targets in the energy sector.

### Reducing our exposure to Oil

Crédit Agricole CIB has committed to reduce its exposure<sup>6</sup> to upstream production of oil by 20% by 2025 compared to 2020.

### Substantially increasing our support for non-carbon energies

Crédit Agricole CIB will increase its exposure<sup>7</sup> to non-carbon energies (production and storage) by 60% by 2025. The main focus will be on financing renewable energies, a sector in which the Bank has been active since 1997 and in which it is a recognised market leader. It will also focus on low carbon hydrogen by offering tailor-made financing solutions and advisory services.

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<sup>4</sup> The Köppen line circumscribed the isotherm at 10° for July. It's the area from which trees don't grow.

<sup>5</sup> Net-Zero" or "carbon neutrality" refers to the global goal to balance greenhouse gas emissions and absorptions.

<sup>6</sup> Calculated by weighting our exposures on all our clients by their share of activity in oil extraction.

<sup>7</sup> Calculated by weighting our exposures on all our clients by their share of activity in the production and storage of non-carbon energy



In the first half of 2022, Crédit Agricole CIB will publish its decarbonisation plan for the other sectors in which the carbon footprint is significant such as transport, automobile, infrastructure, construction and steel.

## **Crédit Agricole CIB supports its clients in their energy transition and in their decarbonisation strategy**

Supporting our clients in their own climate transition is a major component of our strategy.

### Deploying the climate transition scoring to all clients

Launched at the beginning of 2021, the climate transition score is an assessment of how our clients are exposed and their adaptation to the energy transition. This score, which is used by the whole Crédit Agricole Group, complements the financial score and is applied to 8000 large corporate clients and will be gradually extended to medium-sized companies. It will be a powerful tool, both for monitoring and dialogue, to support our clients in their decarbonisation journey.

### Adapting our organisation to sustainable finance and the energy transition

As a pioneer in responsible finance and in financing the climate transition, Crédit Agricole CIB relies on more than 250 experts to support its clients on these topics. The Bank today announces that it will strengthen its organisation by expanding its Sustainable Investment Banking team in key geographies and sectors, by creating a Climate & Sustainability Strategy team dedicated to the Bank's transition and by developing its internal network of Sustainable Finance Coordinators in all business line and support function. As part of this, Tanguy Claquin is appointed Global Head of Sustainability.

"I am convinced that we all have a personal responsibility in the fight against global warming, for ourselves and future generations. This conviction is at the heart of the Crédit Agricole Group values. As Crédit Agricole CIB CEO and as an individual, I will continue to promote these initiatives and commitments enabling us to actively contribute to positive change. We will continue to act in the interest of our clients and the society, especially by supporting their energy transition", commented Jacques Ripoll, Crédit Agricole CIB Chief Executive Officer.

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### **Press contact Crédit Agricole CIB:**

Cornelia Schnepf – FinElk: +44 7387 108 998 - Email: [cornelia.schnepf@finelk.eu](mailto:cornelia.schnepf@finelk.eu)

### **About Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB)**

Crédit Agricole CIB is the corporate and investment banking arm of Credit Agricole Group, the 12th largest banking group worldwide in terms of tier 1 capital (The Banker, July 2021). Nearly 8,600 employees across Europe, the Americas, Asia-Pacific, the Middle East and Africa support the Bank's clients, meeting their financial needs throughout the world. Crédit Agricole CIB offers its large corporate and institutional clients a range of products and services in capital markets activities, investment banking, structured finance,



commercial banking and international trade. The Bank is a pioneer in the area of climate finance, and is currently a market leader in this segment with a complete offer for all its clients.

For more information, please visit [www.ca-cib.com](http://www.ca-cib.com)

