CRÉDIT AGRICOLE LIFE INSURANCE

SUSTAINABILITY INFORMATION

Applicable as at 01/07/2022

This information is provided pursuant to Regulation (EU) 2019/2088 of 27 November 2019 on the publication of sustainability information in the financial services sector.

Sustainability risk is defined as an environmental, social or governance event or situation that, if it occurs, could have a material adverse impact, actual or potential, on the value of the investment.

CALI Europe's life insurance and capitalisation products promote environmental or social characteristics because they offer, among the investment vehicles, vehicles that promote environmental or social characteristics ("Article 8[1] category vehicles" within the meaning of the Regulation) and vehicles that have a sustainable investment objective ("Article 9[2] category vehicles" within the meaning of the Regulation).

The achievement of these characteristics is subject to the investment, during the life of the Policy, in at least one of these vehicles.

ARTICLE 1 - INFORMATION ON EXTERNAL FUNDS

The list of external funds proposed within the Policy, linked to the General Conditions, indicates:

- eligible external funds and specify whether they fall within one or other of the categories referred to above;
- the proportion, within all external funds eligible for the Policy, of each of these categories.

The sustainability information for each external fund eligible for the Policy can be found in the prospectus or other document of said fund available on the Insurer's website, at the following address: https://www.cali-europe.com/fr/liste-de-fonds-externes, or on the website of the fund manager concerned.

ARTICLE 2 - INFORMATION ON VEHICLES EXPRESSED IN CURRENCIES (EURO 2-FUND AND US DOLLAR-FUND)

The vehicles expressed in Currencies (Euro 2-Fund and US Dollar-Fund) of the Policy give rise to investments that promote environmental or social characteristics.

The investment policy applicable to commitments expressed in foreign currencies for life insurance and capitalisation policies of CALI Europe, a subsidiary of Crédit Agricole Assurances, is described below.

Since 2016, Crédit Agricole Assurances has presented its ESG-Climate policy and therefore the consideration of environmental, social, governance (ESG) factors in its investment analysis and decision-making processes.

The Crédit Agricole Assurances Group has been a signatory of the PRIs[3] since 2010. Crédit Agricole Assurances ESG-Climate strategy, approved by the Board of Directors, includes measurable objectives and results relating to the risk induced by climate change, for application to the management of euro funds and equity investments:

Objectives	**Means engaged**
Accelerate the financing of renewable energies and projects and initiatives for the energy transition	Continued investment in renewable energy
Work with Group entities, participation in methodological considerations of market participants	Improved ability to track the carbon footprints of portfolios
Control the carbon impact of our portfolio	Fossil energy divestment policy

In line with the Crédit Agricole Group's ESG-Climate strategy and as an institutional investor attentive to Corporate Social Responsibility (CSR) issues, Crédit Agricole Assurances favours investments that are likely to support the energy transition and sectors that meet the basic needs of the population: food, housing, health care and essential services. This also allows it to contribute in part to the Sustainable Development Goals[4] (SDGs) set by the United Nations.

[1] **"Article 8" category vehicle**: a financial product promoting, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices, within the meaning of Article 8 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector.

[2] **"Article 9" category vehicle**: a financial product with a sustainable investment objective, as defined in Article 9 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, i.e. an investment in an economic activity that contributes to an environmental objective, measured for example through key resource efficiency indicators relating to the use of energy, renewable energy, raw materials, water and land, waste generation and greenhouse gas emissions or effects on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to the fight against inequality or promotes social cohesion, social inclusion and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not materially prejudice any of these objectives and that the companies in which the investments are made apply good governance practices, in particular with regard to sound management structures, employee relations, remuneration of relevant staff and compliance with tax obligations.

[3] United Nations Principles for Responsible Investments (www.unpri.org). For details on these principles, the reader can refer to Appendix 4.

[4] Details on the website: https://www.un.org/sustainabledevelopment/fr/objectifs-de-developpement-durable/

CRÉDIT AGRICOLE LIFE INSURANCE

Investment selection process

Regulatory exclusions	Sectoral exclusions	Best-in-class ESG analysis
▪ List of excluded countries and issuers ▪ Embargoes ▪ Tax sensitive countries ▪ Controversial weapons ▪ Repeated and proven violations of the principles of the Global Compact	▪ Coal (extraction, energy production, Group energy transition rating) ▪ Tobacco	▪ CAA ESG filter ▪ Real estate certifications ▪ Strategic holdings

- **Regulatory exclusions**

The Crédit Agricole Group's unacceptable practices exclusion policy is intended to apply to all the financial assets of the companies of the Crédit Agricole Assurances Group.

This exclusion list for unacceptable practices is regularly updated in coordination with the other entities of the Crédit Agricole Group.

- **Sectoral exclusions**

In addition to the aforementioned regulatory exclusions, strict rules are applied in certain sectors.

By signing with the other entities of the Crédit Agricole Group the Tobacco Free Pledge in May 2020, Crédit Agricole Assurances undertook to completely exclude the tobacco sector from its investments by 2023. This commitment was materialised by the sale of all of its positions in Q3 2020.

The Crédit Agricole Group has updated its new sectoral coal policies that now incorporate commitments related to the gradual exclusion of thermal coal from its portfolios. These policies take into account the share of income of companies generated in the thermal coal industry and their transition trajectory. Crédit Agricole is committed to excluding thermal coal from its portfolios by 2030 for the European Union and the Organisation for Economic Co-operation and Development (OECD), and by 2040 for the rest of the world.

As part of its strategy to support the energy transition, Crédit Agricole Assurances is part of this complete coal exit trajectory. For several years, Crédit Agricole Assurances has gradually reduced its exposure to coal companies, particularly from the list of coal developers common to all Crédit Agricole Group entities. This common list is based on Trucost and Urgewald data and is updated regularly.

The Group has implemented a new tool in the form of an energy transition rating to determine whether a company is committed to a climate transition dynamic.

With the implementation of the transition rating, Crédit Agricole asks companies to provide it with a detailed plan for the closure of their industrial thermal coal extraction and production assets in the 2030/2040/2050 schedule depending on the location of their assets. This closure plan will be a major parameter in the transition rating.

In practice, Crédit Agricole Assurances withdraws from issuers:

- achieving more than 25% of their turnover in coal extraction or producing 100 million tonnes and over of coal per year;
- producing electricity provided that the income from coal-produced electricity represents more than 50% of the income derived from this activity;
- whose turnover from coal, either directly (mining) or indirectly (power generation), represents between 25% and 50% of total turnover;
- developing or planning to develop new thermal coal capacities across the entire value chain (producers, extractors, power plants, transport infrastructure).

- **Best-in-class ESG analysis**

In addition to regulatory and sectoral exclusions, a "best-in-class" ESG filter has been applied based on the non-financial performance of issuers categorised by economic sector. Crédit Agricole Assurances takes into account the ESG quality of the issuers held in the portfolio by each entity. The methodology for ESG analysis of companies is based on a best-in-class approach where each company is assessed by a numerical score scaled around its sector average, thus distinguishing between the best and worst sector practices. The ESG rating aims to measure a company's ESG performance, i.e. to measure its ability to anticipate and manage the risks and sustainability opportunities inherent in its business sector and its strategic position. The ESG rating also assesses the company's ability to manage the potential negative impact of its activities on sustainability factors.

The ESG-Climate policy covers all asset classes in the portfolio, accounting for the specificities of each one and applying suitable methodologies.

This ESG filter applies to companies (listed bonds and shares held directly) as well as sovereign and similar issuers.

In addition to the ESG filter, other environmental, societal and governance criteria are taken into account:

- environmental certifications of real estate assets: HQE (High Environmental Quality, French certification), BREEAM (Building Research Establishment Environmental Assessment Method), LEED (Leadership in Energy and Environmental Design, American certification), etc.;
- active participation of Crédit Agricole Assurances in the Boards of Directors of strategic holdings and in their various governing bodies.

CALIE Europe - Société anonyme d'assurance vie
Registered office: 9 allée Scheffer, Building C, L-2520 Luxembourg - R.C.S. Luxembourg B 75007
Postal address: BP 925, L-2019 Luxembourg
Tel.: (+352) 26 26 70 30 - Fax: (+352) 26 26 70 69