

CSR SECTOR POLICY - Oil and gas sector

July 2026

1. Scope of the policy

The present policy (the Policy) applies to all forms of involvement of Credit Agricole CIB (the "Bank") in the oil & gas sector.

The oil & gas sector is defined, for the purpose of the Policy, as oil & gas (i) exploration and production, (ii) transport by pipelines, (iii) storage, (iv) processing facilities (oil refineries, liquefaction terminals and natural gas export or regasification)¹. Petrochemical activities are excluded.

Financings and investments activities of the Bank directly related to the development, construction or expansion of oil & gas installations are covered by sections 4, 5 and 6 of the Policy.

Section 7 of the Policy covers all other activities which the Bank may have with oil & gas companies.

The Policy, as revised, applies from the date it is published. Are excluded pre-existing activities in this sector, including commitments already made or business opportunities which are already at an advanced stage of negotiation.

This policy is consistent with oil and gas policy of the Crédit Agricole S.A. Group. This policy formally sets out the terms of operational implementation of the Oil and Gas Group policy, incorporating the specific characteristics of Crédit Agricole CIB's activities and businesses.

The Policy will be updated periodically.

2. Sector issues and objectives of the Policy

While respecting the scenarios aligned with COP 21 objectives, oil and gas are likely to remain an important part of the energy mix though decreasing from now to 2050. Furthermore, gas will play a transitional role in replacing coal and provide a flexible source of electricity as a support for the development of intermittent by nature renewable energies. In this context, investments in the sector will remain significant in the coming years, although declining, according to the IEA's Net Zero scenario.

Oil and gas activities can however produce critical negative environmental and social impacts. This includes impacts to biodiversity (impacts on natural and critical habitats and ecosystem services) and social impacts (such as physical or economic displacements of people and community health and safety). Some non-conventional operations may create specific challenges. Also, leaks of CO₂ or natural gas (methane) as well as certain practices such as flaring and venting can result in significant greenhouse gas emissions.

This Policy comes as a supplement to the rules regarding energy policies from Countries and the investment policies from the clients of the Bank and is not intended to replace them. It seeks to state the CSR² analysis criteria and requirements of the Bank in the oil & gas sector according to the identified environmental and social issues. It supplements the implementation of the Equator Principles for project finance transactions.

3. Reference frame

In appraising oil & gas financings and investments opportunities the Bank will be guided by considering environmental and social issues and the standards resulting from the following conventions, initiatives or institutions:

- the International Petroleum Industry Environmental Conservation Association (IPIECA),

¹ The assessment framework for clients with minority activity in the shale oil and gas industry is covered by another policy.

² Corporate Social Responsibility

- the International Association of Oil & Gas Producers (OGP),
- the International Energy Agency (IEA),
- the standards of the World Bank group and in particular the International Finance Corporation (IFC) Performance Standards and Environment Health and Safety Guidelines,
- the Extractive Industries Transparency Initiative (EITI),
- the Global Gas Flaring Reduction partnership (GGFR),
- the Energy and Biodiversity Initiative (EBI),
- the Global Methane Pledge.

4. Analysis criteria

The Bank will analyse every financing or investment directly related to the development, construction or expansion of an oil & gas installation according to the following criteria:

Capacity and commitment of the project or client to manage environmental and social risks and engage with stakeholders:

- quality of the environmental and social impacts assessment;
- quality of the management plans;
- quality of accident management plans (in particular oil spill preparedness plans);
- consultation of affected populations and, if necessary, consent from indigenous people;
- setting up of a grievance mechanism at the project level;
- disclosure of relevant information (including revenues payments to governments as per EITI);
- inter-States consultations in the event of cross-borders impacts.

Environmental commitments:

- potential impacts to biodiversity and eco-services (in particular upstream facilities, pipelines and non-conventional operations);
- discharge of pollutants and in particular emission of greenhouse gases (CO₂, CH₄);
- management of water resources.

Social and human rights commitments:

- labour rights and working conditions including compliance with International Labour Organisation (ILO) core conventions³;
- community health and safety;
- impact on local communities (physical or economical displacement of population);
- impact on cultural heritage.

The quality of the assessment and management of those impacts identified will be measured against the IFC Performance Standards and the relevant Environmental, Health and Safety Guidelines, with particular emphasis on whether the client has established and maintains an environmental and social management system (ESMS). This ESMS is expected to be adapted to the nature and scale of environmental and social risks and designed to assess and monitor impacts and mitigation measures over time.

Concerning existing assets, management plans will be assessed and the Bank will seek to determine whether they materially depart from the standard mentioned above.

5. Exclusion criteria

The Bank will not provide dedicated products or services related to activities within the policy scope (see section 1):

- oil or gas extraction projects whose Final Investment Decision (FID) was made after December 14th, 2023 or any Infrastructure Financing strictly dedicated to these new extraction projects (for example, an oil pipeline project, gas pipeline or liquefaction terminal or production installation),
- to other oil & gas projects, if:
 - I. it relates to a project for the conversion of natural gas (Gas to Liquids) or coal (Coal to Liquids) into petroleum liquids;

³ ILO's 8 core conventions on fundamental human rights relate to elimination of forced and compulsory labour (C-29 and C-105), abolition of child labour (C-138 and C-182), elimination of discrimination in respect of employment and occupation (C-100 and C-111) and freedom of association and collective bargaining (C-87 and C-98).

- II. it relates to projects located in the Arctic⁴;
- III. the Bank is aware of the following characteristics:
 - critical impact on a protected area or on wetlands of international importance covered by the Ramsar Convention;
 - the project is located within a site listed on the UNESCO World Heritage list or a site meeting the criteria of the Alliance for Zero Extinction (AZE);
- IV. or when the Bank has not received, in its opinion, satisfactory answers with respect to:
 - the non-compliance with the IFC Performance Standards (or equivalent standards when an export credit agency or a multilateral institution is involved) or the Environment, Health and Safety Guidelines⁵, in particular with respect to the ESMS, protection of the fundamental rights of workers, displacement of population, biodiversity conservation, impact on critical natural habitats, consent of indigenous people and protection of cultural heritage;
 - absence of public consultation and, when necessary, consent from affected indigenous peoples;
 - absence of inter-States consultations in the event of major cross-borders impacts.

6. Implementation

When the financing or the investment relates directly to the development, construction or expansion of an oil & gas installation, the project will be assessed against all the analysis criteria above and the Bank will seek to determine if an exclusion criterion exists.

If an exclusion situation is identified or if the outcome of the general assessment is negative, the Bank will not participate in the transaction. Any potential exceptional situation will be handled in accordance with section 8 below.

Compliance with the environmental and social management plans and conditions will be monitored as part of the annual review process of the operations.

When the transaction is an advisory mandate, the Bank will seek to promote the principles included in this Policy. The Bank will not enter into an advisory mandate when aware at the date of the mandate that the envisaged project definitely exhibits an exclusion criterion. When considering financing a project for which the Bank has acted as financial advisor, it shall only do so in compliance with the present Policy, including in respect of the exclusion criteria.

7. Involvement of the Bank not directly linked to a specific oil & gas installation

Some transactions are not directly linked to the construction or expansion of a specific oil & gas installation but nonetheless fall within the scope of application of this Policy. In particular, the Policy governs general banking services which may be provided by the Bank to clients which have extensive activities in the oil & gas sector.

The Bank expects its clients to develop good working practices and behaviour to limit their Environmental & Social impacts in line with section 4 of this Policy and to adhere to International Industry Standards as referenced in section 3. The review of each client will be performed on a case-by-case basis according to a regularly updated assessment, taking into account their commitments in the transition.

In particular, the Bank:

- will not develop relationship with companies that generate more than 30% of their activity in the extraction of non-conventional hydrocarbons (oil sands, shale oil and shale gas, extra-heavy oil);
- will not participate to corporate financings of independent producers, whose activity is exclusively dedicated to the exploration or production of oil and gas,

⁴ Terrestrial Arctic is defined with reference to the AMAP zone (Arctic Monitoring and Assessment Programme) and maritime Arctic is defined as the zone North of the line of Köppen, which circumscribes the isotherm at 10 degrees Celsius for the warmest month (July).

⁵ Compliance with the Performance Standards is, in theory, assumed in High Income OECD Countries, with the exception of Performance Standard 7 (on Indigenous Peoples). Nevertheless, the entity is requested to assess the inherent risks to determine whether one or more of the IFC Performance Standards could serve as a basis, in addition to the laws of the host country, for addressing those risks.

- will not accept mandates to advise on bond issuance by companies involved in the exploration and production of fossil hydrocarbons, unless they relate to green bonds or sustainability-linked bonds.

As such, the assessment of its clients' compliance with this Policy will be conducted on the occasion of the annual review of the relationship. Commitments to the principles of the IPIECA, the EITI and the relevant initiatives listed under section 3 will be taken into consideration. The bank will also assess whether the client monitors and assesses impacts and mitigation measures, and is publicly reporting on these aspects (website, annual report,...).

In case of a significant difference between the client's and the Bank's policies and the reference frame of the Policy, and when, in particular, a significant portion of the client's activity or investments relates to exclusion criteria, the Bank will seek to understand the client's strategy and the recommendation of the CERES⁶ committee will be required.

If expected improvements are considered to be insufficient, the Bank may nevertheless participate to transactions in favour of the energy transition and dedicated to activities not excluded, after validation by a dedicated instance.

The decision to enter into relation with a new client falling under the scope of the Policy will only be taken after an analysis of the activities of the client according to the same criteria. This analysis shall confirm, if needed at a CERES committee level, that the client practices comply with the principles of the Bank Policy.

Such assessments will be based on information which is either public or which the client has made available to the Bank.

8. Exceptions

Transactions that present uncertainty with respect to compliance with the Policy shall be referred to the CERES committee for recommendation. If the committee considers that the transaction does not conform to the Policy, such transaction will be subject to a final arbitration by the General management of Crédit Agricole CIB.

9. References and glossary

International Petroleum Industry Environmental Conservation Association (IPIECA):

<http://www.ipieca.org/>

International Association of Oil & Gas Producers (OGP):

<http://www.iogp.org/>

Extractive Industries Transparency Initiative (EITI):

<http://eiti.org/>

Global Gas Flaring Reduction partnership (GGFR):

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTOGMC/EXTGGFR/0..menuPK:578075~pagePK:64168427~piPK:64168435~theSitePK:578069,00.html>

IFC Performance Standards and Environmental, Health and Safety Guidelines:

http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards and

http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines

Wetlands of international importance covered by the Ramsar Convention:

<https://www.ramsar.org/sites/default/files/2023-08/sitelist.pdf>

Site listed on the UNESCO World Heritage list:

<http://whc.unesco.org/en/list/>

⁶ Evaluation Committee for transactions and clients involving an Environmental or a Social Risk.

Alliance for Zero Extinction
<https://zeroextinction.org>

Energy and Biodiversity Initiative:
<http://www.theebi.org/>

Arctic Monitoring and Assessment Programme
<https://www.amap.no/>