ESG-CLIMATE POLICY
OF THE CRÉDIT AGRICOLE ASSURANCES GROUP
2020

Report on the period
from 1 January 2020 to 31 December 2020

ASSURANCES

2020 FACTS AND FIGURES

Developers excluded and exit from coal sector **by 2030**

ESG investment strategy applied to **over 45%** of portfolio assets under management

Close to **€7 billion in certified buildings**

Votes cast at **69%** of AGMs

€6.3 billion in green bonds

Carbon footprint **reduced by over 45%** since 2016 (scopes 1, 2 and 3)

Financing for over **8 GW in renewable energies generating capacity,** or the equivalent of 6 nuclear power plants*

** 1 nuclear power plant has an average generating capacity of 1.3 GW*

INTRODUCTION BY THE CHIEF EXECUTIVE OFFICER

Twenty twenty was a year like no other (given the pandemic), with the unparalleled challenges we are facing (climate change, decline in biodiversity) becoming even more acute.

Moreover, the Intergovernmental Panel on Climate Change (IPCC) has warned that global warming is likely to speed up the emergence of new viruses.

Events of the present day are showing the importance of considering Environmental, Social and Governance (ESG) risks and also the social purpose of business activities.

Through our adoption of the Crédit Agricole Group's Climate strategy aligned with the Paris Agreement's targets, we are taking our commitments to the energy transition to the next level and have drawn up plans to exit thermal coal by 2030.

As France's number one insurer and a major institutional investor, we are supporting all our customers with the transition to a low-carbon economy and are gradually greening our investment portfolio by incorporating environmental, social and governance criteria in our investment processes.

We are concentrating our efforts on certain sectors as we are keenly aware of the challenges facing society and of the need for all investors to play their part. Financing new large-scale renewable energy projects is a priority for us, while we are also looking to curb exposures to the occurrence of non-financial risks and supporting business transformations.

Since 2016, we have been communicating transparently with our customers about our ESG-Climate policy as an investor and about how these criteria are being integrated to a greater extent in our portfolios. True to our word, we are again delivering on our commitment to report on our activities during 2020.

Philippe Dumont

Chief Executive Officer
of Crédit Agricole Assurances

Summary

OUR APPROACH IN 2020

Crédit Agricole Assurances is presenting here its ESG-Climate Policy and how it embeds environmental, social and governance factors in its investment analysis and decision-making processes. Our approach reflects the enactment of Article 173 of the 2015 energy transition act for green growth and ahead of the soon-to-be-introduced Article 29 of the Energy-Climate act, as well as the 2017 recommendations of the Task Force on Climate-related Financial Disclosures[1]. These ESG factors can significantly affect society and our environment and thus the profitability of the businesses and projects in which we invest. Basically, this approach involves selecting issuers based on their practices.

Under our **Insurance 2022** Strategic Plan, in line with the Crédit Agricole Group's roadmap, we intend to keep a tight grip on the risks and opportunities arising from climate change and scale up our commitment to financing the energy transition. Through the alignment of our ESG-Climate Policy with the Paris Agreement (scheduled exit from thermal coal by 2030 in the European Union and OECD countries with an upper limit of 25% of revenue from coal extraction from 2019 onwards), we will advance efforts to meet the international goal to reduce greenhouse gas emissions, focusing on a balanced reduction in greenhouse gas emissions across each sector and each geographical region in which we operate.

We are embracing the recommendations of the Task Force on Climate Disclosure (TCFD), which state the best practices for climate-related disclosures. Consequently, our non-financial reporting is based on the three pillars of governance, strategy and risk management, backed up by qualitative and quantitative metrics.

This document is organised as follows:

- Section 1 presents the organisation of the Crédit Agricole Assurances group in terms of how this policy is defined and implemented.

Since the degree of leverage we have over the assets held to cover euro funds and capital is not the same as we have over assets held to cover unit-linked contracts, we will address these two types of liabilities separately.

- Section 2 considers the ESG-Climate policy applicable chiefly to assets held covering euro funds and capital, together with the metrics used.
- Section 3 assesses how this ESG-Climate policy incorporates and aims to respond to physical risks and transition risks.
- Section 4 deals with assets held to cover unit-linked contracts.
- Lastly, certain aspects are covered in greater deal in the appendix.

POLICYHOLDER INFORMATION

Along with its non-financial reporting, the Crédit Agricole Assurances group communicates with its policyholders concerning its ESG-Climate policy through issue-specific articles on its website. We also provide information about how non-financial criteria are incorporated in investment processes in our Code of Conduct and the Crédit Agricole Assurances' CSR policy, which can be downloaded from the group's website. The Crédit Agricole Assurances Code of Conduct applies to all the entities in our Group, including those outside France, and is made available to stakeholders. Its aim is to back up the framework for addressing sustainable development issues.

(1) The TCFD was set up at the COP21 to draw up recommendations on climate-related financial disclosures for businesses. The Taskforce was chaired by Michael Bloomberg, and its final report published in June 2017 states the four core thematic areas it expects in businesses' climate reporting: governance, strategy, risk management and, lastly, metrics and targets.

1 GOVERNANCE

The following entities contribute to the formulation and implementation of Crédit Agricole Assurances group's ESG-Climate policy:

CRÉDIT AGRICOLE S.A.

Crédit Agricole S.A. lays down the responsible investment policy applicable by all its subsidiaries, including Crédit Agricole Assurances.
Crédit Agricole S.A. owns 100% of the Crédit Agricole Assurances group's holding company.
Crédit Agricole Assurances' ESG-Climate strategy dovetails with that of the Crédit Agricole Group[2], which has been rated as ambitious (A-) by the Carbon Disclosure Project, an independent international agency that makes annual assessments of the environmental impact and climate strategy of businesses.

CRÉDIT AGRICOLE ASSURANCES GROUP PARTNERS

Amundi Group

- European leader and the Crédit Agricole Assurances group's main asset management partner

Crédit Agricole Corporate & Investment Banking (CA CIB)

- World leader in green bonds (origination, structuring and placement)
- Role in shaping the Crédit Agricole Group's industry policies

THE CRÉDIT AGRICOLE ASSURANCES GROUP

The holding company known as CAA itself holds, directly or indirectly, 22 companies[3]. The Crédit Agricole Assurances group has been a signatory of the PRI[4] since 2010.

CA Assurances' strategy and governance pillar gained an A rating in 2020.

Its ESG-Climate policy, one of the components of CSR policy aligned with that of the Crédit Agricole S.A. group[5], is adopted at the highest tier of Crédit Agricole Assurances' governance structure, namely the Board of Directors and the Executive Committee. Lastly, Crédit Agricole Assurances' ESG-Climate Committee regularly monitors the implementation of its ESG-Climate policy.

This is also the level at which the "FReD" internal Group framework comes into play, managing the non-financial priorities for each entity and influencing staff behaviour via executives' and employees' bonuses.

(2) https://www.credit-agricole.com/chaines-d-infos/toutes-les-chaines-d-info-du-groupe-credit-agricole/info/le-credit-agricole-reconnu-pour-son-ambitieuse-strategie-climat.

(3) Parent company (1): Crédit Agricole Assurances
Insurers (17): Predica, La Médicale, Pacifica, Calie, Spirica, GNB Seguros, CA Vita, Finaref Risques Divers, Finaref Vie, CACI Life, CACI Non Life, CA Life Japan, CA Assicurazioni, CA Life Greece, Assur&Me, CA Zycie, Catu; Predica Espagne
Reinsurer (1): CACI Reinsurance
Holding companies (3): Crédit Agricole Creditor Insurance, Space Holding, Space Lux

(4) United Nations Principles for Responsible Investments (www.unpri.org). Readers are invited to refer to appendix 4 for details about these principles.

(5) The Crédit Agricole S.A. group has introduced an annual CSR improvement programme. Progress is assessed based on annual ratings for several metrics. This CSR approach is known as FReD.

Crédit Agricole Assurances' ESG-Climate policy has three key drivers reflecting its three main activities as an insurer, as an investor and as an employer.

Given the nature of the Crédit Agricole Assurances group's activities, it is most active in sectors related to populations' basic needs. These are the following themes:

Real estate

- A leading real estate investor
- One of France's leading home insurers

Health and senior living

- Leader in individual personal protection in France
- Heavy investment in health facilities and nursing homes

Renewable energies

- Infrastructure investments present various benefits for long-term investments: regular cash flows, healthy returns, controlled risk and some degree of inflation-linking

Naturally, all sectors and ESG risks are analysed. And for the three themes referred to, Crédit Agricole Assurances makes sure it implements **engagement initiatives.**

In infrastructure assets, Crédit Agricole Assurances has acquired respected expertise **in energy and transport,** two high-priority sectors for developing an economy and combating global warming.

In line with the Crédit Agricole Group's Climate strategy and as a CSR-oriented institutional investor, Crédit Agricole Assurances focuses on investments advancing the energy transition.

The Crédit Agricole Assurances group's Investment department works with the majority of the group's insurance companies. Together with these companies, it maps out their investment strategy, which reflects ESG-Climate priorities. It then has responsibility for implementing them in euro funds. As part of this implementation process, it manages relationships with all financial service providers (asset management companies, corporate and investment banks, etc.) on behalf of insurance companies.

A portion of the assets is managed directly by the Investment department, including investments in real estate, infrastructure and debt funds. Under the ESG-Climate policy, Crédit Agricole Assurances' Investment department holds discussions with the Amundi Group's team of non-financial analysts concerning the evolving themes, methods and controversies from a non-financial risk perspective. It monitors the consistency of approach between the assets managed by the Amundi Group, the assets managed by other asset management companies and the assets it manages itself. By the end of 2021, all of Amundi's funds will be screened using ESG analysis techniques, as will investment plans with an environmental or social impact, including Crédit Agricole Assurances-managed portfolios.In addition, the Investment department has designed initiatives raising awareness of ESG and Climate issues at every governance tier and within the business lines.

2 STRATEGY, TARGETS AND METRICS

Crédit Agricole Assurances' ESG-Climate strategy, which has been approved by the Board of Directors and rolled out by all French insurance companies and most international subsidiaries, is predicated on measurable targets and outcomes related to climate change risk. These are applied to management of euro funds and capital:

Accelerate the financing of renewable energies and projects and initiatives advancing the energy transition

Further investments in renewable energies

Work with the Group's entities, participation in methodological analysis by market participants

Improvement in monitoring capacity covering portfolios' carbon footprint

Keep a grip on our portfolio's carbon impact

Policy of divesting from the coal sector and other fossil fuels in the future

For unit-linked contracts, Crédit Agricole Assurances aims to offer its customers an appropriate range of ESG-Climate investments (Section 4).

For its investments, Crédit Agricole Assurances focuses on sectors delivering the population's basic needs: food, a place to live, treatment, and utility services. That also helps it to make a contribution to the Sustainable Development Goals(6) (SDGs).

In this specific instance, financing for district rehabilitation and construction projects galvanising the economy and revitalising the regions, and financing for renewable energies projects, illustrate Crédit Agricole Assurances' ability to invest in the economy while pursuing social (high-quality housing at affordable rents) and environmental targets.

A RESPONSIBLE INVESTMENT STRATEGY ALREADY FIRMLY ENTRENCHED AT CAA

Our ESG-Climate policy applies to Crédit Agricole Assurances group entities with an investment portfolio, including the CAA holding company, representing a total of **€394 billion** in investments under management.

The ESG-Climate policy covers all asset classes held in the portfolio, while accommodating the specific features of each one and applying appropriate methodologies.

We have identified two categories: assets held to cover euro funds(7) and capital, and assets held to cover unit-linked contracts(8):

Assets held to cover euro funds and capital (€321 billion)

First of all, all Crédit Agricole Assurances' assets are screened against the exclusion list to search for practices unacceptable to the Crédit Agricole Group. Non-Amundi Group asset management companies apply their own exclusion list to their collective funds, mainly consisting of listed equities, bonds, real estate and infrastructure. All the other assets managed by Crédit Agricole Group entities are screened using the group's exclusion list.

(6) For more information: https://www.un.org/sustainabledevelopment

(7) By euro funds, we mean guaranteed capital contracts under which the insurer carries an investment performance risk. In France, these are euro funds (so-called "standard" euro funds and euro-growth funds) and guaranteed funds outside France.

(8) By unit-linked contract, we mean investments on which the customer carries the investment performance risk.

Today, close to 47% of assets held to cover capital and euro funds undergo ESG analysis based on non-financial rating methods developed within the group. ESG ratings are currently being introduced for sovereign and other public and similar issuers, which will increase the coverage rate of our asset portfolio by ESG criteria to over 75% of the total portfolio in 2021.

€152 billion[9] in assets incorporate ESG criteria across several different dimensions:

"CAA ESG" filter
€137 billion

- Listed companies (chiefly fixed-income management)
- o/w **€**3.6 billion in green bonds

Certified real estate
€6.8 billion

- Certified and/or quality-accredited (HQE, BREEAM, LEED, etc.) office or commercial properties

Strategic investments - listed equities
€8 billion

- Crédit Agricole Assurances engages with and casts its votes with respect to its strategic investments falling under the listed equities heading.
- As and when it deems appropriate, CA Assurances may take into account issuers' non-financial ratings and changes in these ratings.

Assets held to cover unit-linked contracts (€73 billion)

Several of our insurance companies[10] offer their customers unit-linked contracts.

For unit-linked contracts, the Crédit Agricole Group's exclusions are applied to the collective funds of the Crédit Agricole S.A. group[11], Amundi and its subsidiaries (that covers almost 93% of the total unit-linked assets under management, including for Predica). The collective funds of other asset management companies (around 7% of total unit-linked contract outstandings) are subject to the specific exclusion rules of the company managing them.

As per the requirements of the European Regulation (EU) No. 2019/2088 applicable from 10 March 2021 on sustainability related disclosures in the financial services sector (the **"Disclosure Regulation**[12]**"** or the Sustainable Finance Disclosure Regulation (**"SFDR"**)), this report outlines how risks and sustainability impacts are integrated into investment decisions made by the Crédit Agricole Assurances Group.

Accordingly, the new regulation provides for three product categories, which are applied to our euro portfolios and our unit-linked portfolios:

Article 6

- Financial products not promoting environmental and/or social aspects
- Products not covered by Article 8 or Article 9

Article 8

- Financial products promoting, among other characteristics, environmental and/or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.
- All French multi-investment products covered by the Pacte act.

Article 9

- Financial products with sustainable investment as their objective.
- Financial products that have to be able to provide monitoring indicators based on measurable, quantifiable targets.

Specific reports

Taking into account the integration of ESG criteria in our investment decisions, our euro funds' portfolios fall under **Article 8 of the Disclosure Regulation.**

(9) Excluding Sovereign and similar issuers, which account for 37% of the asset portfolio.
(10) Predica, Spirica, UAF Life Patrimoine, La Médicale, Ca Life Japan, Ca Vita, CALIE, CATU
(11) That includes Crédit Agricole S.A., CA CIB, Indosuez, LCL.
(12) The Disclosure Regulation establishes a sustainability-related (environment, social and governance) disclosure framework for investors to give them greater transparency concerning how non-financial risks and negative impacts are integrated into investment decisions.

CONDUCT- AND PRODUCT-BASED EXCLUSIONS: CRITERIA AND CONDITIONS APPLIED

Crédit Agricole Assurances does not want to be complicit in practices deemed unacceptable. Through its engagement policy, Crédit Agricole Assurances can help to bring about changes in issuers' practices. Notwithstanding various questions, reminders and warnings that various investors may exit, the issuer may persist with activities that are considered improper. In such circumstances, the issuer is added to an exclusion list. The list is updated regularly in conjunction with Amundi, our agent. The intention is to apply this unacceptable practice exclusion list to all our assets.

Roles and responsibilities

Crédit Agricole Assurances lays down the strategy and exclusion areas that apply to its portfolios in connection with the Crédit Agricole Group's policies and with the support of Amundi's experts. Once the exclusion themes have been established, Amundi is responsible for drawing up and updating independently the list of prohibited issuers or groups of issuers. Amundi awards issuers an ESG score on a scale from G to A (worst to best ESG rating). Issuers excluded for unacceptable practices are all rated G by Amundi. Crédit Agricole Assurances is not involved in the process of awarding issuers' ESG rating.

Scope of application of exclusions

The intention is to apply the policy of excluding issuers (rated G) for unacceptable practices to all the financial assets held by the Crédit Agricole Assurances group's insurance companies. In practice, it applies to management agreements and dedicated funds, irrespective of the management company appointed, and to the Amundi group's collective funds. The collective funds of the other asset management companies abide by the company's exclusions.

Conduct-based exclusions

The exclusion policy applies to corporate issuers and to public and similar issuers[13]. This policy, which is intended to apply to the largest possible proportion of assets, relies on the following three pillars[14]:

- **Exclusions for serial manifest violations of all or some of the ten UN Global Compact[15] principles.**

Some businesses, through their actions, serially and manifestly breach some or all of the Global Compact's ten principles. These ten core principles concerning human rights, labour, the environment and anti-corruption are presented in appendix 4.

- **Exclusion of governments banned by the international community for their aggressive tax practices.**

Corporate issuers are not the only ones engaging in unacceptable practices. This also applies to certain government and similar issuers (or public agencies). The debt securities issued by these governments thus appear on the exclusion list. Other than in specific documented cases, corporate issuers domiciled in these countries are also excluded. These exclusions are underpinned by two criteria:

Embargo policies

Governments subject to an embargo procedure by:

- the UN Security Council Sanctions Committee
- the United States Office of Foreign Assets Control
- the European Union.

The restrictions issued by the French government form the basis for the list of governments excluded from our portfolios.

In general, the governments on the list are those committing crimes, engaging in collective exactions or proven to have been funding terrorism.

Sensitive countries for tax purposes

We do not invest in non-cooperative states or territories within the meaning of article 238-0 A of the French General Tax Code.

- **Exclusions related to controversial weapons.**

The Crédit Agricole Assurances group recognises the legitimate right of states to defend themselves against symmetric (conventional weapons) or asymmetric (e.g., terrorist attacks) warfare and thus to support and finance a defence industry and to engage in the research and development of new weapons. Only so-called "controversial weapons" are covered by this exclusion policy. For a weapon to be described as "non-controversial", it must pass two tests:

Discrimination

Military targets and the civilian populations must not be targeted indiscriminately during or after conflicts (e.g., mines still activated).

Proportionality

The human toll should not be disproportionate to the military objective.

(13) By issuers similar to sovereign issuers, we mean all local authorities (e.g., regions), government departments, supranational entities (e.g., European Investment Bank) and public entities that do not have operational activities subject to major ESG risks. CADES is an issuer treated as a government, while EDF is treated as a business from an ESG-Climate risk analysis perspective.

(14) Climate policy exclusions are presented in section 3 on risk management and opportunities.

(15) The Global Compact principles are presented in appendix 5.

These are the two principles upon which international treaties have been drafted, and these are also the two principles on which Crédit Agricole Assurances has built its exclusion policy concerning controversial weapons. They apply to the whole chain involved in the development of controversial weapons: design, manufacturing, financing, transport, distribution and storage.

The Crédit Agricole Assurances group thus goes **slightly beyond** just the weapons banned under the French legislation introduced in 2010 (anti-personnel mines, cluster bombs) and the Oslo and Ottawa international treaties. Other weapons such as biological and chemical weapons, uranium-depleted vectors and nuclear weapons (other than under the non-proliferation treaty) are equally as controversial as anti-personnel mines and cluster bombs.

When drawing up the list of issuers for exclusion, Amundi draws on the expertise of the ETHIX non-financial rating agency, which specialises in weapons. In addition, the Crédit Agricole S.A. group's policy is predicated on the following treaties and conventions:

- Treaty on the Non-Proliferation of Nuclear Weapons (1968)
- Biological Weapons Convention (1975)
- Chemical Weapons Convention (1997)
- Convention on the Prohibition of Anti-Personnel Mines (1999)
- Convention on Cluster Munitions (2010)
- Protocols on non-detectable fragments and blinding laser weapons under the Convention on Certain Conventional Weapons (1983)

Product-based exclusions

In addition to the conduct-based exclusions cited above, strict rules apply to tobacco (new investments) and coal.

Exit from the tobacco industry scheduled for 2023

World No-Tobacco Day took place on 31 May 2020. Ahead of this event, the Tobacco Free Portfolio (TFP), an Australian organisation that strives to reduce the number of deaths caused by tobacco-related conditions, announced that Crédit Agricole Assurances had signed up to the Tobacco-Free Finance Pledge (TFFP). In so doing, it undertook to exit completely from the tobacco sectors over the next three years. Crédit Agricole Assurances' portfolios have not held any tobacco sector securities since the third quarter of 2020.

Exclusion of coal sector companies

The Crédit Agricole Group has updated its new product-based policies concerning coal, which now include commitments to progressively exclude thermal coal from its portfolios. These policies reflect the proportion of revenue generated from the thermal coal industry and the transition they have mapped out. Crédit Agricole has undertaken to exclude thermal coal from its portfolios by 2030 as regards investments in the European Union and OECD countries and by 2040 in the rest of the world.

The Group has implemented **energy transition ratings,** a new tool determining whether a business is actively pursuing a climate transition. This rating on a scale from A to G is based on publicly available data and is made up of three elements: a snapshot (at a particular date), a dynamic picture (adaptation to the transition) and the commitment made by the business (governance quality).

With the introduction of the transition rating, Crédit Agricole is asking businesses to provide a detailed plan for the closure of their thermal coal extraction and production assets over the period out to either 2030, 2040 or 2050, depending on where their assets are located. The closure plan will be a key parameter influencing the transition rating.

Under its strategy of supporting the energy transition, Crédit Agricole Assurances is itself moving towards a complete exit from coal.

Since 2016, Crédit Agricole Assurances has withdrawn from issuers active in coal extraction according to specific revenue thresholds (over 50% of their revenue in 2016, over 30% of revenue or 100 million tonnes and over of coal production p.a. in 2017, followed by a further reduction in the upper limit to 25% in 2018). Since 2019, the coal policy has been extended to electricity generating companies.

In 2020, CA Assurances tightened up its criteria and pulled out of issuers:

- generating over 25% of their sales from **coal extraction** or producing 100 million tonnes or over of coal p.a.
- **generating electricity** where their electricity generation revenue from coal accounts for over 50% of the revenue generated from this business
- with revenue deriving directly (extraction) or indirectly (electricity generation) deriving from coal accounting for between 25% and 50% of total revenue
- developing or planning to develop new thermal coal capacity across the entire value chain (producers, extractors, power plants, transport infrastructure).

For several years now, CA Assurances has been gradually cutting its exposure to coal sector businesses, including by applying the joint list of coal developers shared by all Crédit Agricole Group entities. This joint list is based on data provided by Trucost and Urgewald and is updated on a regular basis.

We have adopted a gradual approach with our portfolios, initially focusing on the French entities in the Crédit Agricole Assurances group, and on directly held securities, drawing a distinction between bonds and other assets.

We then extended our analysis to funds (dedicated and open) and international entities.

What's more, CA Assurances has completely excluded (including the sale of any inventories) issuers on the Group list of developers. These exclusions apply to the entire scope in terms of:

- insurance companies (all CA Assurances insurers)
- investments: all management agreements, dedicated funds, specific segments
- instruments
- transactions: direct holdings, stock lending, collateral, etc.

In line with the Group's latest exclusions applicable to coal developers, residual positions in a dozen issuers have been removed from the portfolios of dedicated funds (close to €1 million).

In addition, CA Assurances excludes purchases of several issuers even though they do not appear as coal developers on the Crédit Agricole Group's list.

In addition, the Reclaim Finance NGO has developed the Coal Policy Tool[16], which can be used to assess the coal policy of financial institutions, and it rates the Crédit Agricole Group's policy as being "advanced".

NON-FINANCIAL CRITERIA EMBEDDED IN OUR GENERAL ASSET MANAGEMENT ACTIVITIES

The conduct- and product-based exclusions are complemented by exclusions through application of the "best-in-class" approach based on the non-financial performance of issuers classified by economic sector.

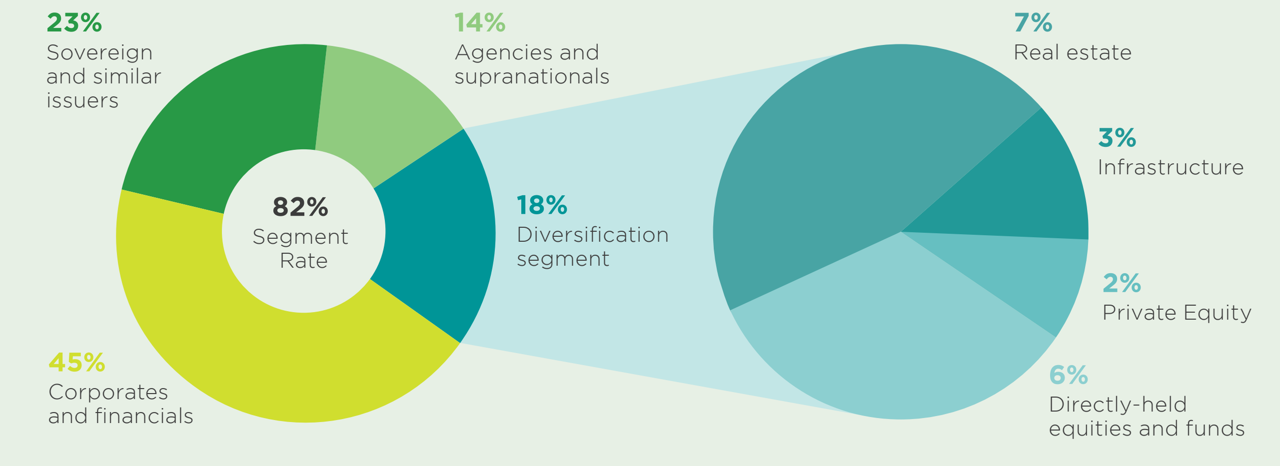
Crédit Agricole Assurances has decided to exclude issuers with the lowest ESG performance in their sector and those with a strong reputational risk or risk of controversy. Issuers are rated using a best-in-class methodology[17], devised internally by Amundi and taking into account the scores of non-financial ratings agencies. This approach consists in picking out the issuers with the best practices in each sector.

Note that the weighting attached to the ESG criteria varies from one sector to another. For example, the energy consumption sub-criterion does not have the same weighting in the insurance sector as it does in the motor industry.

Amundi awards issuers an ESG score on a scale from G to A (worst to best ESG rating). Issuers excluded for unacceptable practices are rated G. A, B and C are considered as "good", D as "average", and E and F as "poor".

Our portfolio of financial assets held by euro funds managed by the Investment department was worth €303 billion at 31 December 2020.

Analysis of the asset portfolio by type



(16) https://coalpolicytool.org/methodology-coal-policy-tool/
(17) For more details about Amundi's best-in-class SRI filter, please refer to appendix 2.

Integration of ESG for listed securities

Corporate securities

As stated previously, the Crédit Agricole Assurances group's French entities adopt this best-in-class methodology.

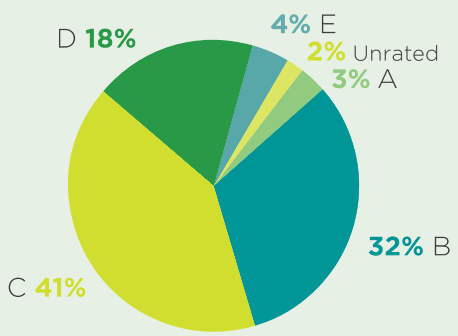
Bonds

The bonds issued by financial and non-financial corporates make up **45% of the overall portfolio** and are invested chiefly in France and the rest of Europe. The portfolio thus has relatively little exposure to ESG risks. Crédit Agricole Assurances has adopted for its **fixed-income management agreements** (universe rated by financial agencies) the "CAA ESG filter" method (clearly defined investment rules) recommended by Amundi[18] covering €137 billion in assets under management (some of which are green bonds presented below) excluding sovereign and similar issues:

- Exclusion of purchases of E-, F- or G-rated issuers
- Holding of E-, F- or G-rated issuers subject to threshold conditions if they are downgraded
- The portfolio's ESG rating must be C or higher.

The portfolio's average ESG rating must be equal to or higher than the ESG rating of the investment universe or the benchmark index

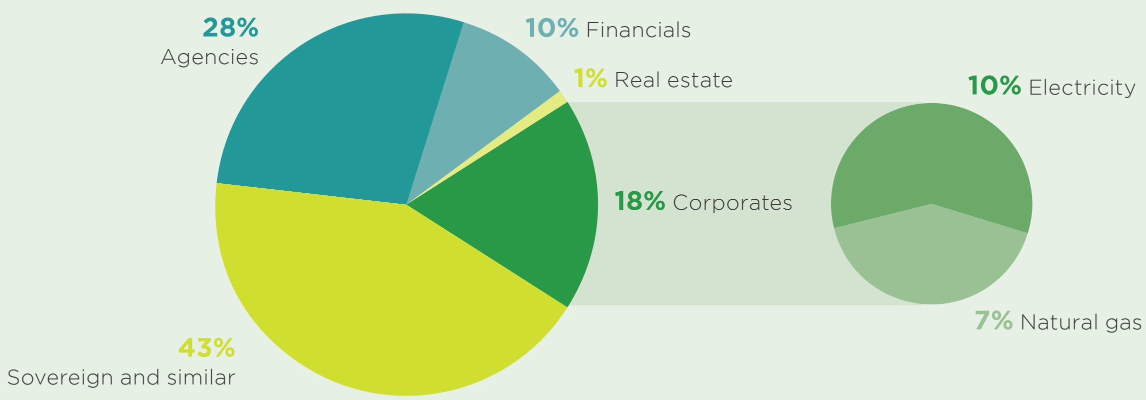
Analysis of corporate bonds by overall ESG rating



Green bonds

At year-end 2020, the Group held €6.3 billion in green bonds (excluding CA Vita), of which €2.7 billion issued by Sovereign and similar issuers.

Sector analysis of green bonds invested by CAA



The ESG criteria are integrated into construction of the fixed-income portfolios and are qualitatively taken into consideration in diversification-related portfolios.

(18) Methodology approved by AFNOR

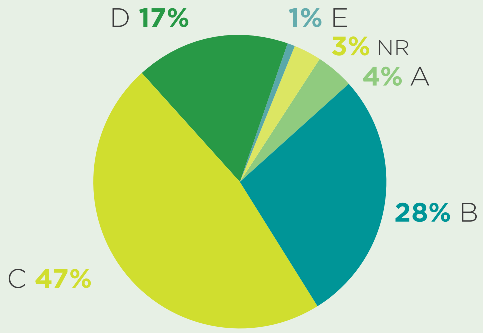
Listed equities

These assets (€8 billion) are managed in one of two ways:

- management agreement for equities held directly in securities accounts (awarded to Amundi)
- directly managed by CAA.

Our directly-held equity portfolio breaks down as follows:

Breakdown of directly-held equities by ESG rating



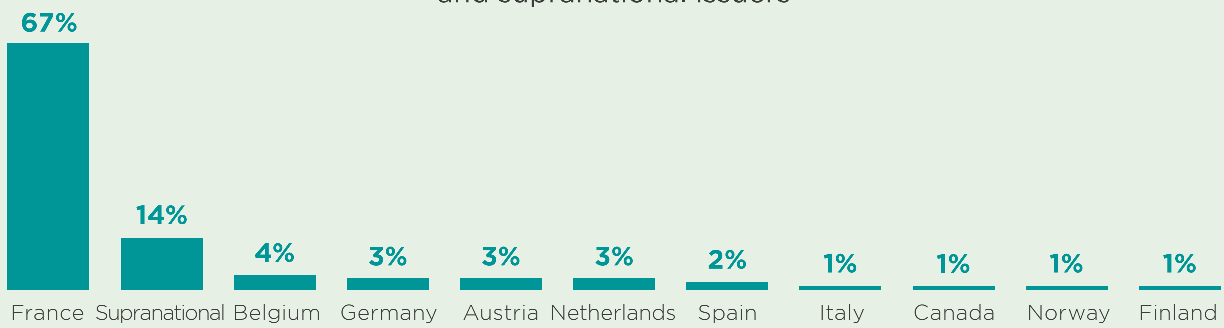
Following a period of observation during which the non-financial performance of portfolio companies is monitored, the CAA ESG filter will be used systematically from 2021.

Sovereign and similar issuers

The special methodology for completing a non-financial rating of sovereign issuers is currently being updated, and the rating system is being tweaked to better reflect and cover all types of investments.

Our public-sector bonds (sovereign & similar, supranational and agencies) have a value of €113 billion, or 37% of the overall portfolio. The widespread introduction of non-financial ratings for these issuers will pave the way for the responsible investment policy to be expanded to this part of the policy in 2021. Plans to expand these rating methods to supranational issuers are currently being studied.

Geographical analysis (top 10) of sovereign and similar, and supranational issuers



UCITS

Our portfolio of UCITS (equities and bonds), predominantly dedicated to the CA Assurances Group, had a market value of €26 billion at 31 December 2020. Application of the ESG filters to dedicated and open funds (including external funds) is currently being studied for 2021.

Focus on investments creating value aligned with the Sustainable Development Goals (SDGs)

An investor aspiring to have a positive social impact through sustainability and cities that are pleasant to live in

Responding to strong demographic and social demands

CAA invests alongside many other investors, including real estate companies that are all pursuing an ESG approach.

As well as environmental factors, Crédit Agricole Assurances attaches special importance to the social dimension of its real estate assets. Its goal is to broaden access to housing and thus to make it affordable for the middle classes even in areas where prices are under pressure. Crédit Agricole Assurances invests in non-controlled and affordable rental housing aligned with environmental and social priorities insofar as they meet strong demographic and social demand, by fostering a hybrid approach and by offering high-calibre products in terms of the services provided and energy performance.

Crédit Agricole Assurances invests in the Ile-de-France (Paris) region and also in the main cities in the French regions (Bordeaux, Lyon, Marseille, Nice, Toulouse). It focuses on new developments that help to meet the growing demand for housing in these metropolitan areas.

CAA invests actively and sustainably in high-potential areas.

10 REDUCED INEQUALITIES

Crédit Agricole Assurances has acquired several affordable rental housing developments in Ile-de-France and across the regions so it can offer housing **for attractive rents** (10% to 15% below uncontrolled rents).

In addition, Crédit Agricole Assurances has invested alongside other institutional investors in Caisse des Dépôts' affordable housing funds.

cdc habitat AMPERE Gestion Caisse des Dépôts GROUPE

Fostering mixed developments and actively contributing to social

11 SUSTAINABLE CITIES AND COMMUNITIES

Under its real estate investment policy, Crédit Agricole Assurances also invests in restructuring urban districts and is playing its part in the integrated Grand Paris strategy.

Through the **Bobigny Cœur de Ville** development, Crédit Agricole Assurances has acquired a hybrid real estate complex consisting of five residential buildings and one office building, plus ground-floor retail facilities in all buildings forming part of the plan to redevelop central Bobigny (delivery anticipated in late 2023).

NF Habitat HQE certification of projects for sustainable homes

These various projects illustrate our unique strategy as a long-term investor in high-quality hybrid urban development combining housing, retail and office space in high-potential districts.

3 GOOD HEALTH AND WELL-BEING

What's more, Crédit Agricole Assurances has stepped up its involvement in healthcare and senior living facilities. A real estate partnership has been established with Korian to develop "Ages & Vie" senior living facilities across France. This is an innovative programme to build collective housing for senior citizens. Under the project, **150 facilities will be developed by 2023.**

An alternative to conventional nursing homes, these are shared homes – a new solution catering for the elderly and people living with disabilities, who are unable to live on their own, but want to stay in their district or their village.

Ages&Vie

Our actions:
Financing businesses who look after vulnerable populations

- Living a full life at home in older age
- People unable to look after themselves
- Local ecosystem: health (pharmaceuticals, doctors, etc.), services (groceries, etc.)

Crédit Agricole Assurances also invests in other alternative asset classes, such as private equity. Exposure to private equity funds (all scopes included) amounted to €4.8 billion at year-end 2020. Crédit Agricole Assurances has entrusted Amundi Private Equity Fund (Amundi PEF) with managing investments on its behalf in funds run by several private equity asset managers (general partners), including Tibi (tech economy financing) and FFA (tourism, health, etc.) funds.

Crédit Agricole Assurances has also been a shareholder since 2018 in Semmaris, the operator of Rungis, France's largest wholesale food and horticultural market. Rungis is the world's wholesale food market by volumes.

It is a major contributor to Ile-de-France's economy and indeed to France's economy at large, providing substantial support to the development of the French agrifood industry. CA Assurances will support Semmaris with its largely sustainable plan to develop its ecosystem and inject additional impetus into the market, in line with the latest production, retail and consumer trends.

In addition, the Rungis market has embarked on an environmental transition. This includes measures to foster greater inclusiveness, such as by establishing a unique training facility (initial and continuous) in the market's areas of expertise: seafood, agrifood, hotel and catering operations, transport and logistics, service sectors (trade, import-export).

Stepping up investments in the energy transition and maintaining leadership in renewable energies

Crédit Agricole Assurances' strategy is aligned with **strong demand in society.**

To help it meet environmental, social and economic goals, Crédit Agricole Assurances invests in the infrastructure segment to advance the energy transition. Our infrastructure investments, which are chiefly located in France and the rest of Europe, mainly involve establishing ownership interests (directly and via funds).

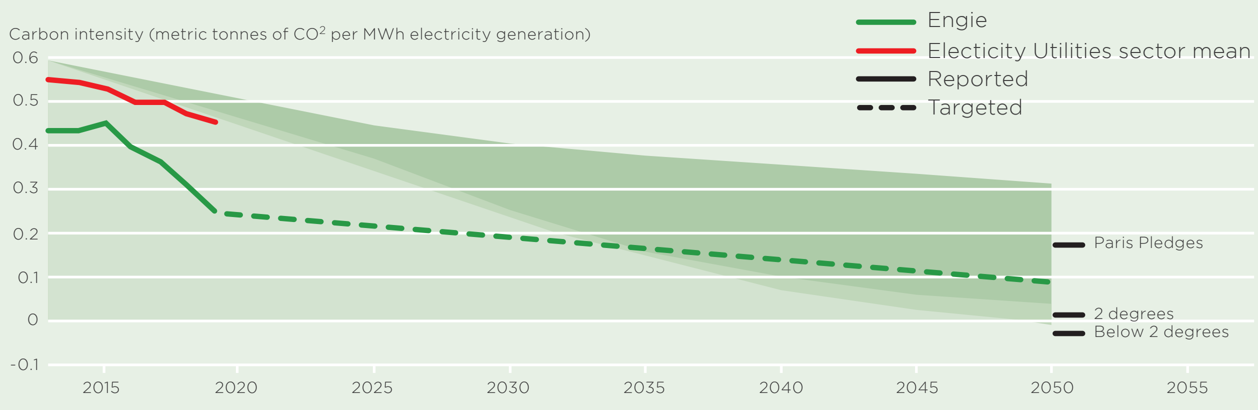
Crédit Agricole Assurances' direct investments in unlisted infrastructure companies are valued at **€4.6 billion.** Its principal unlisted infrastructure investments are holdings in road, airport, energy and communications infrastructure.

During 2020, major new investments were made in hydropower in Portugal, electric locomotive rental in Europe and Predica Energies Durables Europe (wind and solar energy in Italy).

Renewable energies are being developed in line with the Paris Agreement, and Crédit Agricole Assurances aims to help meet the target, including by increasing its investments in generating infrastructure..

Under CAA's investment strategy, it has strengthened its partnership with Engie by bringing in new investors to scale up the capacity to finance the generation of renewable energies.

This partnership is part of Engie's overall strategy of reducing the absolute level of its CO^2 emissions and is helping to boost achievement of the Paris Agreement targets, as confirmed by the Transition Pathway Initiative[19] (which assesses companies' sectoral alignment with the 2°C trajectory) in its analysis of Engie's targets.

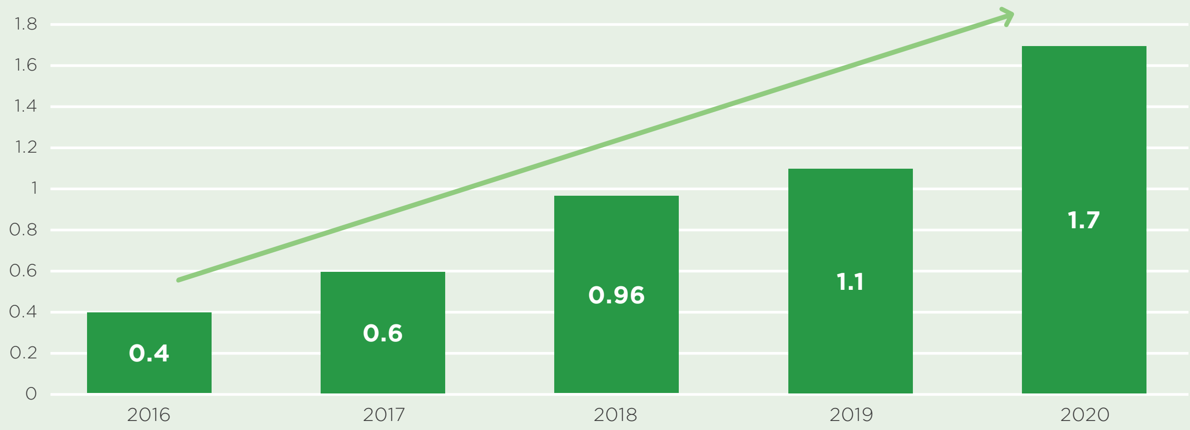


TPI notes : the company has set targets to reduce its absolute emissions. To calculate this company's targeted emissions intensity, TPI has assumed that: the company's regional electricity generation grows according to the regional electricity generation growth rate projected in the IEA's Energy Technology Perspectives model Reference Technology scenario.

Sources: TPI

(19) *The Transition Pathway Initiative (TPI) is a free-to-use tool based on publicly available data that assesses companies' preparedness for the transition to a low-carbon economy, supporting efforts to address climate change. The assessment covers the standard of companies' management of their greenhouse gas emissions and of the risks and opportunities arising from the transition to a low-carbon economy, and how their expected future carbon performances compare with the national or international targets and pledges made in connection with the Paris Agreement. https://www.transitionpathwayinitiative.org/tpi/companies/engie#carbon-performance*

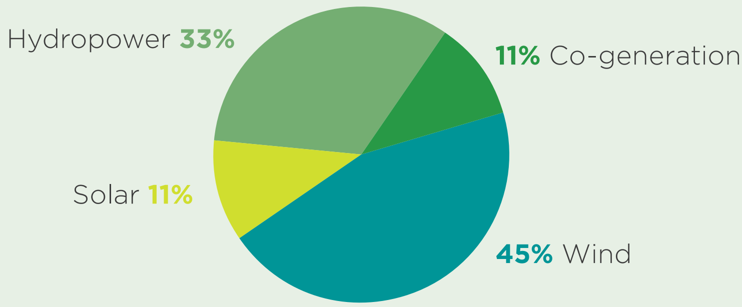
CAA's strategy in the development of renewable energies (€ bn)



In 2020, Crédit Agricole Assurances continued to push ahead with its investments in the energy transition[20] (wind, solar, cogeneration, hydropower) in France and the rest of Europe, which totalled close to €1.7 billion.

The installed capacity funded by our capital investments doubled between 2019 and 2020 to reach 5.2 GW[21], which is equivalent to that of four nuclear power plants. These investments helped to avoid more than 1 million tonnes of CO^2 emissions.

Green energy mix in 2020



Our loans funded renewable energy generating installations with combined capacity of close to 3 GW.

Crédit Agricole Assurances is one of France's leading investors in renewable energies and by year-end 2020 had helped fund more than 10% of the total installed capacity in France.

Other development drivers

(20) Appendix 7 contains a list of the types of investments regarded as supportive of the energy transition.
Appendix 8 presents the national and international targets for reducing greenhouse gas emissions.

(21) Nuclear power plants in France have an average generating capacity of 1.3 GW
https://www.edf.fr/groupe-edf/espaces-dedies/l-energie-de-a-a-z/tout-sur-l-energie/produire-de-l-electricite/le-nucleaire-en-chiffres

Investments advancing a low-carbon economy

An investor committed to sustainable real estate

Real estate (including real estate companies) account for a large proportion of Crédit Agricole Assurances' investments (€23 billion, or 7.5% of the total portfolio), and it makes sure that this asset class abides by the highest energy performance standards in the market. ESG criteria are embedded in its investment decisions.

Products with high standards of services and energy performance

The ESG criteria applicable to real estate require the award of HQE, BREEAM or LEED certification, as these standards are based on specifications taking into account the use of materials and technologies with a modest impact on the environment, waste management, water management, nuisance reduction, and energy and thermal performance.

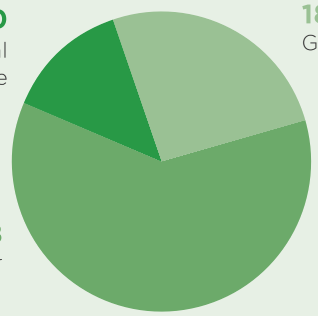
Out of the total of over 3.6 million sq. m. in space accounted for by Crédit Agricole Assurances' real estate portfolio, which is mainly located in France, close to 1.4 million sq. m. is certified[22]. That means that close to **40% of the portfolio's surface area is certified.** A HQE, BREEAM or LEED building certification policy is applied to the policy.

HQE, BREEAM or LEED environmental certification can cover various different stages of a real estate development: reconstruction, construction or operation. An owner can seek different types of certification as part of the same development.

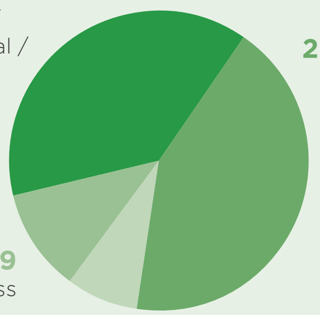
There are several certification levels (e.g., pass, good, very good, excellent, outstanding) for assessing buildings' performance (energy, environment, health and comfort), with higher demands for higher certification levels.

Our real estate portfolio is analysed by type of certification level in the following charts:

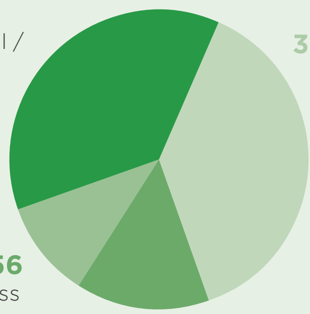
70,113m² in space certified in connection with reconstruction projects in 2020



672,597m² in space certified in connection with construction projects in 2020



930,355m² in space certified in connection with properties in use in 2020



(22) Unlisted real estate

The Crédit Agricole Assurances group continues to raise the proportion of its unlisted portfolio of office assets that has achieved environmental certification[23]. In practice, it is easier to upgrade a building to meet standards when vacant (changeover between tenants) and when tenants are few and far between. In the future, all new building construction or renovation programmes will aim to achieve environmental certification.

For existing properties, the decree of 23 July 2019 on mandatory measures reducing the consumption of end user energy in tertiary buildings sets ambitious targets for cutting energy consumption by 2030, 2040 and 2050. These targets are taken into account when assets are restructured.

With close to €7 billion in certified real estate assets in its portfolio at year-end 2020, Crédit Agricole Assurances plans to continue investing while accommodating environmental and social criteria, such as energy performance, the social benefit provided by assets and their contribution to improving life in regional metropolitan areas.

France's "Ambition Climat" funds

A group of institutional investors that includes CA Assurances and is coordinated by Caisse des Dépôts (CDC) launched a competitive tender in late 2019 to select three asset management companies to support their goal of taking climate action by developing innovative solutions aligned with the Paris Agreement targets.

The outcome of this process was the selection of three vehicles:

- two funds investing in listed companies (€230 million for both funds managed by Amundi and Sycomore AM)
- one fund investing in European investment-grade bonds (€125 million managed by HSBC GAM).

Under this initiative, a total of €600 million will be invested (o/w €60 million to be provided by CAA) in financing businesses targeting reductions in the climate impact of their activities.

Fostering environmentally-friendly modes of transport

Crédit Agricole Assurances has invested in a business that leases out its portfolio of more than hundred electric locomotives. The state-of-the-art locomotives are among most versatile currently available and can operate across the European Union. They provide a cost-effective and environmentally friendly means of transporting goods and are leased out principally in continental Europe, including Austria, Germany and Switzerland.

By investing in the business, Crédit Agricole Assurances is supporting the development of low-carbon-emission modes of transport and advancing the energy transition and shift to a low-carbon economy.

Biodiversity

Biodiversity remains a critical issue given the pandemic and the priority placed on climate-related action and the energy transition.

In the evaluation of our investment assets on environmental, social and governance criteria, biodiversity is taken into account in the environmental category.

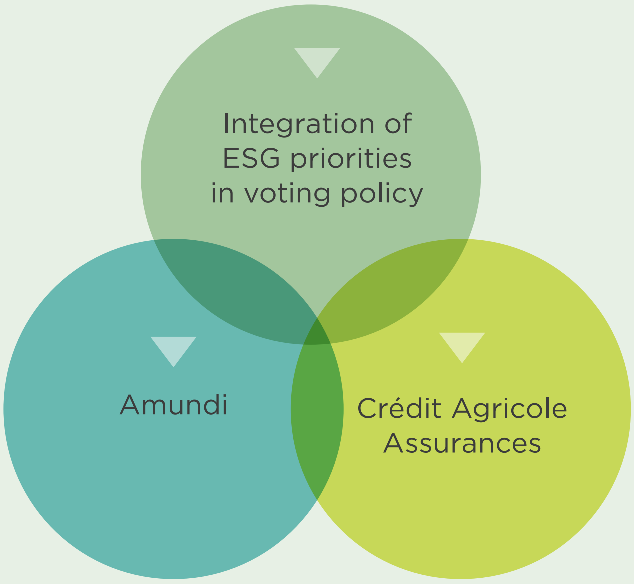
Each issuer is analysed in terms of how they measure and address their impact – both negative and positive – on biodiversity.

A large proportion of our real estate investments possess environmental certifications (HQE, BREEAM and LEED) that cover energy, environmental and biodiversity issues and/or the Biodivercity quality label that can promote urban biodiversity by creating ecosystems supportive of plant and animal species.

(23) Rather than via real estate companies that have their own accreditation policy.

2020 VOTING AND ENGAGEMENT POLICY: SPECIAL EMPHASIS ON CORPORATE GOVERNANCE

A distinction needs to be drawn between two levels: Amundi's actions[24] on behalf of Crédit Agricole Assurances and actions specific to Crédit Agricole Assurances.



Amundi manages a large proportion of Crédit Agricole Assurances' assets and thus handles engagement activities and voting on its behalf for these assets. Amundi's voting and engagement policy is shared in advance with Crédit Agricole Assurances' Investment department. The key elements of Amundi's voting policy are summarised below:

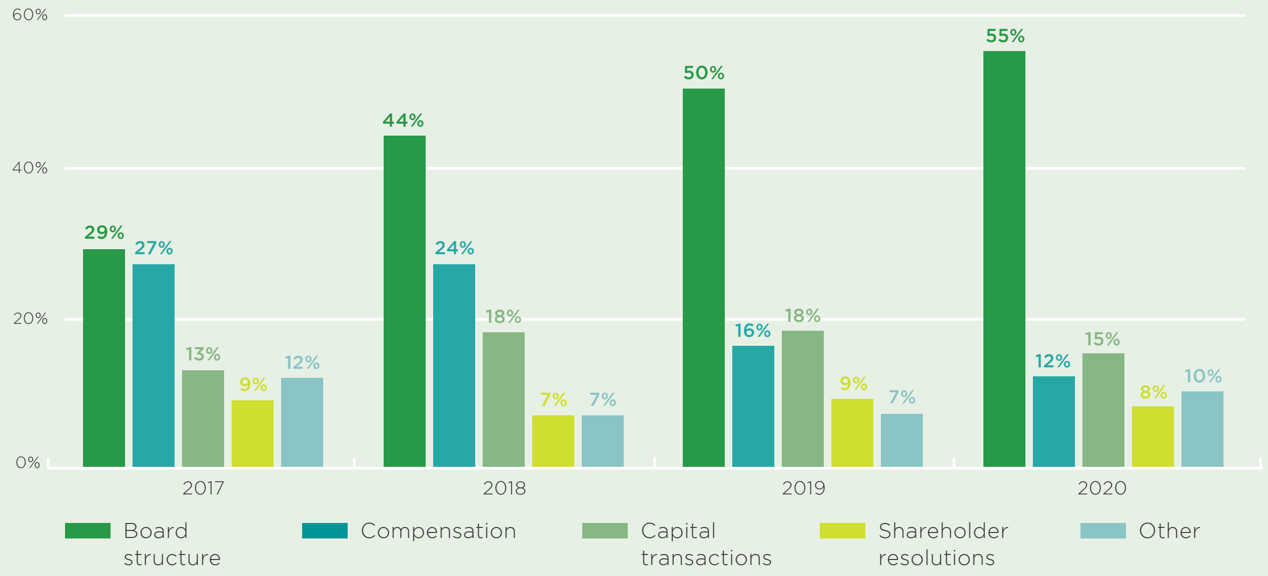
Amundi

- Contribution to energy transition
- Contribution to social cohesion (fairness ratio, employee directors)
- Compensation policy
- Transparency
- Regular dialogue

For the Crédit Agricole Assurances portfolios it manages, Amundi voted at 2,276 AGMs on a total of 27,257 resolutions in 2020. At **70%** of these AGMs, Amundi voted at least once against management's proposals (vs. 53% in 2019). It voted against **19%** of resolutions (vs. 10% in 2019). Its opposition rate is relatively "low" because issuers have the option of defending their position, especially during the dialogue stage (transparent approach concerning the intention to vote against a resolution).

(24) See Amundi's engagement and voting policies on www.amundi.com.

Areas in which proposals were opposed on CAA's behalf



Source: Amundi

As an investor Crédit Agricole Assurances aims to foster long-term partnerships by playing an active role in the decision-making bodies of the companies in which it invests. When casting its votes directly, Crédit Agricole Assurances adopts the same voting criteria as Amundi.

CAA's investments relevant to Amundi's engagement themes in 2020

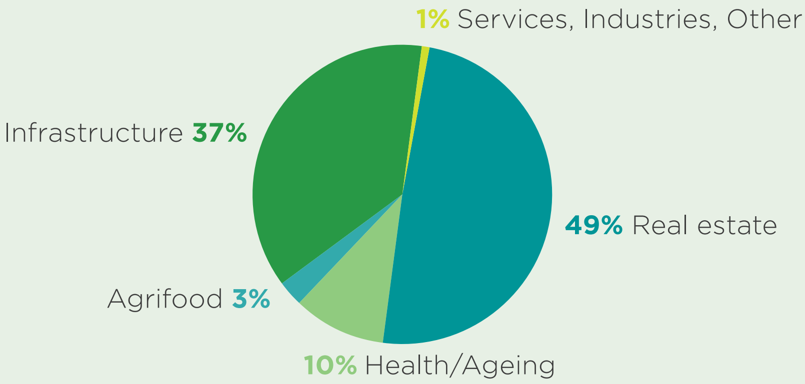
- Energy transition and climate change
- Protection of natural capital and biodiversity
- Human rights, protection of (direct, indirect) employees
- Product, customer and social responsibilities
- Governance practices for sustainable development

For investment targets over which Crédit Agricole Assurances exercises significant control over the share capital and appoints one or more directors, its engagement initiatives vis-à-vis management are carried out in targeted areas, with a focus on effectiveness. It attempts to promote the best governance practices within these decision-making bodies.

Crédit Agricole Assurances engages with and votes directly for its strategic investments managed by the Investment department. It may directly establish a dialogue with issuers and thus exercise its voting rights as a shareholder. By bringing its influence to bear, Crédit Agricole Assurances may obtain more detailed information about the practices of the businesses in which it invests, the main drivers of their financial performance, their responsibility to society and their action plans, so that it can help them to improve their ESG integration practices.

The main areas covered by the governance pillar concern relations with shareholders, the effectiveness of the governance bodies, and the CSR and business conduct policy. We pay particular attention to adherence to the AFEP-MEDEF recommendations, especially the appointment of independent directors to the compensation and the audit committees and an appropriate gender balance in the composition of the governance bodies.

Sectors in which CAA votes directly



METRICS

Crédit Agricole Assurances wants to contribute to combating climate change and its damaging environmental, economic and human consequences over the medium to long term. CAA's responsible investor policy is predicated on measurement indicators that can assess the status of portfolios and how they are developing.

Crédit Agricole Assurances' actions are guided by the following targets:

1 Contributing to the international target for reducing greenhouse gas emissions
2 Measuring the negative and positive effects of climate change on the value of assets and take relevant measures to protect returns on investments for policyholders.

In addition, several approaches are employed to measure factors including the carbon footprint, a metric for which the estimation methodologies are constantly tweaked.

ASSESSING THE ENERGY MIX OF CA ASSURANCES' INVESTMENT PORTFOLIO VIA DIFFERENT SCENARIOS

The Crédit Agricole Group has set up a **consolidated non-financial data platform.** Through its contributions to this database, Crédit Agricole Assurances can assess the energy mix of its portfolios[25]. This energy mix metric for the portfolio is used to monitor our exposure at market value to the energy sector and to break financing down into renewable energies, fossil fuel energy and nuclear energy.

This type of data can be analysed using energy-climate scenarios, which are employed in academic explorations, to assess its climate change mitigation policy and underpin a consistent strategy.

We have carried out a **comparative analysis of Crédit Agricole Assurances' 2020 energy mix** against the 2019 global energy mix[26] and those recommended by Greenpeace[27] (2030 and 2045 scenarios), the Intergovernmental Panel on Climate Change (IPCC[28]) and the International Energy Agency (IEA[29]) .

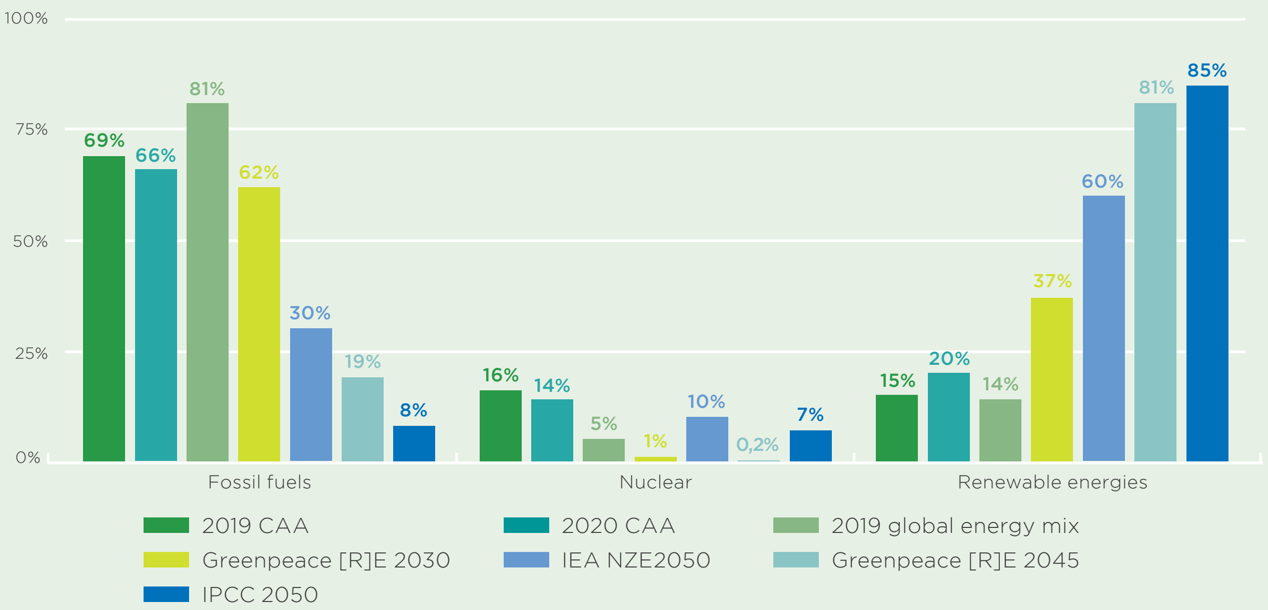
(25) Directly managed listed investments, listed investments managed under a securities agreement and directly managed unlisted investments.
(26) Global total primary energy demand by fuel, 2019 on https://www.iea.org/reports/world-energy-outlook-2020
(27) Greenpeace is a non-governmental environmental and biodiversity protection organisation with offices in over 55 countries around the world.
(28) The IPCC, established in 1988 at the G7's request, is an organisation representing its member countries that aims to provide scientific, technical and socio-economic information concerning the risk of human-induced climate change.
(29) The International Energy Agency (IEA) is an intergovernmental organisation established by the OECD in the wake of the first oil crisis, initially to safeguard the energy security of OECD member countries, including their oil supply. Its remit has now expanded since it informs and advises governments on energy issues, as well as providing a wealth of data and analysis.

Greenpeace's energy [r]evolution[30] scenarios put forward a roadmap for a transition to 100% renewable energy sources, through the progressive elimination of nuclear energy and fossil fuels by 2050. Only certain sectors will still make use of fossil fuels (chiefly oil), including petrochemicals and steel production.

The IPCC published a special report in 2018 illustrating the consequences should global warming exceed 1.5°C and devising scenarios to make this trajectory a reality. These 1.5°C scenarios[31] are recommended by Reclaim Finance[32] especially in terms of adequately seizing the potential for the development of renewable energies and rapidly exiting investments in fossil fuel energies.

The IEA has published a scenario mapping out a pathway to achieving net zero carbon emissions by 2050, the "Net Zero Emission 2050" (NZE2050[33]) with projections to 2030 for achieving this trajectory, which requires the development of renewable energies on a massive scale.

Energy mix comparison

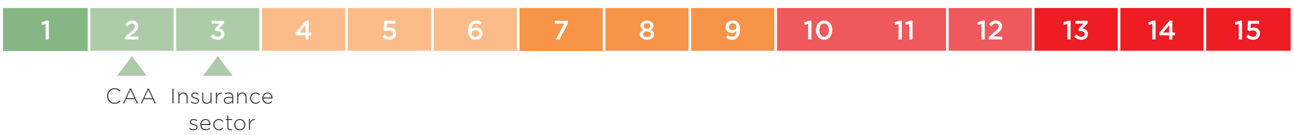


The energy mix approach helps to show that fossil fuel energies declined as a proportion of CAA's portfolios between 2019 and 2020 and were also well below the level of the global energy mix measured in 2019. The proportion of CAA's energy mix accounted for by renewable energies rose between 2019 and 2020.

By pressing ahead with its strategy of investing in renewable energy generation infrastructure and improving management tools, further progress will be achieved towards what are regarded as sustainable scenarios, especially the IEA's.

PHYSICAL RISK SCORING

In addition, the Crédit Agricole Assurances group uses the methodology adopted by one of the Crédit Agricole Group's entities[34] to calculate internally an overall physical risk score. This method applies both product-based and geographical criteria. The approach is still at the experimental stage, however. It produces an average physical risk score of 2.35 for Crédit Agricole Assurances' portfolio. That is a relatively low level and lies within the average range for the insurance sector in France.



(30) Since 2005, Greenpeace has been conducting research and publishing its energy [r]evolution scenarios: https://www.greenpeace.org/static/planet4-canada-stateless/2018/06/RAPPORT-REVOLUTION-ENERGETIQUE-FR.pdf

(31) https://www.ipcc.ch/site/assets/uploads/sites/2/2019/09/SR15_Summary_Volume_french.pdf

(32) NGO that monitors the finance sector's climate strategy; https://reclaimfinance.org/site/wp-content/uploads/2020/10/Pieges_Scenario_Climat_ReclaimFinance.pdf

(33) Change in energy demand by scenario, 2019-2030; https://www.iea.org/reports/world-energy-outlook-2020/achieving-net-zero-emissions-by-2050

(34) The top-down approach developed by CA CIB, combining product-based and geographical analysis rates physical risk on a scale from 1 to 15.

EVALUATING THE MATERIALITY OF TRANSITION RISKS USING SCENARIO (CA CIB'S TOP-DOWN APPROACH)

This is a macroeconomic approach predicated on P9XCA methodology. It can be used to assess the sensitivity to climate risks (via carbon prices) of the value-added of the issuers we hold in our portfolio and thus potentially on the value of our investments.

Four climate scenarios have been drawn up to reflect the extent of the measures taken in a country:

- Business as usual: +5°C
- Progressive Transition: +3°C
- Medium-term change in direction: 2 to 3°C trajectory
- Fast-track transition: 2°C scenario

The carbon price trajectory has to be determined in advance and over the long term to guide investments. A carbon price is associated with each of these scenarios and fluctuates between €10 per tonne and €1300 per tonne out to 2030.

The initial results of these tests of the sensitivity of carbon prices by macro sector and country are approximate and are currently being analysed.

At a carbon price of €10 per tonne, the weighted impact is not significant for business profitability based on the portfolio investments and 1% of the value-added of the businesses for investments excluding services and other (including public authorities);

At a carbon price of €1150 per tonne, the weighted impact is 3% of the value-added of the businesses based on portfolio investments and 11% excluding services and other (including public authorities);

These calculations pinpoint geographical regions and the main sectors of activity (energy, transport and industry) sensitive to transition issues and thus having a potentially negative impact on businesses' financial performance.

Carbon emission allowance prices have almost doubled since the beginning of 2021 (from €25 to €40 per tonne)[35] most likely as a result of the effects of the European Green Deal that aims to make Europe carbon-neutral and to step up the pressure on the largest greenhouse gas emitters.

ALIGNMENT WITH THE PARIS AGREEMENT - TEMPERATURE

Our main asset management company has calculated a portfolio temperature based on a methodology currently being enhanced to make it more reliable on the credit and equities (around €105 billion) managed under agreements scope. The aggregate temperature (weighted average of issuers in the portfolio) is **2.8°C.** However, this implies the composition of this part of the portfolio is not compatible with the COP 21 targets, unless practices change.

PORTFOLIO INVESTMENTS ELIGIBLE FOR THE GREEN TAXONOMY

In March 2018, the European Commission adopted a sustainable finance action plan on which the Taxonomy Regulation is based. The European Taxonomy Regulation lays down six environmental targets[36] and requires investors to measure the proportion of their investments that are aligned with the European Taxonomy, taking into account the proportion of financial income generated from businesses with activities considered as environmentally sustainable and thus aligned with the Taxonomy. To be aligned with the Taxonomy, these economic activities[37] must make a significant contribution to one of these six environment objectives without harming another target, apply minimum social safeguards and meet specific technical inspection criteria.

To pave the way for alignment with the European Union's Taxonomy, Crédit Agricole Assurances has set about stating how and to what extent its financial products originate from aligned businesses. The approach used to assess alignment is outlined in appendix 9.

At present, eligibility (business identified by the list of economic activities and related screening criteria) is based on issuers' own declarations.

Crédit Agricole Assurances is in the process of conducting tests on a sample population from within its listed equity portfolio. With 43% of stocks eligible for the taxonomy out of a total universe of 550, the portfolio lies within the average range for the insurance sector, with close to **3% of assets under management in the eligible portfolio.**

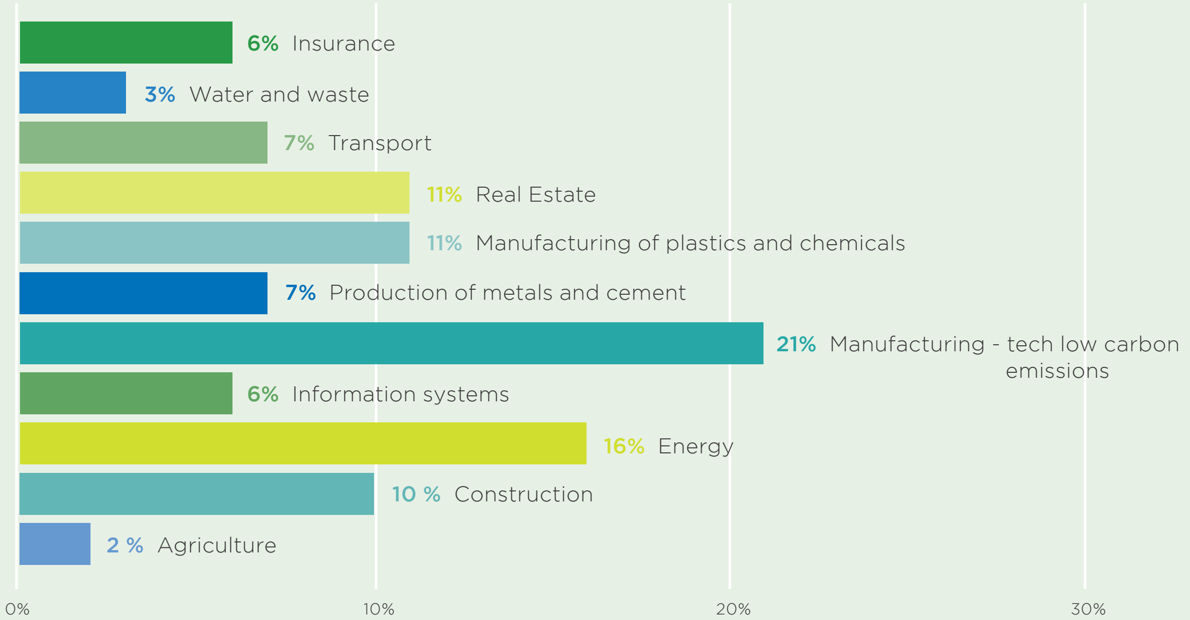
These figures will fluctuate as the regulations evolve and analysis is taken to the next level. Note that starting from 2022 the Taxonomy Regulation will require insurers to publish the proportion of their investments aligned with the first two environmental targets (climate change adaptation and mitigation).

(35) https://www.lesechos.fr/finance-marches/marches-financiers/le-marche-europeen-du-carbone-en-surchauffe-1295033

(36) The six environmental targets are climate change mitigation, climate change adaptation, sustainability and the protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

(37) The Taxonomy lists economic activities and technical screening criteria measuring the contribution of these activities to the six environmental targets. It includes 7 macro sectors and 72 sub-activities based on the NACE code, a product-based classification system.

Sector breakdown of activities eligible for the portfolio taxonomy



MEASURING AND CONTROLLING THE CARBON FOOTPRINTS OF CRÉDIT AGRICOLE ASSURANCES' PORTFOLIOS

The carbon footprint measures the greenhouse gas emissions from the activities of businesses, of which securities are held in the portfolio. The level of correlation between the size of the carbon footprint and the scope for reducing it is still not very high. Issuers' decarbonisation strategies, such as renewable energies helping to lower their level of emissions, are thus crucial factors influencing the choice of issuers and projects. The carbon footprint, a metric for monitoring the performance of the climate policy, will be helpful in checking up retrospectively on the commitments made by issuers.

Two methodologies are used to capture this complex indicator based on two different approaches. One of these includes certain scope 3 emissions. At least one of these methodologies was applied to all capital and euro funds.

CA CIB's top-down approach

The P9XCA methodology was developed at CA CIB's request by the Chair in Sustainable Development at Paris Dauphine University. It aims to map out emissions from economic sectors and relate them to the (equity and debt) financing provided to these sectors.

All global greenhouse gas emissions are allocated to the providers of financing to the economy in proportion to their share of the (debt and equity) financing. To obtain magnitudes that can be consolidated, only lending volumes and corporate securities appearing on financial institutions' balance sheet are taken into account. Cash flows between banks and market transactions that do not represent sources of financing (such as swaps, hedging products) are not included.

The methodology reflects only financing provided to the economy that actually gives off greenhouse gas emissions. It allocates all greenhouse gas emissions to production activities (economic sectors), i.e. businesses and, to a marginal extent, to governments, with their financing being split out accordingly.

Asset classes incorporated in the calculations

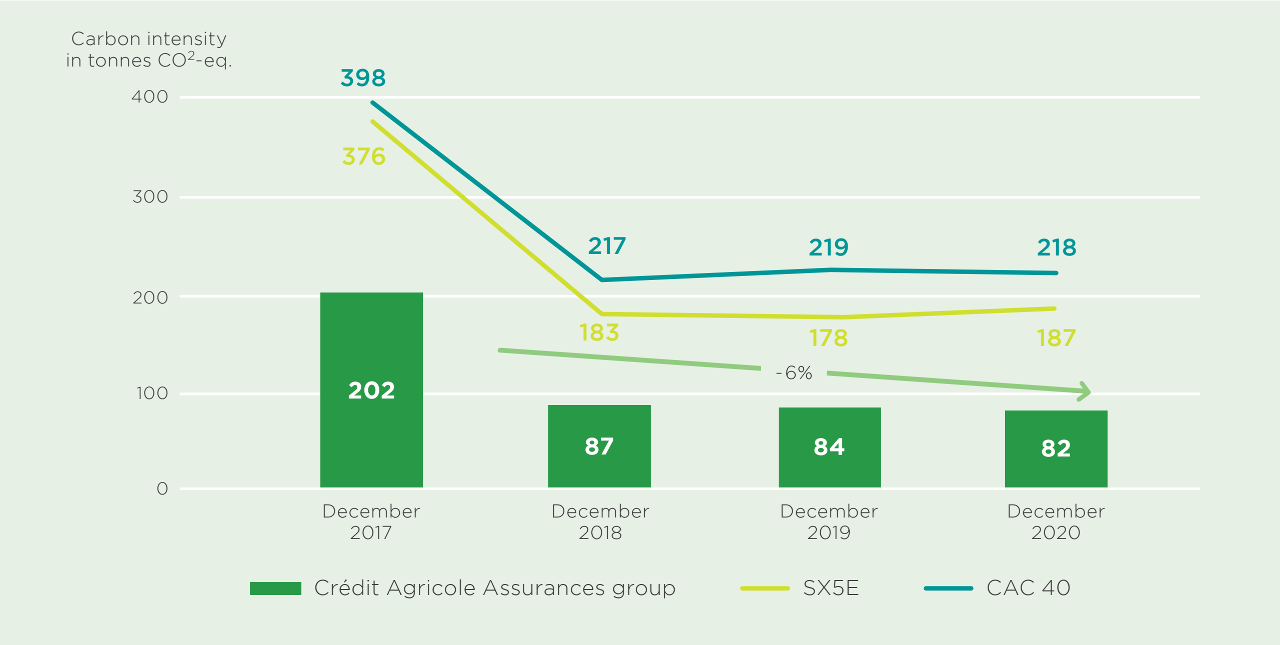
The calculations were made **across the consolidated portfolio and transparently,** both for corporate issuers and for government and similar issuers.

The requisite data is taken from the UNFCCC (United Nations Framework Convention on Climate Change) and reflects total global emissions **(scopes 1, 2 and 3 combined)** concerning greenhouse gas emissions, value-added, ratio (debt/equities) and emission factors by sector and by country.

Carbon intensity estimate

The methodology is intended to map out the priorities on a consolidated basis rather than to compare a portfolio to a benchmark index. Given its €318 billion in assets under management[38], CAA's carbon intensity works out at 82 tonnes CO^2-eq. per million euros and is more than 62% below the carbon intensity of the CAC 40 index and over 55% below that of the Eurostoxx 50.

(38) Transparent vision of the funding



An overhaul of the emission factors and methodological adjustments[39] in 2018 led to a sharp reduction in Crédit Agricole Assurances' average carbon intensity.

This methodology can provide an order of magnitude of the emissions financed, which are the greenhouse gas emissions implied by holding a financial asset. Funding/investment is what makes the sector of activity receiving the funds – and thus its emissions – possible.

However, this methodology is not a tool used for managing investment decisions and cannot be used to set targets for emission reductions because it does not capture the impact of investment decisions within a single sector on greenhouse gas emissions.

In this particular case, the energy sector does not draw a distinction between carbon-intensive activities and low-carbon-intensity activities (it merely conflates renewable energies and non-renewable energies). As a result, energy sector exposure reflects only the energy mix of each country or each geographical region considered.

Given the reasons cited above, this top-down methodological approach is combined with Amundi's bottom-up method. That helps to address the issue of how to compare environmental impact, despite the difference in scope between the two viewpoints.

Amundi's bottom-up approach

The calculations performed by Amundi focus on calculating greenhouse gas emission at issuer level and use the carbon footprint data provided by Trucost[40]. **Scopes 1, 2 and 3 (key suppliers) were used.** Calculations at issuer level provide ways to take action at the same level through exclusions, over- or underweighting issuers and shareholder engagement. Appendix 6 describes all the assumptions and formulas used to calculate the carbon footprint of corporates:

Footprint calculations

Double-counting is an issue with the bottom-up method adopted here. Even if a high proportion of Crédit Agricole Assurances' assets already had a carbon footprint, the final figure in millions of tonnes of CO^2-eq. emitted by its portfolios would thus be multiple times the actual situation.

If one insurer were to collect more than another insurer (and thus its assets under management were to increase by more), its absolute carbon footprint would rise by a straightforward volume effect, all other factors remaining equal. But the key point is the CO^2 efficiency per unit invested from a global perspective (all other factors remaining equal).

This metric has pros and cons: the footprint depends on the value of the financial assets that is used as the denominator. As a result, any reduction in the market value of the bonds and equities automatically drives an increase in the carbon footprints calculated, despite the fact that efforts may have been made to reduce the CO^2 emissions (reflected in the numerator).

(39) See section "Improving our climate results" of CA CIB's 2018 registration document.
(40) For details of the TRUCOST methodology, please refer to: http://www.trucost.com/methodology

Adjust for the effects of sector allocation decisions

Sector of activity is the most reliable factor for predicting the volume of greenhouse gas emissions. The sector allocation may vary significantly from one year to the next for tactical investment reasons. Since Crédit Agricole Assurances' intention was to eliminate short-term effects and capture long-term trends instead, it decided to measure the carbon footprint by sector (Level 1 GICS sector[41]) and made sure that there actually is a downtrend in this footprint per sector. Crédit Agricole Assurances does not want to penalise one sector more than any other over the long term (aside from the coal and tobacco sectors) and believes that every sector serves a purpose within the economy.

Asset classes incorporated in the calculations

For 2020, the carbon footprint was calculated based on the following scope:

Corporates

- The portfolio of listed equities and corporate fixed-income securities (bonds, loans and private placements). The calculation base used as a starting point is **€125 billion** (for 866 issuers), or in total over 40% of €303 billion.

Governments

- **€75 billion (25% of €303 billion)**

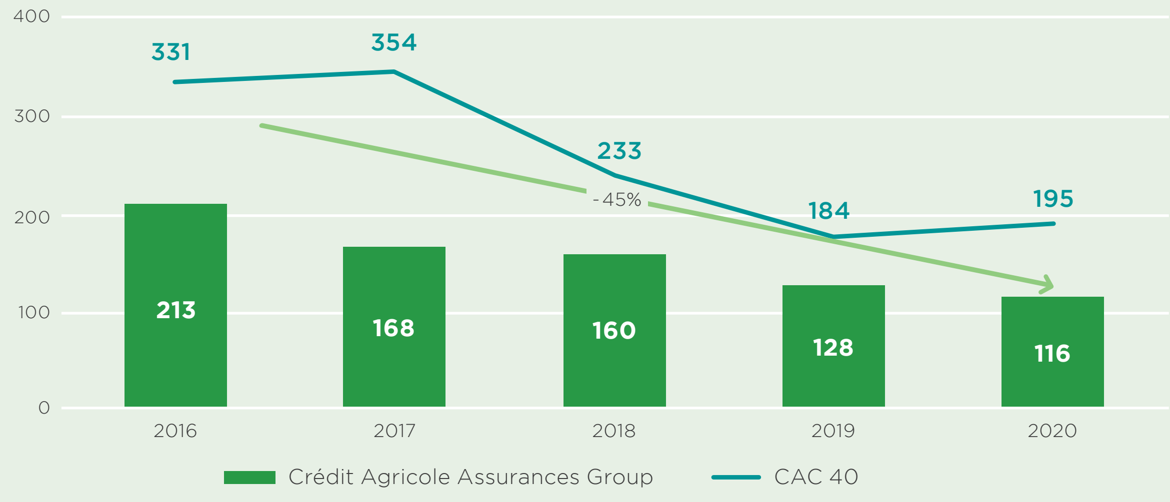
The carbon footprint could not be calculated for the following assets (value approaching €40 billion): listed and unlisted real estate, unlisted infrastructure and private equity, money-market investments, derivative products, structured products, and alternative investments.

Estimated carbon footprint for corporates held in the portfolio (scopes 1, 2 and 3 (upstream))

For 2020, the greenhouse gas emissions estimate for these corporates averaged 116 tonnes CO^{2}-equivalent per million tonnes invested, or a reduction of over **9% between 2019 and 2020.** The equivalent figure for the CAC 40 stands at 195 tonnes CO^{2}-equivalent per million tonnes invested, a figure that was higher than in the previous year.

The improvement in corporates' carbon footprint was overwhelmingly attributable to the selection of our investments in the sectors that are the largest contributors, such as energy, and issuers' efforts to meet their emission reduction targets.

Carbon emissions in tonnes CO^{2}-equivalent per million tonnes invested (scopes 1, 2 and 3)



Source: Amundi

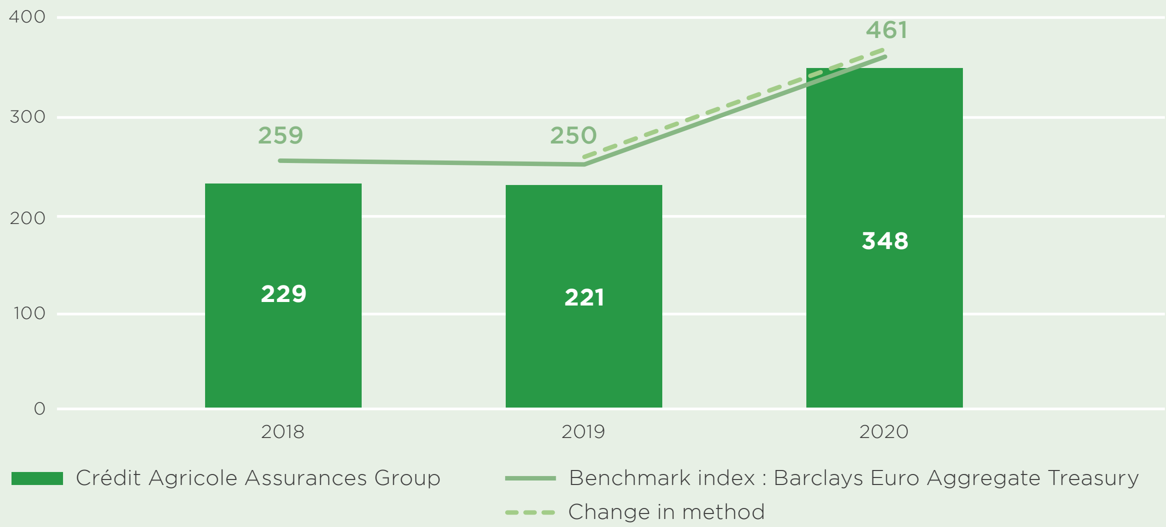
The top ten greenhouse gas emitters (3% of the total portfolio) account for over 45% of emissions financed by the portfolio, or 54 tonnes CO^{2}-equivalent per million tonnes invested (down 4 tonnes CO^{2}-equivalent compared with 2019). Carbon emissions are concentrated chiefly in France and in a limited number of sectors – utilities and energy. Aside from the fact that these sectors are essential for the economy, it's worth pointing out that certain stocks are contributing to the energy and environmental transition. Corporates also have the greatest leverage for bringing down greenhouse gas emissions.

(41) It provides a breakdown by major economic sector of activity used by the MSCI equity index provider.

Estimated carbon footprint for sovereign and similar issuers

Since 2018, Crédit Agricole Assurances has taken advantage of Amundi's measurement of governments' carbon footprint (weighting of CO^2 emissions by GDP). For 2020, the carbon footprint calculation was adjusted and based on public debt (to make it more comparable to corporates' footprint), leading to an increase in the indicator.

Carbon emissions in tonnes CO^2-equivalent per million tonnes invested



In 2020, Crédit Agricole Assurances' carbon footprint linked to sovereign issuers was 348 tonnes CO^2-equivalent per million tonnes invested, with the majority of exposure related to the French sovereign issuer.

3 MANAGEMENT OF ESG-CLIMATE RISKS AND OPPORTUNITIES

RISK IDENTIFICATION

The Crédit Agricole Assurances is well aware of the significance of the impact of climate change on its operations given the current environmental upheaval and increasing regulatory burden. A risk management system has been set up as part of the overall corporate decision-making process to factor in climate and ESG risks. ESG analysis helps to identify risks and opportunities more effectively. In this particular case, it helps to guard against regulatory, financial, operational and reputational risks. This ESG analysis can take the form of alphanumeric ratings for which ownership thresholds can be applied.

The ESG policy guiding investment decisions is based on the following principles:

- Do not invest in issuers with unacceptable practices
- Do not in practices that, while not unacceptable, give rise to significant non-financial and financial risks: this is an ESG selection.

Before we add a corporate to the portfolio, ESG risks are reviewed concurrently with the financial analysis. That can help to predict risks of impairment and/or environmental impacts on our assets. The physical, economic and legal impact on assets held directly or indirectly in investment portfolios is assessed. Where an ESG-Climate risk appears to be too large, we do not make the investment. That may apply where we factor in extreme events associated with climate change.

A corporate issuer with securities we hold in the portfolio may become embroiled in controversy. Where this happens, we identify the source, accuracy of the information and the issuer's response. Where an inadequate response is provided in our view, we may divest our holding.

As regards climate change requiring initiatives to cut greenhouse gas emissions, climate risks have been identified:

- a higher cost of risk owing to the greater climate risks affecting customers, or on Property and Casualty insurance products in this particular instance
- the cost of the physical impact of climate catastrophes
- transition risks

To capture these physical and transition risks, measures may be applied, such as the development of insurance products related to climate factors, enabling policyholders to lower their risks, continue providing financing for the energy transition, and green technologies.

ANALYSIS OF SO-CALLED "PHYSICAL" RISKS

Physical risks are risks arising from losses caused directly by meteorological and climate-related phenomena. For the Crédit Agricole Assurances group, the main physical risks arise in the insurance business from its status as an insurer and in investment regions from its status as an investor.

To start with, in our capacity as an insurer, physical risks arise from the Property and Casualty insurance business. Within the Crédit Agricole Assurances group, Pacifica, our main Property and Casualty insurance company, is exposed, through its status as an insurer to physical risks linked to climate conditions[42]. These risks may arise from buildings, vehicles or harvests. As things stand, the Crédit Agricole Assurances group has a firm grasp of physical risk in its Property and Casualty insurance business.

(42) *E.g. windstorms, hailstorms, cyclones, floods, droughts.*

To manage these risks and contain exposure to physical risk, a framework monitoring and controlling **physical risks** has been put in place with:

Identification and assessment of the physical risks

The quantification of these risks is predicated on general climate event scenario modelling using both the **standard formula** of the **Solvency II standard,** which represents a 200-year return period (parameters set by EIOPA) and **internal modelling** based on market models, to provide a risk distribution curve as a function of **return periods.**

Of the calculated metrics, we look at the **"as if"** cost of **past climate events** on **exposures** arising from the portfolio of **contracts in force.**

Introduction of a physical risk management framework

- Curbing the impact of extreme climate events through a reinsurance programme geared to the appetite for governance risks.
- Adjusting the pricing model. Changes in the physical risk are priced in over time according to **sector of activity** and **geographical region.**
- Adjusting the physical risk modelling. The internal modelling of physical risk (uncertainty module, vulnerability module, financial loss module) is used to assess the probable loss. Changes in the physical risk are factored into the model.

Tracking and controlling of exposure to climate events

Monitoring exposure to climate events while drawing a distinction between: **the annual trend in insured sums** by type of insurance policy and by geographical region, the **simulated risk** associated with these insured amounts, and the **diversification** of these risks

Secondly, as an investor, the principal risk is geographical, according to the location of investments. Geographical regions may give rise to exposure to meteorological events, the occurrence, recurrence and severity of which could increase as a function of climate change.

PUBLIC ISSUERS

Crédit Agricole Assurances is chiefly exposed to sovereign and similar issues in developed markets (see Public and similar issuers) where the physical risk of climate change is less likely to have a material impact on sovereign debt.

CORPORATE ISSUERS

The Crédit Agricole Assurances group's investments are chiefly concentrated in Europe and especially in France. These regions have little exposure to natural catastrophes and are thus deemed as the least vulnerable to climate change from a global perspective. Analysis of so-called "physical" risks covers part of our asset portfolio: real estate (retail and office space) and energy infrastructure, predominantly located in France.

REAL ESTATE

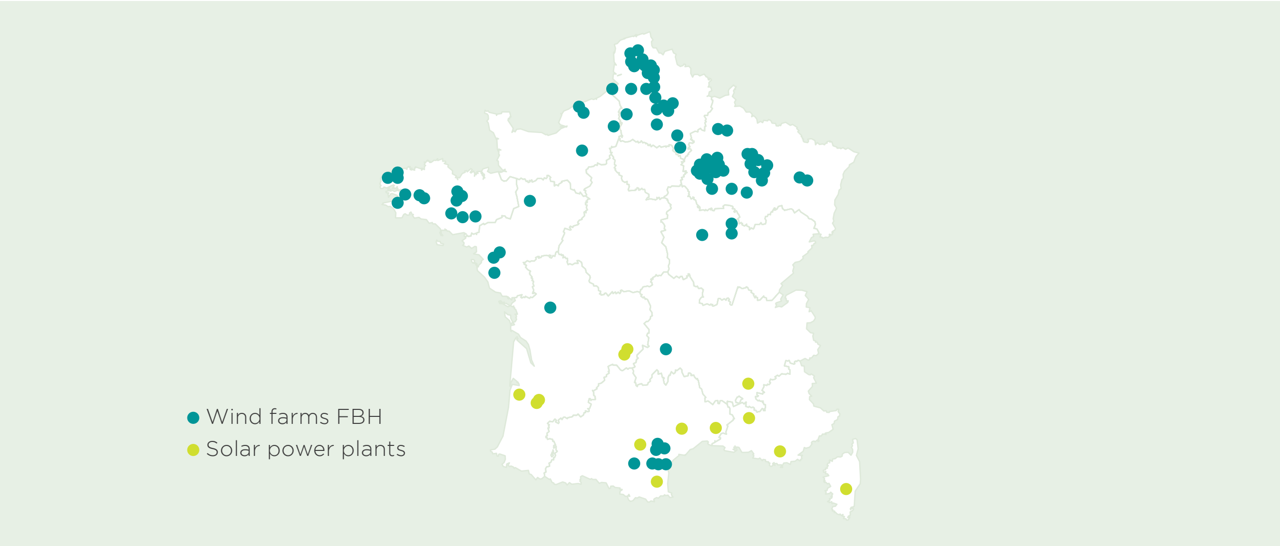
Three types of natural risks have been identified concerning our real estate portfolio of office space, much of which is directly held and mainly located in Paris (96%): flooding risk, risks related to "former quarries" and "pre-Ludian gypsum". What's more, Paris is located in zone 1 (very low risk in the zoning regulations) in terms of seismic risk.

As regards our real estate holdings in Lyon (4%), the risk prevention plan has identified natural risk factors such as flooding of the Rhône and Saône rivers, the risk related to clay soil (low) and technological risk. Lyon is located in zone 2, which means the seismic activity risk is low.

INFRASTRUCTURE

In our portfolio of infrastructure assets, most of our power plants, especially the wind energy facilities, have a service life averaging 40 years. The main risks for offshore wind arise from the marine environment and more rapid wear-and-tear because the environment is exposed to storms (violent winds, ground structure potentially causing a collapse, etc.). An analysis of the potential risks can help to avoid "high-risk" zones.

The following map shows the wind/solar energy locations of facilities under one of our partnerships, which provides a useful guide to the existing base and the likely positions of the pipeline, factoring in wind corridors and solar radiation.



A number of our wind farms are concentrated in the Hauts-de-France region, which includes the Pas-de-Calais and Somme departments. The departmental major risk filings keep us informed of the major risks to which we may be exposed, including both natural risks and technological risks related to human activities.

The natural risks identified in the region are earth movements, floods, coastal risk (erosion, cliff falls, sea damage) and storms (between November and February).

In this particular instance, earth movements may be caused by the presence of underground caves natural or unrelated to mining), faults and clay in the Pas-de-Calais department. Floods arising from overflowing watercourses, streams or a rising watertable are assessed and managed by implementing a flooding risk prevention plan.

The department's seismic risk is classified as being in level 1 (very low), in level 2 (low) and level 3 (moderate), but only for a very limited number of municipalities.

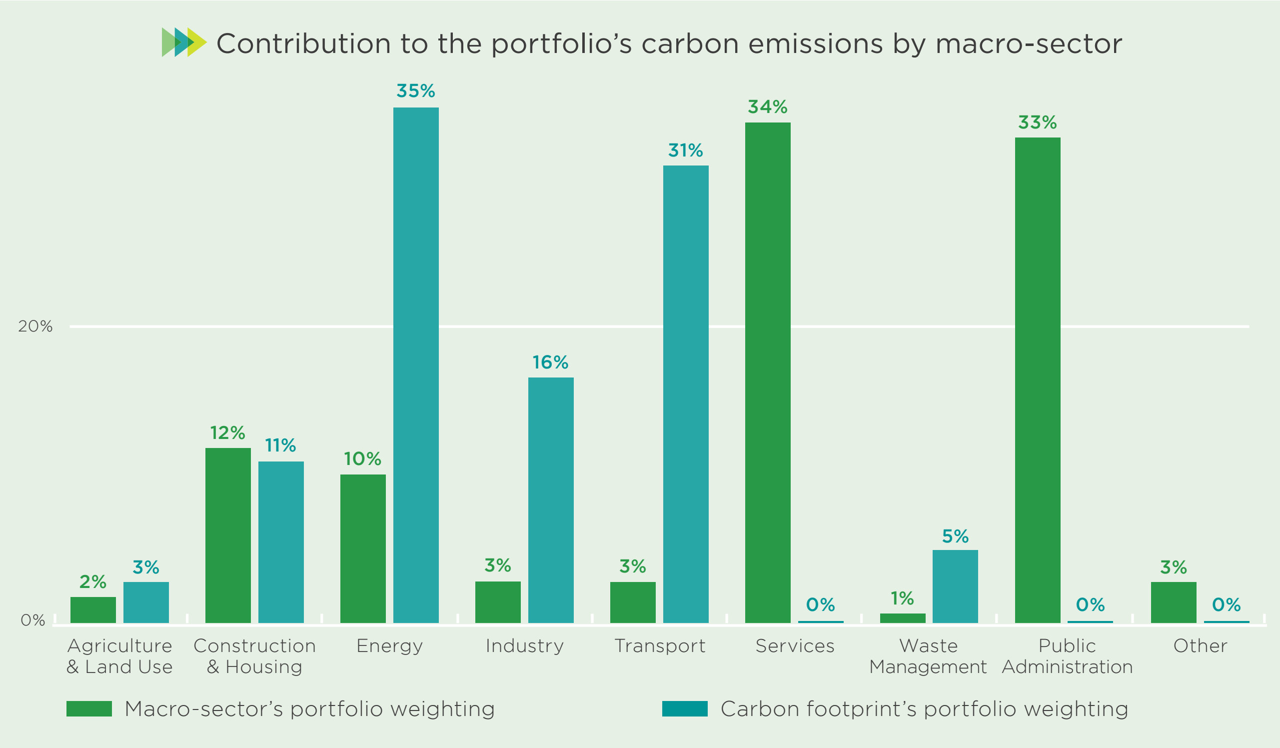
There are also mining risks (areas of former mining concessions identified, assessed and mapped) and technological risks arising in particular from the transportation of hazardous materials. It is both a business and a public security priority to diminish our vulnerability to these risks.

ANALYSIS OF TRANSITION RISKS

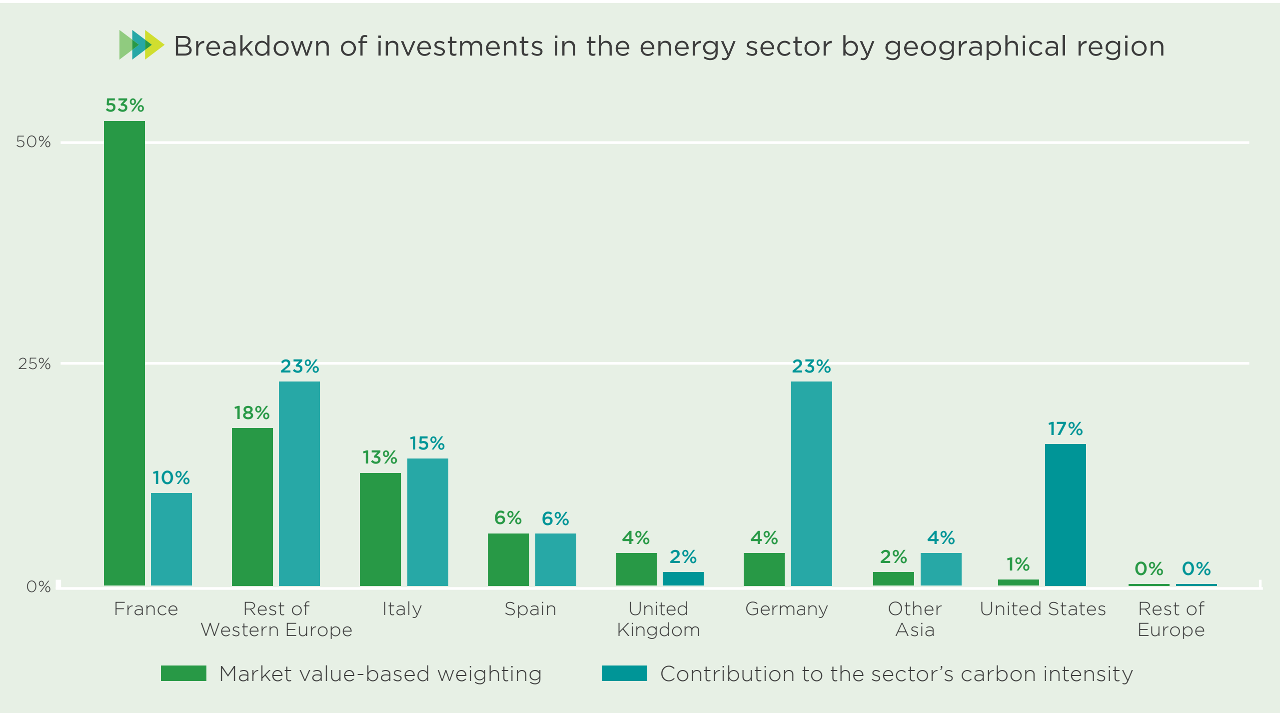
Transition risks are the risks arising from the effects of introducing a low-carbon business model. This reflects risks arising from unfavourable raw materials pricing trends in producing sectors and exporting countries, trends in energy markets, the introduction of more stringent or compliance with environmental standards, technological risks, and reputational risks linked to the financing of certain activities.

Transition risks can be identified using various different approaches: Crédit Agricole Assurances assesses the portfolio's degree of alignment with the 2°C trajectory, with the various energy transition scenarios and with carbon footprint measures (see section 2 Metrics).

We chiefly make our investments in Europe, and we identify below the macroeconomic sectors within our portfolios that emit the most greenhouse gases in absolute terms using CA CIB's top-down methodology (P9XCA).



The figures below reveal the considerable heterogeneity of the contributions made by the various sectors. In addition, the same disparity exists within an individual sector across different geographical regions, as shown by the following chart concerning the energy sector:



The aim is to be extremely selective in the choice of the issuers in which we invest. The application of the Crédit Agricole Group's product-based policies, including the coal policy, will lead to a focus on issuers embracing an energy transition to cut their greenhouse gas emissions.

For real estate assets, transition risks are identified during applications for quality labels and environmental certifications.

IDENTIFICATION OF OPPORTUNITIES

REAL ESTATE

Given that the real estate sector in Europe accounts for around 40% of total energy consumption and 25% of total greenhouse gas emissions, Crédit Agricole Assurances is counting on the **energy efficiency** of its investments. Crédit Agricole Assurances is targeting more potential tenants by concentrating on high-calibre assets designed to meet environmental standards.

As well as safeguarding lower energy consumption costs for future tenants, this energy-efficient approach has a positive impact on the environment.

In addition, some of our partners are assessed by the Global Real Estate Sustainability Benchmark (GRESB) so they can highlight their increasing focus on non-financial criteria.

INVESTMENTS IN RENEWABLE ENERGIES (CAPITAL AND/OR DEBT)

By rebalancing the energy mix, the development of these energy sources is helping to bring down wholesale electricity prices. For their development to continue, storage solutions will be required, which could trigger the next paradigm shift in the industry.

In addition, their reduced exposure to greenhouse gas emissions, which means reduced exposure to future increases in the cost of fossil fuels, is helping to cut sensitivity to fluctuations in carbon costs.

EVALUATING THE MATERIALITY OF PHYSICAL RISKS AND TRANSITION RISKS

In 2020, the **Crédit Agricole Assurances group** took part in a **pilot climate risk stress testing exercise** conducted by the **Autorité de Contrôle Prudentiel et de Résolution** (ACPR). The aim was to test institutions' resilience to climate risk over the period out to 2050.

The portfolios on which the simulations were conducted accounted for 87% of the **Crédit Agricole Assurances Group**'s **health and life** business and 85% of the **non-life** business.

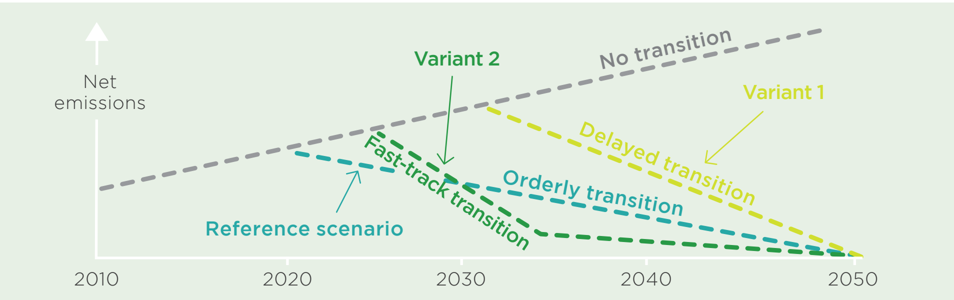
The forward-looking exercise over a 30-year horizon was based on combining **the physical risk scenario** with each **transition risk scenario:**

1 physical risk scenario

Based on work conducted by the Intergovernmental Panel on Climate Change (IPCC) and the RCP 8.5 scenario assuming the measures taken to curb climate change are ineffective and result in increased frequency/severity of natural catastrophes and environmental degradation that affects the health of a region's population (property damage and harmful effects on health and personal protection).

3 scenarios reflecting a transition to a low-carbon economy by 2050

Orderly, fast-track and delayed scenarios: Based on work performed by the Network for Greening the Financial System (NGFS), differentiated by the timetable and scale of the public measures taken to reach the targets set by the Paris Agreement, with chiefly financial impacts, via a reduction in the market value of certain sectors (oil, for example).



Source: ACPR

This exercise paved the way for the roll-out of tools for measuring climate change, work on the methodology applicable to this type of forward-looking exercise over the long term requested by the supervisor and reporting on the practical implementation difficulties.

The results of the modelling revealed relatively moderate impacts from both an asset and a liability perspective owing in particular to the reduced exposure to the most carbon-intensive sectors of Crédit Agricole Assurances' savings activities, with excess claims experience (claims/premiums ratio) under control for the non-life and personal protection scopes.

4 GUIDING CUSTOMERS TOWARDS RESPONSIBLE, QUALITY-LABELLED UNIT-LINKED CONTRACTS

The previous sections related to financial assets held to cover capital and euro funds where the insurer selects the investment vehicles (in compliance with the regulations and internal risk limits). Crédit Agricole Assurances specifically wanted to address the situation of financial assets held to cover unit-linked life insurance contracts because with these, it is the customer who selects the investment vehicles.

Aside from the euro funds and capital investments, assets under management in unit-linked contracts account for over €70 billion across the Crédit Agricole Assurances Group. Their impact in terms of their carbon footprint and non-financial risks is not negligible.

Responsible investment has gained traction since the 2015 Paris Agreement on climate change. New regulations have tightened up the framework established by previous rules. They aim to provide greater clarity for customers concerning the impact of their investments.

The 2019 Pacte act requires French insurers to offer in each multi-vehicle contract they market at least one vehicle certified by each of the ISR, Greenfin and Finance Solidaire quality labels. These regulations are applicable from 1 January 2022, but CA Assurances decided to introduce them for the vast majority of its contracts from **1 January 2021.**

The ISR label

The ISR (SRI in English) label was created in 2016 by the French ministry for the economy and finance.
It provides a selection of responsible and sustainable investments. It meets criteria divided into six themes by the government order.

The Finansol quality label

The Finansol quality label, established in 1997, is awarded by Finansol, a trade association. It guarantees that savings help to fund activities with a strong social purpose and provides assurance that reliable, regular and clear information is provided by the institution managing the investment of community-focused savings.

The Greenfin quality label

The Greenfin quality label (previously "TEEC") was established in late 2015 to coincide with COP 21 by the Ministry for the Ecological and Inclusive Transition.
It provides a guarantee that the funds are used to finance businesses contributing to the green economy and are not offered to the nuclear or fossil fuel sectors.

The new **European Disclosure Regulation** aims to provide greater transparency about how sustainability risks are integrated into investment or insurance advice by enriching funds' regulatory documentation.

One of the priorities under the European Commission's action plan on sustainable finance is to apply the Ecolabel to green financial products, including unit-linked contracts. That will give retail investors concerned about the impact of their investment on the environment the assurance that comes from a trustworthy and credible quality label (verified by a third party).

In 2020, various funds embarked on initiatives to enhance their management processes and secure a quality label. Meanwhile, CA Assurances has spotlighted responsible investment ranges so its distribution networks and customers can identify funds with a positive ESG (environment, social and governance) impact. These ranges are broader than the quality label funds. For example, they include funds such as CPR Invest Education and LCL Compensation Carbone.

"Responsible" management agreements consisting solely of responsible investment funds have also been put in place for the Regional Banks' and LCL's wealth management contracts.

Again this year, a new unlisted vehicle investing in green infrastructure called Amundi Energies Vertes, was established and sold under the Regional Banks' and LCL's private banking contracts. The vehicle invests in solar and wind farms and hydro facilities in the euro zone. Amundi Energies Vertes fits with the Crédit Agricole Group's Climate strategy of putting the expertise of its subsidiaries and green finance to work for the regions of France and customers.

Lastly, new structured bonds issued as part of Crédit Agricole CIB's green programme were offered under LCL's wealth management contracts in Q4 2020. These bonds will also be offered under Crédit Agricole Regional Banks' wealth management contracts from Q1 2021 onwards. The funds raised are channelled into energy and environmental transition projects.

At year-end 2020, unit-linked contracts held under contracts issued by Crédit Agricole Assurances Group entities include:

- €2.2 billion in assets managed by vehicles awarded the ISR quality label
- €46 million in assets managed by vehicles awarded the Finansol quality label
- €18.5 million in assets managed by vehicles awarded the Greenfin quality label
- €2.4 billion in assets managed by funds in responsible ranges, including €994 million in funds with a quality label

In 2020, CAA continued to roll out the Contrat Solidaire, which forms part of the social pillar of the Crédit Agricole Group's 2022 Medium-Term Plan.

Last year, it also renewed the contract's Finansol quality label.

Communication with customers was enhanced with the addition of the Essentiel pre-sales document and an overhauled Facebook presence asserting the contract's social media presence

Key features of the contract's investment vehicles

All vehicles (euro and unit-linked funds) are community-focused, which means that between 5% and 10% of the funds' assets are allocated to vehicles investing in businesses benefiting the community.

With the vehicles managed by Amundi, investments are made via the Finance et Solidarité fund, which has been awarded the Relance label of quality. The Relance label is given to funds that aim to help to reignite the economy by providing financing to meet the needs of French businesses.

The remaining 90% to 95% of unit-linked contracts are managed using ESG criteria.

For the euro fund, the remaining 90% to 95% is managed using the same arrangements as Predica's general assets, which involve the application of ESG filters.

At year-end 2020, the Contrat Solidaire had **€23.7 million in assets under management,** up 35% compared with at year-end 2019.

Under the European Disclosure Regulation classifying products into three categories, the community-focused ("solidaire") range comes under **Article 8.** That covers financial products promoting, among other characteristics, environmental and/or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow best governance practices.

CONCLUSION

Exceptional phenomena in 2020 such as the windstorms and droughts in France had an impact on the environment and on vulnerable individuals.

The pandemic has clearly brought into focus the climate and social issues we face and prompted us to think long and hard about our role and our responsibility for the climate.

To address climate change, solutions are currently being designed to factor in more effectively the implications for people and the impact of our decisions across the regions: rehabilitation plans for urban centres that help to build more vibrant communities and deliver improved healthcare and solutions for the elderly.

Crédit Agricole Assurances is pushing ahead with its drive to factor non-financial criteria into the management of its activities as an insurer, investor and employer and developing awareness-raising initiatives, especially across the business.

Our brown portfolio of investments is shrinking, with coal developers now excluded, the ESG filter covers all our portfolios, and we have established ourselves as a leader in renewable energies.

We have also adopted a bold programme to reduce the carbon footprint of our portfolios. Reducing our investments in fossil fuels such as coal and increasing our exposure to renewable energy generating infrastructure and to energy-efficient buildings are proof-positive of this.

Crédit Agricole Assurances has launched projects to play its full part in transforming the existing economy into a low-carbon economy by 2050, including by helping issuers to reduce their climate and environmental impacts and acting in the best interests of society.

APPENDIX 1
RESULTS ACHIEVED BY THE CRÉDIT AGRICOLE GROUP

	2016	2017	2018	2019	2020
Assets held to cover capital and euro funds (€ billion)	287	287	288	317	321
Application of the Crédit Agricole Group's list of conduct-based exclusions	97% or €279 billion	97.5% or €279.5 billion	97% or €279 billion	99% or €315 billion	99.5% or €319.5 billion
	Controversial weapons • Serial manifest violations of the Global Compact's principles Embargoes • Sensitive countries for tax purposes.				
Non-Group	3% or €8 billion	2.5% or €7.1 billion	3% or €9 billion	1% or €1.9 billion	0.5% or €1.5 billion
	Exclusion list specific to the asset management company				
Crédit Agricole Assurances group's product-based exclusion policy	Tightening-up of the coal policy: ▸ Exclusion of issuers generating over 50% of their revenue from coal extraction.	Tightening up of the coal policy: ▸ Exclusion of issuers generating over 30% of their revenue from coal extraction or producing 100 million tonnes or over of coal p.a. without any intention of making cuts. Exclusion of the tobacco sector.	Tightening up of the coal policy: ▸ Exclusion of issuers generating over 25% of their revenue from coal extraction or producing 100 million tonnes or over of coal p.a. without any intention of making cuts. Exclusion of the tobacco sector.	Exclusion of issuers: ▸ generating over 25% of their revenue from coal extraction or producing 100 million tonnes or over of coal p.a. ▸ deriving 50% or more of their total revenue from (coal-powered) electricity generation ▸ active in electricity generation and coal extraction (accounting for between 25% and 50% of their revenue), who do not intend to reduce the percentage of revenue deriving from these activities. Exclusion of the tobacco sector.	Exclusion of issuers: ▸ generating over 25% of their revenue from coal extraction or producing 100 million tonnes or over of coal p.a. ▸ deriving 50% or more of their total revenue from (coal-powered) electricity generation ▸ active in electricity generation and coal extraction (accounting for between 25% and 50% of their revenue) with a downgraded Group transition rating. Exclusion of the tobacco sector.
Scope of ESG integration	€138 billion	€139 billion	€142 billion	€151 billion	€152 billion
Application of the SRI filter	€134.3 billion in euro-denominated corporate bonds subject to Amundi's best-in-class ESG filter	€128.3 billion in euro-denominated corporate bonds subject to Amundi's best-in-class ESG filter	€131.3 billion in euro-denominated corporate bonds subject to Amundi's best-in-class ESG filter	€137 billion in euro-denominated corporate bonds subject to Amundi's best-in-class ESG filter	€137 billion in euro-denominated corporate bonds subject to Amundi's best-in-class ESG filter

	2016	2017	2018	2019	2020
Voting policy	CAA[43] has directly engaged with companies representing €1 billion in listed equities.	€7.7 billion in strategic investments made directly by CAA where it is involved in drafting resolutions via its representation on the governing bodies.	€7.2 billion in strategic investments made directly by CAA where it is involved in drafting resolutions via its representation on the governing bodies.	€10 billion in strategic investments made directly by CAA where it is involved in drafting resolutions via its representation on the governing bodies.	€8 billion in strategic investments made directly by CAA where it is involved in drafting resolutions via its representation on the governing bodies.
	Amundi voted on CAA's behalf at 949 AGMs, on 12,947 resolutions, and voted against management on at least one resolution at 74% of AGMs.	Amundi voted on CAA's behalf at 1,048 AGMs, on 14,349 resolutions, and voted against management on at least one resolution at 71% of AGMs.	Amundi voted on CAA's behalf at 1,131 AGMs, on 14,650 resolutions, and voted against management on at least one resolution at 61% of AGMs.	Amundi voted on CAA's behalf at 1,558 AGMs, on 19,480 resolutions, and voted against management on at least one resolution at 53% of AGMs.	Amundi voted on CAA's behalf at 2,276 AGMs, on 27,257 resolutions, and voted against management on at least one resolution at 70% of AGMs.
Targets and metrics					
Transition risk Carbon footprint[44]	▶ Amundi's approach to the corporate portfolio across a base of €110 billion: ▶ 220 tonnes CO_2-equivalent per million euros invested. ▶ 305 tonnes CO_2-equivalent per million euros in revenue.	Two approaches: ▶ CA CIB's portfolio-wide approach: ▶ 202 tonnes CO_2-equivalent per million euros invested across a base of €286 billion. ▶ Amundi's approach to the corporate portfolio: ▶ 169 tonnes CO_2-equivalent per million euros invested across a base of €121 billion. ▶ Amundi's approach to the sovereign portfolio: ▶ 85 tonnes CO_2-equivalent per million euros invested across a base of €73.2 billion.	Two approaches: ▶ CA CIB* portfolio-wide approach: ▶ 87 tonnes CO_2-equivalent per million euros invested across a base of €289 billion. ▶ Amundi's approach to the corporate portfolio: ▶ 160 tonnes CO_2-equivalent per million euros invested across a base of €121 billion (42% of portfolio). ▶ Amundi's** approach to the sovereign portfolio: ▶ 229 tonnes CO_2-equivalent per million euros invested across a base of €76.8 billion (38% of portfolio).	Two approaches: ▶ CA CIB* portfolio-wide approach: ▶ 84 tonnes CO_2-equivalent per million euros invested across a base of €317 billion (100% of portfolio). ▶ Amundi's approach to the corporate portfolio: ▶ 128 tonnes CO_2-equivalent per million euros invested across a base of €114 billion (36% of portfolio). ▶ Amundi's** approach to the sovereign portfolio: ▶ 221 tonnes CO_2-equivalent per million euros invested across a base of €84 billion (26% of portfolio).	Two approaches: ▶ CA CIB* portfolio-wide approach: ▶ 82 tonnes CO_2-equivalent per million euros invested across a base of €318 billion (100% of portfolio). ▶ Amundi's approach to the corporate portfolio: ▶ 116 tonnes CO_2-equivalent per million euros invested across a base of €125 billion (40% of portfolio). ▶ Amundi's** approach to the sovereign portfolio: ▶ 348 tonnes CO_2-equivalent per million euros invested across a base of €75 billion (25% of portfolio).
Overall average metric Physical risk (P9XCA)	N/A	N/A	2.36	2.34	2.35
Initiatives for environmental and energy transition					
Green real estate	€3 billion in certified office and retail properties (50% of office space).	€3.5 billion in certified office and retail properties (40% of office space).	€3.5 billion in certified office and retail properties (46% of office space).	€3.9 billion in certified office and retail properties (51% of office space).	€7 billion in certified office and retail properties (40% of space certified).

(43) Change in scope
(44) Two methodologies: a portfolio-wide approach using CA CIB's method and an approach per Amundi scope on part of the portfolio (delegated management):
** CA CIB methodological adjustment + review of scope in 2019 to be taken into account*
*** Change in methodology in 2018 and in 2020 for sovereign issuers*

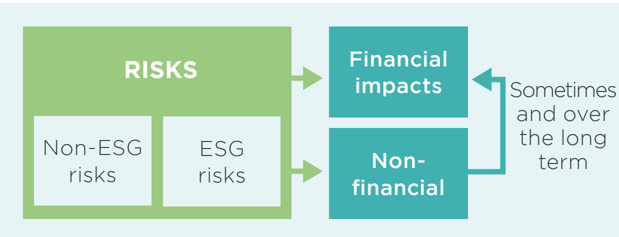
	2016	2017	2018	2019	2020
Green infrastructure (equity and debt)	€0.4 billion invested in renewable energies (5% of capacity installed in France, or 700 MW).	€0.6 billion invested in renewable energies (6% of capacity installed in France, or 1,300 MW).	€0.96 billion invested in renewable energies (10% of capacity installed in France, or 1,700 MW).	Equity: €0.92 billion invested in renewable energies (10% of capacity installed in France, or 2.4 GW).	€1.7 billion in renewable energies projects, or close to 5 GW in generating capacity.
Other renewable energies			Co-generation: generation of 558 MW, i.e., 20% of capacity installed in France.	Co-generation: generation of 521 MW, i.e., 18% of capacity installed in France.	Co-generation: generation of 576 MW, i.e., close to 20% of capacity installed in France.
Social-impact investments		Rehabilitation and construction of districts.	Rehabilitation and construction of districts.	Ages & Vie: collective housing projects.	Rehabilitation and construction of districts.
Green bonds		€1.7 billion in investments	€3.2 billion in investments	€5.2 billion in investments	€6.3 billion in investments
Assets held to cover unit-linked contracts					
	▸ €5.1 billion in funds, management of which includes an SRI or ESG strategy.	▸ €1,258 billion under the transparency code. ▸ €34.9 million awarded the public “ISR” (SRI) quality label. ▸ €18.2 million awarded the Finansol community-focused quality label.	▸ €1.06 billion under the transparency code. ▸ €115.5 million awarded the public “ISR” (SRI) quality label. ▸ €27 million awarded the Finansol community-focused quality label. ▸ €55 thousand granted the TEEC quality label.	▸ €1.8 billion under the AFG-FIR/EUROSIF transparency code. ▸ €0.3 billion awarded the public “ISR” (SRI) quality label. ▸ €0.1 billion awarded the Finansol community-focused quality label. ▸ €196 thousand granted the Greenfin (prev. TEEC) quality label.	▸ €2.2 billion in assets managed by vehicles awarded the ISR quality label. ▸ €46 million in assets managed by vehicles awarded the Finansol quality label. ▸ €18.5 million in assets managed by vehicles awarded the Greenfin quality label. ▸ €2.4 billion in assets managed by funds in responsible ranges, including €994 million in funds with a quality label.

APPENDIX 2
DEFINITIONS AND ESG APPROACHES

DEFINITIONS

Risks and impacts

To clarify these concepts, Crédit Agricole Assurances believes that non-ESG decisions (or risks) (such as financing strategy, development of new products, partnerships, etc.) and ESG decisions (e.g. close attention paid to soil pollution, drive for balanced governance, healthy male/female gender balance, etc.) may give rise to financial and/or non-financial (e.g., reputation, legal) impacts. What's more, certain short-term non-financial impacts may give rise to medium- to long-term financial impacts (e.g., a tarnished image for the company). Sometimes, it's hard to quantify the financial impact of certain events over the medium to long term.



There are also physical risks and transition risks:

Physical risks

These are financial impacts resulting from the effects of environmental disruption, which increase the intensity and frequency of extreme meteorological events, such as floods and cyclones, and/or gradually altering weather conditions (increase in average temperatures, higher ocean levels, etc.).

Transition risks

These risks have financial impacts resulting from a failure to align with the energy and environmental transition. These risks are primarily of three types: market risk and behavioural risk arising from the shift in the preferences of customers and other stakeholders concerning energy and environmental transition activities; regulatory risk, cost of risk related to changes in the cost of energy and natural resources.

Integration of ESG (Environment, Social, Governance) criteria

This refers to an investment incorporating at least one of the following three aspects: Environment (E), Social (S), Governance (G).

SRI (Socially Responsible Investment)

This refers to an investment jointly embedding the three E, S, and G aspects and confined to a single investment vehicle (the fund is either completely SRI or not). SRI is more restrictive than ESG and is included in it (an SRI product qualifies as ESG by its very nature).

Community-focused ("solidaire") product

A community-focused product where all or part of the money is invested in projects with substantial social and/or environmental benefits. For the community-focused segment (or for a community-focused fund), 5% to 10% of the funds are used to pay for community-focused projects, such as integration assistance, social housing, or microloans. A community-focused fund may also be an SRI product if it incorporates the 3 ESG pillars.

Sharing product

A sharing product enables the investor to give up all or part (at least 25%) of the return from their investment for the benefit of a charitable, non-profit organisation or NGO. A sharing fund may also be an SRI product if it includes the three ESG criteria of SRI in its management decisions.

CSR

Corporate Social Responsibility (CSR) is where businesses embed environmental, social and governance factors in the management of their activities.

TCFD

The Taskforce on Climate-related Financial Disclosures was established by the G20's Financial Stability Board to encourage businesses to be transparent about their financial risks. The Taskforce prepares information about climate-related financial risks, which the companies may use to inform investors, lenders, insurers and other stakeholders. The Taskforce carefully reviews physical risks, responsibility risks and transition risks related to climate change, as well as considering what represents effective financial reporting across all sectors. The Taskforce's work and recommendations help businesses to understand what the financial markets require from the information for the purpose of measuring the climate change-related risks and addressing them, and will encourage them to align their information with investors' needs.

Energy and environmental transition

The energy and environmental transition is a step forward towards a new business and social model as part of efforts to meet the major environmental challenges. The energy transition is one component of the environmental transition.

DIFFERENT ESG APPROACHES

Exclusion methods

There are two possible types of exclusions:

Product-based exclusions

This approach is to exclude all businesses participating in a given sector of activity, e.g. gaming, tobacco, alcohol. In many cases, these exclusions may have a religious or activist origin.

Conduct-based exclusions

This approach involves excluding businesses to comply with international treaties (e.g., ILO conventions on the worst forms of labour).

In certain cases, it may be hard to define the list of excluded businesses: what percentage of its revenue needs to come from a specific activity for the business to be regarded as involved? Sometimes, it can be hard to obtain information about a company's activities (e.g., weapons, government contracts). That has given rise to the emergence of non-financial rating agencies specialised in certain areas (e.g., Ethix in controversial weapons).

ESG selection

Under this approach, a sector or a business is not excluded wholesale, but issuers who have the worst practices are excluded based on predefined scopes.

Best-in-class

A number of economic sectors of activity are defined in advance (in general, these are sectors defined by providers of equity indices such as MSCI), and roughly the same percentage of issuers are left out from each sector (i.e., those with the least good ESG ratings).

Best-in-universe

Categories are not defined in advance. The whole investment universe is considered, and issuers with the least good ESG rating are excluded using a number of common criteria.

Best-effort

Only issuers making the greatest strides forward based on CSR criteria (usually combined with a best-in-class approach since progress is relative depending on the sector) are selected.

ESG themes

The ESG theme-based approach consists in investing in activities with positive non-financial impacts, such as renewable energies.

Of course, the businesses or projects selected must also have a sufficient ESG rating (filtering concept again). Solar panels could, for instance, be manufactured under poor environmental (failure to manage waste-related issues) and social (unacceptable working practices) conditions.

Engagement

When an investor holds a significant interest in a company, and especially where it appoints one or more directors, it can influence the issuer's senior management team and bring about positive change in the company's CSR practices. The investor recommends actions and puts forward proposals, but does not replace senior management in terms of implementing recommendations (micro-management is to be avoided). Of course, the investor often has to agree on the recommendations with the other shareholders. It can act via a voting policy and by casting votes on AGM resolutions.

The investor's reputation comes into play to an even greater extent where it has a high level of control over the company.

Note that the serial exclusion of an issuer by several major investors (and especially if the exclusion is made public) can prompt a review and changes to a company's CSR practices. Even so, certain issuers do not want to release any information whatsoever about their CSR practices (other than those that are required by law). In such cases, the exclusion has no effect on their practices. The exclusion protects the investor from non-financial, financial and reputational risks, but does not improve the issuer's situation.

APPENDIX 3
AMUNDI'S BEST-IN-CLASS FILTER

Logic behind the Best-in-class filter

CSR-related issues and progress are chiefly linked to the sector of activity. The approach adopted does not aim to produce an overall classification of issuers based on their ESG credentials, but as many classifications as there are sectors for CSR purposes. A separate ESG classification of issuers is thus carried out for each sector.

Technical factors

In all, 36 criteria are assessed, of which 15 are common to all sectors and 21 are sector-specific.

The data for these criteria come from four non-financial rating agencies (Vigeo, MSCI, Oekom, Sustainalytics) with Amundi performing quality control.

The weightings given to the criteria vary from sector to sector. That means the energy consumption of an insurer is not compared to that of a steelmaker. The environment's weighting varies between 7% and 44% depending on the sector, the social weighting between 9% and 56% and governance between 25% and 60%.

Over 5,500 issuers are rated (chiefly listed companies). That represents 100% of the MSCI global equities index and 98% of the Barclays Global Corporate bond index. Some smaller or unlisted issuers are also analysed upon request by the fund managers of Amundi, Crédit Agricole Assurances or other Amundi customers.

Amundi also actively tracks 300 issuers representing the largest portfolios lines and/or major indices. As from a financial perspective, a lack of disclosure or a refusal to provide information leads to the award of a poor rating. Nonetheless, an adjustment is made so as not to penalise unnecessarily the smallest companies with fundamentally more limited communication resources. Whether or not it engages in active monitoring, Amundi is the ultimate arbiter of the ratings awarded to issuers. It is the Amundi rating.

Within each sector, ESG ratings follow a Gaussian type distribution and are based on an alphabetic classification (A-B-C are for good performers, D is for average performers, and E-F are for underperformers).

G-rated issuers are excluded from all portfolios (they do not fall within the Gaussian distribution).

Criteria for achieving Amundi's Best-in-Class SRI fund status

Four conditions need to be met:

- No acquisitions of E- and F-rated issuers. In the event of a downgrade, the maximum tolerance is 5% of E- and F-rated issuers (all percentages are calculated based on market values) for buy & hold portfolios (insurance).
- Likewise, the maximum tolerance is for 5% of issuers not to have an ESG rating.
- The portfolio's average ESG rating must be higher than the ESG rating of the benchmark index or reference universe.
- The portfolio's average ESG rating must be C or higher in absolute terms.

APPENDIX 4
UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

Source : https://www.unpri.org/

The Principles for Responsible Investment (PRI) were launched by the United Nations in 2006. They represent a bold commitment aimed at the financial sector, encouraging investors to embed Environmental, Social and Governance (ESG) issues in how they manage their portfolios in the broad sense of the term. The PRIs are intended as a way of mainstreaming consideration of ESG issues by all financial sectors.

There are six Principles for Responsible Investment. Investors undertaking to abide by them must:

- incorporate ESG issues into investment analysis and decision-making processes
- incorporate ESG issues into their ownership policies and practices
- seek appropriate disclosure on ESG issues by the entities in which they invest
- promote acceptance and implementation of the Principles within the investment industry
- work together with finance industry partners to enhance their effectiveness in implementing the Principles
- report on their activities and progress towards implementing the Principles

The Principles for responsible investment cover three types of potential signatories:

- Asset Owners, such as pension funds and insurance companies.
- Investment managers, who manage assets as third-party suppliers for institutional markets.
- Service providers, who are companies offering products to asset owners and investment managers.

Investors signing up to these principles undertake to apply them wherever they are compatible with their fiduciary responsibilities.

APPENDIX 5
GLOBAL COMPACT

Source: https://www.unpri.org/

The Global Compact is predicated on the Universal Declaration of Human Rights. Collaboration with the United Nations High Commission on Human Rights led to the development of tools helping business to implement the declaration, as well as Guiding Principles on Business and Human Rights adopted by the Human Rights Council in 2011.

The Global Compact refers to the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work (1998), and there is close collaboration between these two agencies. The Declaration has issued eight fundamental conventions in the four areas covered by the principles laid out below.

The Global Compact draws on certain principles of the 1992 Rio Declaration on Environment and Development, such as the precautionary principles, and on Chapter 30 of Agenda 21 of the Rio Summit stating the role of businesses in sustainable development.

The anti-corruption principle refers to the United Nations Convention against Corruption. Work was done in this area in conjunction with Transparency International.

Human rights

P1: Support and respect the protection of internationally proclaimed human rights.

P2: Make sure not to be complicit in human rights abuses.

Labour

P3: Uphold the freedom of association and recognise the right to collective bargaining.

P4: Eliminate all forms of forced and compulsory labour.

P5: Pursue the effective abolition of child labour.

P6: Eliminate discrimination in respect of employment and occupation.

Environment

P7: Support a precautionary approach to environmental challenges.

P8: Promote greater environmental responsibility.

P9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

P10: Work against corruption in all its forms, including extortion and bribery.

APPENDIX 6
ASSUMPTIONS AND FORMULAS FOR CARBON FOOTPRINT CALCULATIONS

Report on the issuer's activities during the year

Objective

Measuring GHG emissions of issuers over a year.

Calculation assumptions

- Scopes taken into account: Scopes 1, 2 and part of scope 3: upstream emissions linked to top-tier suppliers. Top-tier suppliers are those with which the business has a special relationship and over which it can exercise direct influence.
- Supplier of carbon footprints for issuers: Trucost
- Gas taken into account: 7 GHGs (the 6 greenhouse gases specified in the Kyoto Protocol plus one gas). All these gases are converted into a CO^2-equivalent using their Global warming potential (GWP).
- Carbon footprint calculation base: listed equities and corporate fixed-income securities (bonds, private placements and debt).
- Adjustments for missing data: use of Trucost estimates for missing data.
- The sector allocation calculation is based on the GICS sectors (applied to equities and bonds).

Evaluation of potential future issues (hydrocarbon inventories)

This calculation is also based on data supplied by Trucost. It covers potential future issues if all the issuer's reserves are combusted. These reserves are expressed in potential carbon emissions using the methodology adopted by the Postdam Institute for Climate Impact Research. For more information, please refer to: https://www.pik-potsdam.de/

Calculation formulas for intensities 1 and 2

Intensity 1 = $$\frac{\left[\sum_{i=1}^{N} \frac{INV_i}{VE_i} \times GES_i\right]}{\sum_{i=1}^{N} INV_i} \times 1\,000\,000$$

Intensity 2 = $$\frac{\left[\sum_{i=1}^{N} \frac{INV_i}{VE_i} \times GES_i\right]}{\sum_{i=1}^{N} \frac{INV_i}{VE_i} \times CA_i}$$

where:

Intensity 1: is the number of thousands of tonnes of CO^2-equivalent in CAA's equity and bond portfolio taken into account per million euros invested.

Intensity 2: is the number of thousands of tonnes of CO^2-equivalent in CAA's equity and bond portfolio taken into account per million euros in revenue.

INV_i : is CAA's investment at market value in issuer i (equities and bonds).

$\sum_{i=1}^{N} INV_i$: is the market value of CAA's equity and bond portfolio used in the calculation.

VE_i : is the "economic value" of issuer i at the same date (= market value of all its equities and all its bonds).

GES_i : is the number in thousands of tonnes of CO^2-equivalent tonnes issued by issuer i.

CA_i : is issuer i's revenue stated in millions of euros.

APPENDIX 7
LIST OF INVESTMENTS ADVANCING THE ENERGY TRANSITION

These are “clean” technologies, i.e., with very low greenhouse gas emissions. The taxonomy for these technologies is inspired by that provided by the Climate Bond Initiative[45] and France’s TEEC[46] quality label. The technologies and types of assets accounted for by Crédit Agricole Assurances are as follows (equity and debt financing):

- Hydropower
- Wind turbine-based electricity generation. Solar panel-based electricity generation
- Tidal power-based electricity generation. Geothermal-based electricity generation
- Biomass- and bioenergy-based power generation
- Highly energy-efficient technologies (e.g., cogeneration) and/or technologies disposing of waste (e.g., district heating networks)
- Buildings with very low energy consumption (e.g., BEPOS positive-energy buildings)
- Modes of transport providing a sharp reduction in greenhouse gas emissions on existing efficient technologies.
- Excluding buildings and transport, any new industrial process providing a highly significant reduction in greenhouse gas emissions compared with the best technologies currently available.
- Investment in the research and development of such processes even though they are not yet ready for industrial-scale use.
- CO^2 sequestration technologies
- Volumes of green bonds (financing all or some of the technologies and/or assets stated above).

(45) https://www.climatebonds.net/
(46) https://www.ecologique-solidaire.gouv.fr/label-transition-energetique-et-ecologique-climat-souvre-aux-fonds-immobiliers

APPENDIX 8
TRANSLATION OF THE NATIONAL AND INTERNATIONAL TARGETS FOR REDUCING GREENHOUSE GAS EMISSIONS

Overall approach

Targets for reducing greenhouse gas emissions have been set globally, at European level and for France. In many cases, they cover the periods to 2030 and 2050. Crédit Agricole Assurances has adopted 2030 as its target date. The 1990 level serves as the point of reference for greenhouse gas emission reduction targets in many cases. So it's important to establish by geographical region the efforts already made between 1990 and the present day in order to set targets, again by region, for the period from now out to 2030. To evaluate the efforts already achieved, Crédit Agricole Assurances draws on the most recent greenhouse gas emission figures per country related to energy consumption (the latest date back to 2013).

The overall target for reducing greenhouse gas emissions across the entire portfolio is thus an average of the targets by geographical region weighted by investment in each of these regions.

Geographical analysis of our investments[47] ?

Crédit Agricole Assurances has invested in various countries around the world, with a major bias towards Europe and France (respectively 2/3 of which around 1/3, and so 1/3 for the world outside Europe).

Target by geographical region between 2013 and 2030 (based on the carbon footprints of energy consumption by country)

New targets are due to be set by the European Commission in June 2021

Géographical region	Target	Already achieved (1990-2013)	Still to achieve (2013-2030)
Global	Curbing temperature increase to 2°C between 1880 and 2100	54% increase between 1990 and 2013[48]	Annual reduction of **5.4%**[49]
Europe	40% reduction in greenhouse gas emissions between 1990 and 2030[50]	21.9% decline between 1990 and 2013	Annual reduction of **1.9%**
France	40% reduction in greenhouse gas emissions between 1990 and 2030[51]	8.7% decline between 1990 and 2013	Annual reduction of **2.4%**

A weighting by third of these three objectives implies an average annual target of reducing the carbon footprint by 3.2% across all its investment portfolios.

(47) The national targets are based on in-territory emissions (territorial concept) rather on emissions attributable to consumption in that territory, which reflects the emissions generated indirectly by imported products (in addition) and those exported (a deduction).
(48) Of which 287.3% in China and 6.6% for the United States
(49) If we also assume a target reduction of 40% between 1990 and 2030
(50) 80% to 95% decline between 1990 and 2050. Other objectives: renewable energies to account for at least 27% of energy consumption by 2030
(51) 75% decline between 1990 and 2050

APPENDIX 9
ALIGNMENT WITH THE EUROPEAN TAXONOMY

The European Taxonomy Regulation has drawn up a list of economic activities with technical screening criteria measuring their contribution to six environmental targets and requiring investors to measure the proportion of their investments that are aligned with the European Taxonomy.

To be aligned with the Taxonomy, these economic activities (7 macro sectors and 72 sub-activities) must make a significant contribution to one of these six environment objectives without harming another target, apply minimum social safeguards and meet specific technical inspection criteria.

These six environmental targets are:

- climate change mitigation
- climate change adaptation
- sustainability and the protection of water and marine resources
- protection and restoration of biodiversity and ecosystems
- pollution prevention and control
- transition to a circular economy.

Stage 1

Understand the percentage of revenue / portfolio deriving from eligible green activities

Stage 2

In the eligible activities, comply with and pass the test requirements of substantially contributing to climate change mitigation used for assessing alignment with the taxonomy:

- Aligned: from January 2022, European businesses with over 500 employees must state the proportion of their revenue, capex or operating expenses corresponding to the taxonomy
- Potentially aligned: all screening tests based on metrics for a business to show that they are making a substantial contribution to climate change mitigation
- Not aligned

Stage 3

Do no significant harm to the other environmental targets by conducting relevant checks

Stage 4

Abide by the minimum labour standards