

EUROPEAN ASSOCIATION
OF CO-OPERATIVE BANKS

Co-operative Banks engagement to sustainable finance



EACB - Brussels - 2020

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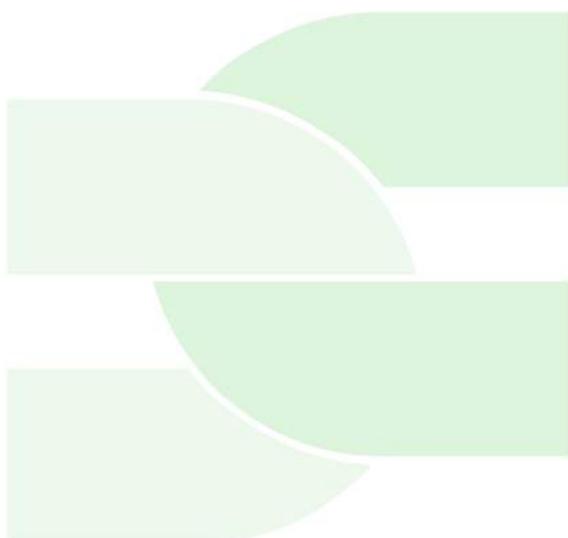
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INTRODUCTION

Co-operative banks' engagement to green and sustainable finance

Co-operative banks are aware of the challenges of sustainability and global warming. Households, local communities and businesses, the financial sector, cooperative banks, everyone needs to be mobilized to a greater extent than is now the case to address the risks of climate change, harm done to ecosystems and biodiversity loss.

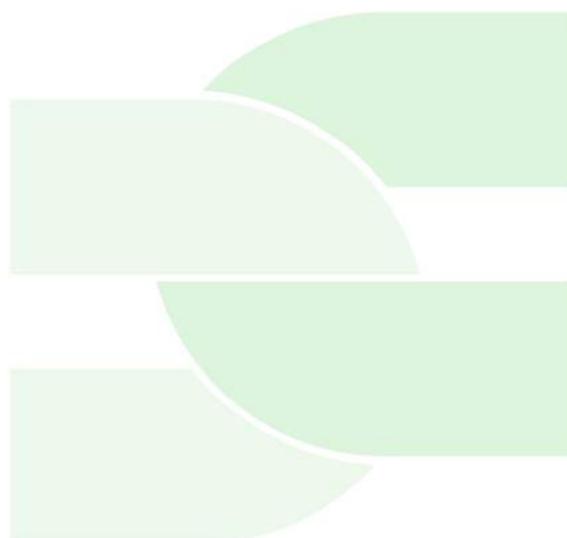
Cooperative banks committed to help accomplish the SDG's, Paris Agreement and are signatories to important principles such as the Equator principles and the UN Principles for Responsible Banking.

They can help to co-finance investments to bring about the necessary transitions and play an active role by promoting the distribution of services and sustainable investment as well as savings products within their networks. In this respect, renewable energy forms an important part of the financing by cooperative banks and several banks are relevant financial partners in green bonds, which play a key role in mobilizing savings for responsible projects.

In order to play their role properly, cooperative banks require a proportional regulatory framework. This should take into account issues such as the costs of implementing regulations, feasibility and the fact that regulations work out differently for small, decentralized banks than for large banks. The perfect must not become an enemy of the good: beware of too much detail, it must be efficient to get widely adopted and sustainability data must be available, or made available, to be able to report.

Cooperative banks are also in favour of effective regulation to set a price on CO2 emissions, as this can act as a strong incentive for investments in low-carbon technologies. A CO2 price makes it possible for market parties to gradually anticipate to scarcity of CO2 emission rights and helps to achieve an orderly transition.

This publication is based on a survey amongst EACB-members and provides an overview of commitments of the cooperative banks in the field of sustainability and climate, and their activities in this area. It illustrates approaches and shows the involvement of cooperative banks in different countries.



SUMMARY OF RESULTS

What do cooperative banks commit to

The members of the EACB commit to many global and national codes in the field of sustainability.

For a “typical” cooperative bank, a relevant part of its activities (measured as a share of the lending book) are in line with the ICMA’s Green and Social bond standards and the United Nation’s Sustainable Development Goals, in particular to finance education, social housing, economic inclusion or social inclusion.

Moreover, several co-operative banking groups have been closely engaged in the development of climate and environmental policies (e.g., Equator Principles, Green Bonds Principles).

Our member banks are among the signatories of the main international initiatives (i.e. UNEP FI, UN Global Compact, OECD Guidelines, PRI, TCFD) and support national initiatives (e.g. German Sustainability Code). Some co-operative banks have established own non-financial reporting methodologies through their Sustainability Reporting, obtaining good scores in the ratings by ESG rating agencies. Several co-operative banks have been awarded recognitions in the field of Sustainability in the past years.

As in 2018 the EACB became an early endorser of the UNEP FI Principle for Responsible Banking (PRB), in 2020 a total of 14 co-operative banks are signatories of the PRB and are developing internal classification systems and target settings.

Several cooperative banks have decided to revise their governance structure, creating specific focus group on sustainability with the aim to better integrate sustainability in the strategic planning process and increase the efforts needed to achieve the transition targets envisaged by the organization.

Climate commitments take various forms with regards to the corporate and investment bank and its large corporate clients. For this reason, many cooperative banks have introduced sectoral rules for sensitive industries and rejection criteria for lending concerning, among the others, coal-fired power plants, civil nuclear energy production, mining activities and other controversial sectors.

Co-operative banks sustainable finance in practice

According to the examples and best practices gathered in this publication, we observe that many cooperative banks focus their efforts on specific concrete actions.

Members are putting in place policies and strategies to help reduce not only greenhouse gasses emissions produced directly in the company (e.g. from the combustion of stationary sources, from the combustion of mobile sources), but also the indirect emissions that arise from the company being supplied with energy (i.e. when an energy supplier makes power or heat available for this company) and all other emissions

caused within the limits of the system (i.e. the mobility sector as well as office supplies).

Cooperative banks favour investments able to support the transition to new energy sources and reduce the carbon footprint of buildings at the level of constructions and operations, with the aim to ensure the development of more environmentally-friendly buildings. Financing the transition to new energy sources implies a generalized approach in terms of consumption, economic models and regions. Cooperative banks elaborate specialized solutions for financing investment in water and waste management, heating networks, biodiversity and transportation.

Our members are also working on identifying social and environmental risks, as well as on carrying out actions aimed at implementing audits that assess these risks. ESG analysis (Environmental, Social & Governance) have been developed as part of the assessment of corporate customers' creditworthiness. This analysis examines businesses and projects seeking financing, including their effects and risks in terms of climate change, waterways or land use. As regards society and governance, ESG analysis examines elements such as employee wellbeing, board independence and transparency of taxation. The analysis seeks to identify material ESG risks and opportunities for the bank's corporate clients, which supports to the traditional credit assessment.

Some of the more advanced organizations in this field are also providing environmental incentives for adapting to climate change consequences at local and regional level, developing specific products according with the different needs of the territories.

Finally, some cooperative banks are also leading issuers of Green Bonds, a financing tool which fosters sustainable development projects and assets with an environmental and/or social purpose.

Finally, some cooperative banks are also leading issuers of Green Bond, a unique financing tool which empowers sustainable development projects and assets with an environmental and/or social purpose.

Beyond green: social action initiatives

Co-operative banks are present in both urban and rural areas and are especially committed to the rural environment and economic activities that take place in rural areas. The large cooperative banks also service large corporates and are active in global markets. The regional and the local cooperative banks, are particularly engaged in the economic and social development of rural areas. Their business proposals are based primarily on searching for financial solutions geared towards the well-being of families, supporting small and medium-sized enterprises and, in particular, developing the farming and agri-food sectors.

Some banks provide personal and professional microloans. These loans qualify as solidarity-based loans because their approval is not based on standard bank scoring criteria, particularly for project sponsors who are out of work or cannot put up personal collateral. They act in favor of a more socially responsible economy by promoting solidarity-based investments.

Our banks support local associations, culture, sports and arts, donating millions of euro every year to those sectors that are essential for the territories in which they operate.

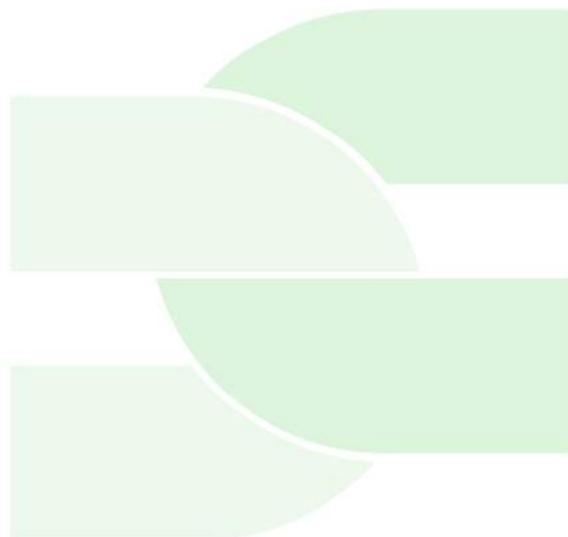
The need for workable regulation

Co-operative banks invest in sustainability policies and projects that are good for the social and environmental purpose because, the societal well-being is part of their mission. Regulation is needed to create clarity of what is expected as a minimum to comply with and to safeguard a level playing field, but it should at the same time be enabling.

As financial institutions are intermediaries, the non-financial and sustainable performance of their portfolio's reflects their clients' non-financial performance. Also, without data from their clients', financial institutions will not be able to assess their portfolios with regards to ESG performance. It is therefore necessary that the legislative initiatives at European level are workable for businesses and are proportionate (i.e. Taxonomy regulation, revision on the Non-financial Reporting Directive and the information to be provided under the Sustainable Finance Disclosure Regulation to quote the main relevant). Of course, it should in addition also be workable for the banks, which receive and analyse such data, combine it with other data and report on sustainability of portfolio's. Further, sufficient time for the implementation should be ensured to achieve the scope of the Action Plan on Sustainable Growth. If these conditions are fulfilled cooperative banks are able and committed to play their role of catalysers of efforts of their clients (mainly SMEs) in delivering the goals of the sustainable transition.

Moreover, we must also realize that it is currently still very challenging to estimate the degree of sustainability of a client, to determine for example a CO2 footprint and to assess the climate and sustainability risks to which a client is exposed. The availability of ESG data is currently rather limited and when available, data are difficult to compare and raise reliability questions. Moreover, there is an issue of cost. Those data are very expensive, in specific for smaller financial market players.

The availability of high quality and comparable ESG data should be regarded as an EU strategic infrastructure project and as a priority to enable the other measures of the sustainable finance action plan. For this reason, the EACB has called the EU to take the lead to start to establish a database where non-financial corporates in the EU can insert – on a voluntary basis - ESG raw data in electronic form and/or indicate where such data are available in other databases in order to facilitate searches and analysis. We believe that the revision of the NFRD and the creation of a centralised EU ESG data register and international ESG accounting standards is extremely important to fill the companies' data gap. The central data register should also collect governmental and EU environmental data already available at macroeconomic level in order to foster better assessment of physical, transition risks and sector wide datapoints. The EACB and its Members are committed to provide all the efforts needed to further develop at European level this initiative.



CHAPTER 1

Engagement and operational practices: reduction of emissions by members, processes that have positive environmental effects, carbon price.



Crédit Agricole

- 2003:** Signatory to the United Nations Global Compact and the Equator Principles.
- 2010:** Creation of the Sustainable Banking unit at Crédit Agricole CIB, which advises customers on their transactions taking social and environmental considerations into account.
- 2012:** Publication of initial sector policies relating to the energy, mining and transportation sectors, covering financing for fossil fuels and carbon-emitting activities. As of 2012, refusal to finance in particular any offshore oil exploration or exploitation projects in the Arctic.
- 2014-2016:** Co-founder of the Green Bond Principles, the Portfolio Decarbonisation Coalition and member of the Montreal Carbon Pledge.
- 2015:** Development of a “Low Carbon” index-based approach for funds under management allowing institutional customers to protect themselves against carbon risk.
- 2015:** Undertaking to no longer finance coal mining or companies specialising in this activity.
- 2016:** Undertaking to no longer finance any new coal-fired power plants or power plant extensions worldwide.

Sectorial policies with environmental limitation

Oil & Gas; Shale gas; Coal-fired thermal power stations; Hydroelectric power stations; Nuclear power plants; Mining and Metals; Aerospace; Shipping; Automotive industry; Transportation Infrastructure; Real Estate; Palm oil and forests.

Co-founding member of the:

- Green Bonds Principles since 2014;
- [Portfolio Decarbonization Coalition](#) since 2014;
- Mainstreaming of Climate Action Within Financial Institutions since 2015;
- Catalytic Finance Initiative since 2015;
- French Business Climate Pledge since 2015;
- [BBCA association](#) (low-carbon building) since 2015;
- Finance for Tomorrow since 2017.

Participant in the:

- Call for carbon pricing at the initiative of the World Bank Group in 2014;
- [Montreal Carbon Pledge](#) since 2015;
- [Paris Appeal on Climate Change](#) since end 2015;
- [IIRC](#) (International Integrated Reporting Council) since 2016;
- Task Force on Climate Disclosure since 2017;
- Climate Action 100 + since 2017.

Other positions:

- [Statement on modern slavery](#) since 2017

CSR performance recognized by stakeholders

For more than 10 years, its stakeholders have recognized Crédit Agricole S.A.'s CSR performance. For example, non-financial rating agencies positioned the Group as a leader:

- **rated A** in ESG performance by MSCI (Morgan Stanley Capital International)

- **rated A1** by Vigeo Eiris, which hailed the Group's capacity to integrate ESG factors into its strategy, operations and risk management, as well as solid results that create sustainable value for its clients and stakeholders.

- **rated Prime** by ISS-Oekom

- **rated C** by CDP (Carbon Disclosure Project)

for several years represented in the British index **FTSE4Good**

for several years represented in the index **NYSE-Euronext**: Europe 120, Eurozone 120.

For more information, please consult: [Crédit Agricole website](#)

Crédit Mutuel

Societal and environmental issues in financial activities are mainly addressed through the corporate and investment banking activity. It represents only 6,2% of the Group's net banking income, but that's where the main environmental, social and governance risks can be dealt with.

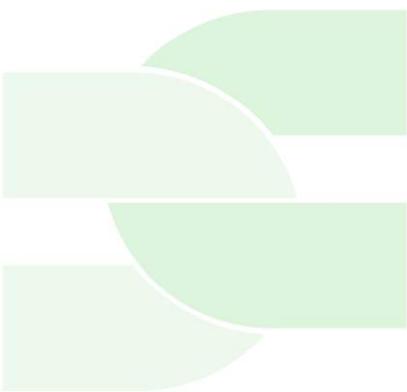
The Group takes these challenges into account through practices and procedures which do not only include financial criteria, in particular, with an internal assessment method based on the "Equator Principles".

Furthermore, the Group (or its components) has participated in the United Nation's Global Compact since 2003 and it is a signatory of the Principles for Responsible Investment of the Paris Climate change call and the Carbon Disclosure Project. By signing the manifest of the Shift Project geared towards all actors, certain of the Group's executive directors commit themselves to urgently undertake consistent and concrete actions commensurate to the climate challenge and to the preservation of natural resources.

Climate commitments take various forms with regards to the corporate and investment bank and its large corporate clients. The publication of the five main sectoral policies complements policies published by asset management companies and highlights the Group's commitments:

- coal-fired power plants, (Crédit Mutuel-CM11 et CIC) ;
- civil nuclear energy, (Crédit Mutuel-CM11 et CIC) ;
- mining activities, (Crédit Mutuel-CM11 et CIC) ;
- defence, (Crédit Mutuel-CM11 et CIC) ;
- private banking, (Crédit Mutuel-CM11 et CIC) ;
- controversial weapons, (La Française AM, Federal Finance Gestion).





For their real estate assets, asset management companies such as La Française (CM Nord Europe) favour green or low carbon investments (Lille, Berlin, Paris...).

Crédit Mutuel de Bretagne is engaged with the International Chamber of Commerce for Brittany on private tertiary buildings and local secondary schools renovation. The goal is to reduce energy consumption by 26% by the year 2030. In addition, tools suit to their needs are provided to households in order to support the financing of energy-efficiency improvements on residential estate.

The Banque du Luxembourg, subsidiary of the **Caisse Fédérale de Crédit Mutuel**, develops alternative funds to finance sustainable agriculture and support rural producers, in particular, in the South America and Africa regions. **Crédit Mutuel Nord Europe** is committed in the reforestation and supports the planting of 3000 trees in Senegal, Perou and Haiti. The projects of its partner, ReforestAction, contribute to the development of the local economy, to the restoration of the environment and to the protection of the biodiversity.

Furthermore, the Group is committed to control its energy consumption and to sharply reduce greenhouse gas emissions since the first situation analysis undertaken in 2012. This has helped to formalize collecting and reporting tools. More than 350 energy audits covering all Group entities were carried out in 2015-2016. They enable us to define the work to be done.

For CMNE, responding to current ecological challenges is another expression of its corporate social responsibility. It has therefore engaged in a structured approach to reducing its environmental footprint. CFCMNE's first greenhouse gas emissions assessment was conducted in 2012. The overall goal of reducing greenhouse gas emissions by 8.5% has been achieved and surpassed. The second GHG emissions assessment published at the end of December 2015 highlighted three priorities for reduction efforts in significant areas of the entity's internal operations: energy (-264.35t CO₂e, 10% reduction), business use of vehicles (-125.50t CO₂e, 9% reduction), and paper consumption (-12.07t CO₂e, 9% reduction). The overall emission reduction goal for the next three years is 9.9%, or -401.92 t CO₂e. Although it has no particular vulnerability to the hazards of climate change, CFCMNE and NEA have begun to develop strong expertise in reducing energy consumption. Well aware of what is at stake, they conducted an initial energy audit in 2016.

The CMNE Group is attached to the future of its regions and of the planet, and applies very concrete measures with its employees to optimize their commute. Staff have multiple tools at their disposal to organize and participate in remote meetings – Skype phone conferences, live meetings with round table options, videoconferencing, etc. – and are trained in their use.

Significant changes have been made to waste management since 2015, modifying waste treatment and fostering recycling, with the introduction of separate bags for paper and NHIW11, and cup and battery sorting. A quality tour of every site ensures that sorting is properly conducted by employees and the cleaning company (quality sheet for each site). Monthly meetings are scheduled to track waste tonnage, and new selective collection procedures have been decided. For 2017, the ratio of NHIW to total waste weight was 33%, a slight increase over 2016. This is due to the new headquarters project (Nouvel Espace Siège - NES) and the many staff moves which are

always positive for sorting. The introduction of cup sorting in the federal services in mid-2016 resulting in the collection of 116 kg of cups, and 803 kg in 2017. The volume of used batteries collected has been stable for three years, at around 240 kg annually.

DZ Bank

DZ BANK is the central institution for more than 800 co-operative banks and their 9,000 branches. It is the second largest bank in Germany by asset size. DZ BANK AG acts as the holding company for the DZ BANK Group encompassing specialized service providers such as Union Investment – asset management, R+V – insurance, Bausparkasse Schwäbisch Hall – building society, DZ HYP – commercial real estate, DZ Privatbank – private banking, TeamBank – consumer finance, VR Smart Finanz – digital business loans.

Due to its scope, DZ BANK exhibits high significance for the German market with its 30 million customers and strong focus on SMEs.

Responsible management is a value that is deeply rooted in DZ BANK's cooperative corporate identity. It guides all actions in the various areas of sustainable banking - from strategy and risk management to communication.

Milestones in DZ BANK's sustainability management

DZ BANK was an early advocate of sustainability. Our track record encompasses important milestones such as:

- the signing of voluntary commitments such as the UN Global Compact (2008), the Equator Principles (2013), and the Principles for Responsible Banking (2020)
- the introduction of sustainability assessment procedures in lending (2009), as well as the development of specific sector principles (2011) and the introduction of exclusion criteria (2014)
- achieving ISS ESG Prime Status in 2011 for the first time, and maintaining this status ever since.

Sustainable products

The issuance of DZ BANK's first Green Bond in 2018 was another significant step for DZ BANK. As a member of the Climate Bonds Initiative and the International Capital Markets Association, DZ BANK stands firm for transparency and disclosure in green bonds as well as compliance with specific sustainability loan principles. In 2019, DZ BANK played a leading role in a total of 16 Green, Social and Sustainability Bond issuances. The volume of supported transactions exceeded €10 billion, making DZ BANK one of the leading market players among the top three German syndicate banks when it comes to issuing sustainable bonds. In the area of renewable energies, DZ BANK is one of the largest financiers with a financing volume of around €5.4 billion (2019), and is also known as the largest provider of sustainable development loans with a portfolio of €25 billion (2019) in Germany. In addition, Union Investment is the leading sustainable asset manager in Germany with around € 53.1 billion assets under management in sustainable assets.



Group Corporate Responsibility Committee

In order to intensify the dialogue on sustainability in the DZ BANK Group, the Group Corporate Responsibility Committee (CRC) was established in 2014. The committee consists of the sustainability coordinators of each of DZ BANK Group's subsidiary companies. They provide input for different departments so that common standards can be developed. The aim of the CRC is to exploit market opportunities and avoid risks while enhancing corporate social responsibility. In this sense, the CRC works closely together on issues relating to environmental management, sustainability in the supply chain and in core business activities, as well as coordinating reporting activities.

Climate Strategy

DZ BANK Group's commitment to climate change was substantiated by the Group-wide climate strategy signed in 2018. The DZ BANK Group strives to cut its aggregated CO2 emissions by at least 80 percent by 2050. DZ BANK committed to this goal in support of the goal of limiting global warming to below two degrees Celsius stipulated in the Climate Action Plan of the German government and in the Paris Agreement. DZ BANK has sectoral rules for sensitive industries and rejection criteria for lending concerning weaponry, prostitution, gambling, significant environmental risks and human rights abuses. Moreover, DZ BANK rejects new project financing transactions for coal-fired power plants.

Sustainability within DZ BANK Group

In the reporting year 2019, DZ BANK conducted the 'Advancing Sustainability' project. The project focused on three subject areas: external requirements, opportunities and risks, and governance. An analysis was conducted to assess the requirements of stakeholders such as regulatory authorities, investors, owners, and rating agencies and to determine the status quo; recommendations for action were derived from the findings and adopted by the Board of Managing Directors in January 2020. The affected divisions have to implement various different measures. In addition, it has been decided that sustainability should be incorporated into the business strategy and the strategic planning process. DZ BANK intends to further expand its role as a coordinator within the DZ BANK Group in order to achieve even greater consistency and integration across the sustainability strategies and methods of the group entities.

Federcasse

ICCREA Cooperative Banking Group Sustainability Plan

In 2020, the ICCREA Cooperative Banking Group defined and approved a Sustainability Plan and the Charter of Commitments on the Environment and Climate Change which aims to combine the commitment to act to face the climate emergency with the determination to contribute to social and territorial development. The actions included in the Group's Sustainability Plan 2020-2023, approved on 31 March 2020, will further enhance the role of BCCs as ESG (Environmental, Social, Governance) banks for the Territory in the near future. The Sustainability Plan, an integral part of the Iccrea Strategic Plan, defines the group's lines of action to achieve the com-



mitment that the European Union (EU) has outlined in the Green Deal.

In 2019, the GBCI affiliated BCCs carried out almost 2,800 financing initiatives with environmental impact for a total amount of over 71 million euros.

ICCREA Charter of Human Rights

In March 2020, the Board of Directors of Iccrea Banca approved the Charter of Commitments on Human Rights, which promotes and guarantees the protection of human rights, in the compliance with national and international regulations.

Cassa Centrale Banca

In 2020, Cassa Centrale Banca has adopted the following 4 policies on sustainability: 1) Anti-Corruption Policy; 2) Environmental policy; 3) Human rights policy; 4) Diversity policy

In 2019, Cassa Centrale joined the "Energy Efficient Mortgages Initiative" to promote a regulatory framework coordinated at European level, with regard to the definition of "green mortgage", giving priority to the energy upgrading of buildings.

For 2020, the Group has set the objective of completing the activities functional to start the operations with the European Investment Bank (EIB), in order to propose financing for the development and implementation of circular economy projects and programmes.

Groupe BPCE

Groupe BPCE has made national and international commitments that require it to meet the highest international standards.

International commitments:

- 2003 : signatory of the Global Compact Advanced by Groupe BPCE and Natixis that commit to respect human rights, international labor standards, environmental protection and the prevention of corruption.
- 2010 : signatory of the Principles for Responsible Investment by Natixis to incorporate environmental, social and corporate governance (including anti-corruption) considerations in investment decisions.
- 2010 : Natixis also signed the Equator Principles (thirteen Natixis Investment Managers subsidiaries which together hold 72% of all the assets under management by Natixis Investment Managers subsidiaries: AEW, Alliance ENTREPRENDRE, DNCA, Flexstone Partners, Investors Limited mutual fund, Loomis Sayles, Mirova, MV Crédit, Naxicap Partners, Ossiam, Ostrum AM, Seeyond, and Seventure Partners) to evaluate the environmental and social (E&S) risks and impacts of the projects it finances using a methodology accepted by many financial institutions to encourage its customers to manage, minimize, and remedy the impacts they cause.





- 2019 : signatory of UNEP FI by Natixis and Groupe BPCE in order to :
 - Align the business strategy with the United Nations Sustainable Development Goals (SDG) and the Paris Agreement on climate change
 - Organize activities to foster more inclusive finance and a sustainable economy
 - Be transparent on their positive and negative impacts in terms of local communities and the planet

Financial sector initiatives:

Internationally: international standards

2018 : BPCE chaired the AFNOR group of finance, environment, climate and economy experts and to coordinate the future ISO 14100 environmental finance standard with China, in the scope of the bilateral agreements signed between France and China at the fifth High Level Economic and Financial Dialog (HED) at the end of 2017.

In Europe: Sustainable Finance

Natixis is part of the Technical Expert Group (TEG) on Sustainable Finance set up by the European Commission. The TEG is responsible for building a European action plan on financing sustainable growth and proposing a taxonomy of sustainable economic activities.

In France: addressing Climate Change

Groupe BPCE is a member of the ACPR and the AMF's Climate and Sustainable Finance Committee to respect the new commitments to mitigate climate change and help reach the goal of zero net carbon emissions by 2050, published on July 2, 2019, at industry-wide meeting by the main organization and federations representing the Paris financial center.

Laurent Mignon, president of Groupe BPCE, is the chairman of a Climate Committee set up by the French Banking Federation (FBF-Fédération Bancaire Française) that brings together representatives from the Risk and CSR departments of all FBF groups.

Groupe BPCE is part of the Autorité et de Contrôle Prudentiel et de Résolution (ACPR)'s working group to draw up stress test scenarios pursuant to Article 173-V of the French act of August 17, 2015 on the energy transition for green growth. In 2019, the working group began to review the sectors most exposed to physical and transition risks and to examine existing methodologies in order to propose an approach that can be used for climate stress tests.

Grupo Cooperativo Cajamar

The Grupo Cooperativo Cajamar reports annually to CDP since 2014. In 2015 the rating was "B".



The Grupo Cooperativo Cajamar is member of Spainsif (socially responsible investment forum). This forum aims to promote socially responsible investment and the introduction of ESG criteria (environmental, social and governance) in investment projects.

The Grupo Cooperativo Cajamar is a leading company in the Cluster on Climate Change. This cluster aims to lead from the scope of CSR the transition in Spain of a low carbon economy.

In 2016 the greenhouse gas emissions were reduced in all Scopes. By 2016 all energy consumption was green (renewable sources). Thus, greenhouse gases were not emitted into the atmosphere at Scope 2. In 2016, total emissions were 883 tonnes of CO₂ in scope 1; 0 tonnes in Scope 2; and 1,201 tonnes in scope 3.

The governing and management bodies of Grupo Cooperativo Cajamar ratify and drive the Group's commitment to the environment through its Environmental Policy. This policy, created in 2017, outlines the environmental principles and criteria that govern Grupo Cooperativo Cajamar. In addition, the Group supports and undertakes to implement the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), which comply fully with the principle of sustainable development that underlies the Group's mission and vision.

Grupo Cooperativo Cajamar has made a firm commitment to the environment, particularly in terms of managing and providing information about its carbon footprint. Indeed, the Group achieved a B rating in 2018 issued by the Carbon Disclosure Project (CDP), one of the best ratings in the Spanish sector (only one organisation achieved a higher rating).

2018-2020 Eco-efficiency Plan

In 2018, the Group published its new Eco-efficiency Plan (2018-2020) to replace the previous plan. Its aim is to enhance environmental sustainability by optimising the use of materials and energy efficiency. The intended time frame of application for this document is two years. This document contains the plans for energy saving and efficiency, reducing material consumption (paper, water and other materials), and measuring the Group's carbon footprint, as defined by the Carbon Disclosure Project (CDP).

Energy savings

To reduce energy consumption and boost energy efficiency, the Group has installed program-mable controllers for the centralised control of facilities, replaced fluorescent lights for LED technology, and upgraded office airconditioning equipment with R22 refrigerant and on-off control for inverter machines with ecological gas. In terms of electrical energy, the entire Group exclusively uses energy from renewable sources (green energy). In addition, the Group implements an Energy Management System in line with ISO 50001 to continue to adapt its facilities and equipment to future regulatory changes and to optimise resources to improve its energy performance

23 September 2019: Grupo Cajamar ratifies its support for United Nations Principles for Responsible Banking





OP Financial Group

Responsibility stems from OP's mission and core values. Responsibility is an integral part of OP's strategy and every OP employee's daily work, decisions and activities. Successful CR activities require that we engage in active dialogue with our stakeholders and communicate openly about our activities.

OP Financial Group's corporate responsibility actions and targets are guided and co-ordinated by our Corporate Responsibility Programme, which was revised in 2019. The updated programme is framed around four key themes and commitments, which guide OP's actions toward the programme goals:

- We improve financial literacy in Finland:

We promote the management of personal finances and prosperity in all age groups.

- We foster a sustainable economy:

We support sustainable development, mitigating climate change and adapting to it.

- We support local vitality and communities:

We provide jobs, promote physical activity, provide security, and create wellbeing in Finland. We promote local economic vitality.

- We use our information capital responsibly: We use customer data and artificial intelligence transparently, in the best interest of our customers. Accessibility and having the best customer experience across all channels are at the core of developing our services.

OP aims to achieve a positive carbon handprint in 2025. OP recognises its role as one of the largest financiers in Finland and takes this responsibility seriously. OP wants to help its customers in transitioning to a climate-friendly economy. Clients and investors are increasingly interested in responsible financing, green finance, green loans and green bonds.

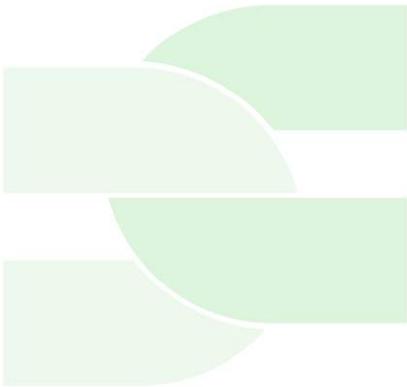
From a bank's perspective, responsible investments and financial activities mean taking CR into account and incorporating it into all investment and financing decisions as well as prioritising investments that are sustainable from the perspective of the environment and climate.

International commitments

In addition to laws and regulations, we undertake to comply with international commitments that guide our operations. In 2011, OP signed the UN Global Compact initiative and undertook to comply with the ten principles in the areas of human rights, labour, the environment and anti-corruption.

The Global Compact principles form part of all our new supplier agreements. Compliance with the principles is also visible in our personnel: our employees are committed to complying with the principles of good business practice and participating in CR training.

OP's fund and asset management companies signed the UN Principles for Responsible Investment (UNPRI) in 2009 among the first Finnish asset managers and nowadays annually report on the implementation of the principles. Moreover, both companies have signed the



CDP Climate change and Water initiatives whereby investors encourage companies to report their impact on climate and their water usage in a better way. OP Financial Group is also involved in the CDP initiative by annually reporting its own efforts to fight climate change. In 2019, OP achieved forerunner-level ranking A- on CDP's climate survey.

OP Financial Group has become a Founding Signatory of the United Nations Environment Programme Finance Initiative's Principles for Responsible Banking – a single framework for a sustainable banking industry. OP joins a coalition of 130 banks worldwide, representing over USD 47 trillion in assets, committed to achieving a sustainable future. The Principles for Responsible Banking set out the banking industry's responsibility in shaping a sustainable future and aligning the sector with the objectives of the UN Sustainable Development Goals and the 2015 Paris Climate Agreement. The principles enable banks to embed sustainability across all business areas and leverage new business opportunities created by the emerging sustainable economy.

OP has been the initiator and active promoter of [the public ESG database in the EU initiative](#).

Ecology Building Society

Ecology Building Society is dedicated to building a greener society by supporting ecological building and sustainable communities. We do this through:

- Sustainable mortgages – lending on projects and properties that support the environment including renovations, self- and custom build and energy efficiency improvements as well as moorings and woodlands
- Affordable housing – supporting shared ownership and community-led housing such as Community Land Trusts and housing co-operatives
- Ethical saving – simple, transparent, fair savings accounts that offer the benefit of knowing where your money goes
- Mutual values – we are owned by our members and driven by our mission to build a sustainable future.

Our commitment to sustainable lending is enshrined within our Memorandum which states that we exist:

"...to promote ecological policies designed to protect or enhance the environment in accordance with the principles of sustainable development"

We also practice what we preach in terms of our own financial and environmental operations. Our head office was designed to an airtight structure, high levels of insulation and low energy requirements, and we have offset the carbon emissions our operations have generated since 1981. We're committed to fair pay - we are a Living Wage accredited employer and the salary of the highest paid mem-





ber of staff never exceeds eight times the salary of the lowest paid full-time member of staff. In addition in 2016 we became the first building society to be awarded the Fair Tax Mark.

Our environmental impact

We aim to maximise the positive environmental impact of our business. While our greatest impact will be from our lending - supporting and promoting building practices that respect the environment and sustainable, low impact communities, we're also working to reduce the direct environmental impact of our operations.

Every year we conduct an environmental audit and review our environmental policy. Our team regularly undergoes environmental training and we seek to reduce energy consumption, water usage and waste generation in our day-to-day running. All our electricity is sourced from renewables and we have offset our carbon emissions since we began in 1981.

● Our offices

Our eco-build offices were designed to have an airtight structure, high levels of insulation and low energy requirements. Photovoltaic panels generate electricity from the sun, windows are double glazed, filled with argon to improve heat retention in winter, and have a reflective film applied to prevent overheating in summer. A heat exchanger and high-efficiency condensing boiler is also used to assist our renewable technologies in maintain a comfortable temperature. Wherever possible, materials used in the building are from renewable sources, recycled or low toxicity. Our sedum nature roof provides a habitat for birds and insects, and a rain water harvesting system supplies the water for our toilets, water the roof and the gardens.

● Our gardens

The gardens around our offices are designed to be edible and productive whilst being low maintenance, ecological and attractive. Crops include 'superfood' fruits, nuts, herbs and mushrooms. The gardens also include a woodland habitat and a wildflower meadow. Raised beds provide space for Ecology's staff to grow their own vegetables. Part of the gardens are also open for the local community to enjoy. You can find out more about the garden design and the plants in our garden here.

● Our carbon footprint

In order to manage and reduce our carbon emissions we want to make the most accurate assessment possible of our carbon footprint. So, for the last six years, we've been working with Small World Consulting, a team based at Lancaster University and led by footprinting expert Mike Berners-Lee, to develop our approach to measuring our emissions.

Our carbon footprint figure includes the emissions generated through our 'supply chain' - the products and services we use as part of our day-to-day work - no matter where those emissions are generated. Our greenhouse gas emissions for 2017 were 436 tonnes CO₂e (equivalent carbon dioxide), or 377 tonnes CO₂e excluding staff commuting. This equates to around 13 grams CO₂e per £ of new lending.

The results from recent years show an increase in absolute emissions across the years, with a reduction and subsequent plateauing of relative emissions when the growth of our lending is taken into account:

	2017	2016	2015
Total CO2e (tonnes)	436	392	359
CO2e excluding staff commuting (tonnes)	377	332	309
CO2 per £ of new lending (grams)	13.3	11.2	10.6

The growth in emissions has been largely driven by:

- An increase in staff business travel and commuting as we expand our team to help us grow our member base and sustainable lending. Staff travel can be a challenge in a semi-rural area with poor public transport infrastructure.
- An increase in the services we purchase, especially professional services such as accountancy, to help us respond to increased regulatory requirements and ensure our systems and processes are fit for the future.

Cutting our footprint

As well as using as offsetting our carbon emissions, we've taken steps to reduce our footprint as much as possible, including:

- The installation of an electric vehicle charger in our car park for staff and member use
- The purchasing of hybrid vehicles by the Society which now have electric plug-in technology, supplied by our renewable energy supplier
- Encouraging staff to use public transport, car share and providing a cycle to work scheme
- The conversion of existing lighting to efficient LED technology and the installation of light sensitive motion detectors and timers to avoid lights being left on
- The transfer of our recycled waste collection to an alternative provider who will recycle more of our waste, which reduces the amount of our waste going to landfill
- Obtaining electricity and gas from renewable energy suppliers. We've already achieved many of the 'quick-wins' to reduce our carbon emissions but we continue to work hard at identifying more actions which will help reduce our footprint further. These will include:
 - Continuing to work with our suppliers to ensure we are choosing the most sustainable options when purchasing goods and services.
 - Reducing the number of paper-based communications with our members and encouraging take-up of online communications, which will help us reduce our use of paper, save time and lower costs!

And, of course, the greatest positive impact will be to grow our lending to help save carbon across the UK's housing stock!

Fair Tax

- In 2016 Ecology was the first building society in the UK to be awarded the Fair Tax Mark, the world's first independent accreditation scheme to address the issue of responsible tax. The scheme





demonstrates our genuine commitment to be open and transparent about the Society's tax affairs and pay the right amount of corporate tax at the right time and in the right place.

Fair Pay

Ecology has a long standing commitment to fair pay:

- Ecology became an accredited Living Wage Employer in 2015. While all the Society's salaries already exceeded the Living Wage, accreditation demonstrated our commitment to maintain this, as well as ensuring that all contractors working on our premises will also be paid the Living Wage.
- All employees (including Executive Directors) are paid in relation to their expertise, overall contribution and the general market place. Ecology has a policy that no basic salary will exceed a maximum of eight times the lowest full grade available.

Rabobank

Sustainability approach of the Rabobank

As a cooperative bank, Rabobank aims to help its clients achieve their ambitions in and for a sustainable society. For that reason, we focus our own contribution to society on accelerating sustainable agriculture and food supply worldwide, on strengthening the vitality of communities and on helping our clients to decrease their carbon footprint to make the transition to a low carbon and a more climate resilient economy.

Strengthening vital communities

As active participants in our local communities, we increase economic and social vitality by supporting the business success of local collective initiatives in the countries in which we operate. Each individual bank focuses on current local social issues. In our domestic market, this includes all kinds of sustainability challenges, how to stimulate economic vitality and ensure for example quality in healthcare and housing. In developing countries, we focus our efforts on establishing and professionalising farming organisations, as well as providing access for all to local financial infrastructures. We provide manpower, knowledge, networks, facilities and financial services to achieve this objective. We also invest 3% of our annual profit in society on a not-for-profit basis. In doing so we improve society's self-sufficiency and cooperation, while at the same time strengthening community vitality.

Accelerating sustainable agriculture and food supply worldwide

We actively participate in F&A Round Tables to improve the sustainability of agricultural value chains on a global scale, and we facilitate our clients in integrating the results of these efforts into their business operations. We also collaborate with a number of innovative clients and social partners to help them manage ambitious sustainability projects in agricultural value chains that can also inspire others to become more sustainable faster.

Working with our corporate clients

Sustainability is essential to the long-term success of businesses. Therefore we integrate sustainability in our industry visions, share our knowledge with clients and we provide customised financial solu-

tions to clients. We periodically review our larger clients sustainability performance and we explore opportunities to work together to find ways to improve performance and help achieve long-term business success. We also bring our clients together so that they can share their knowledge of sustainability and to facilitate them to create commercial opportunities.

Advice for retail customers

We help our retail customers achieve their financial goals by providing professional financial advice. For society's vulnerable, we provide access to relevant financial services. Assets entrusted to us are invested on the basis of meaningful sustainability criteria. Responsible savings and investments are increasingly becoming the standard in the market. We offer competitive packages of products and services for sustainable investment and living. In this way, we combine providing the best possible financial advice with a positive contribution to sustainable development.

Our efforts towards our own employees

We actively encourage and support our employees to make a genuine difference with regard to sustainability in the day-to-day interactions with our clients. We organise trainings, integrate sustainability in our internal business operations and we communicate transparently about our vision and activities.

Our climate approach

The biggest problems that threaten our planet are related to climate change and our emissions must be reduced substantially. We also need to better preserve ecosystems and biodiversity. This requires a huge effort from all of us. In our recently published climate report we provide an overview of our climate commitments, approach and the progress we have made so far. We also outline goals and ambitions for the future. Read here the [summary of the climate report](#).

Rabobank committed to sustainability initiatives of UNEPFI, UN Global Compact, OECD Guidelines

Rabobank's [sectoral sustainability policies](#) include policies on Animal Welfare, Biodiversity, Investing in Agricultural Commodities Derivatives, Land Governance, Biofuels, Extractives, Fisheries, Forestry, Livestock Farming, Palm Oil, Ship Recycling, Soy and Sugarcane policies.

Raiffeisen Luxembourg

The principle of sustainability has been, since the earliest days, inscribed in the DNA of our cooperative bank. Banque Raiffeisen's ambition is to be a role model in sustainable finance in Luxembourg, by offering high quality sustainable products and services while forging strong and lasting relationships with all of its stakeholders.

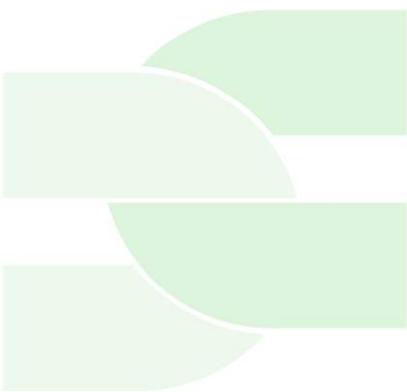
Sustainability is not a new topic at Banque Raiffeisen. The Banque has been a member of the IMS, Luxembourg's leading corporate social responsibility network, since 2008 and on the 20th April 2015, the Bank received the SRE label. This label, awarded by the INDr, confirms that Banque Raiffeisen rolls out a social responsibility and sustainable development policy that complies with the INDr's strict



Rabobank



Raiffeisen



criteria for all three areas of CSR: Governance, Society and Equal Opportunities in the Workplace, and Environment. More information on the SRE label as well as INDr can be found under www.indr.lu.

Even though the activity of Banque Raiffeisen is primarily focused on Luxembourg, sustainability is impacting everyone on an international scale. Therefore, becoming a member of the UNEP FI and signing the Principles for Responsible Banking on the 28th November 2019, seemed to be a natural choice for Banque Raiffeisen in order to be part of that global movement and to underpin its commitment to improve people's quality of life without compromising that of future generations.

In this respect, the Banque Raiffeisen will publish its first non-financial report beginning of 2021. This report will be in line with the GRI methodology and other international standards related to reporting information on sustainable topics.

More information on www.raiffeisen.lu/csr

Raiffeisen Switzerland

Responsible management

CO2 emissions



Unchecked greenhouse gas emissions will lead to climate change with serious, irrevocable consequences for humanity and the environment. The Raiffeisen Group generates CO2 emissions itself through business travel, cargo shipments and building energy for operating nearly 900 bank branches. The Raiffeisen Group's strategic goal is to reduce its CO2 emissions (Scope 1 to Scope 3 together) by 30% compared to 2012 levels by 2020. To achieve this target, it intends to implement standards that regulate energy, transport, resources and procurement. Employees will be trained and relevant banking processes checked for energy and resource efficiency on an ongoing basis.

In addition to these reduction efforts, Raiffeisen compensates its remaining CO2 emissions by investing in several carbon offset projects and is now a "climate friendly" company.

The entire Group's environmental performance indicators are monitored by Environmental Management, a specialist unit in Raiffeisen Switzerland's IT & Services department. The unit also manages the Pro Futura incentives programme that encourages Raiffeisen banks to take steps to cut their CO2 emissions. Pro Futura aims to promote emission reductions along the entire banking value chain, collects related best practices throughout the Raiffeisen Group and shares edited versions of the practices with all the Raiffeisen banks. It focuses on building energy consumption (electricity and heating) and business travel (cars, public transit and air travel). In addition, Raiffeisen's internal climate fund subsidises efforts to improve energy efficiency and reduce CO2 emissions.

These initiatives resulted in energy retrofits for a large number of buildings. Large sites were connected to district heating systems; one head office building received an SNBS certification for sustainable construction. The Raiffeisen Group also had two of its sites classified as "major consumers" under Swiss energy law and so signed agreements with the federal and cantonal governments to reach spe-

cific targets at both of these sites and a dozen others. Raiffeisen intends to only use renewable heating energy in its buildings and to avoid or replace electricity generated using nuclear sources or fossil fuels. It makes sure all the vehicles in its fleet meet the legal requirements (no more than 130 g CO₂/km for passenger vehicles). When it constructs or modifies buildings, it encourages eco-friendly commuting by providing good access to public transport or building changing rooms and showers for employees who cycle to work.

CO₂ emissions were reduced 6% year-on-year during the current year. This suggests that Raiffeisen can reach its ambitious CO₂ reduction target for 2020, which it set back in 2012. It continues to improve its data basis and data quality in environmental management.

In addition to its own emissions, Raiffeisen Switzerland in early 2019 had an external partner (TEP Energy) estimate the CO emissions of the buildings that Raiffeisen had (co-)financed via mortgage loans. The calculations show that the buildings (not including industrial or agricultural structures) generate around 2.1 million metric tons of CO a year, and that the CO is around 4% to 10% lower than the average for all of Switzerland. This is primarily because the buildings are newer and use fossil fuels less frequently due to their locations.

Raiffeisen also checked the corporate client credit portfolio internally in the current year regarding climate compatibility on the basis of the internal assignment of the individual loans according to the general methodology for economic sectors of the Federal Statistical Office (NOGA classification). It found that, according to NOGA classification, roughly 1.2% of all corporate loans go to companies in highly CO intensive industries, namely electricity generation, road freight, airborne transport, waterborne transport, production of cement, lime and plaster as well as metal production and metalworking. Excluding power generation, which in Switzerland is not very CO intensive, relatively speaking, this leaves only 0.6%, or less than 1%, of the total corporate loan portfolio. Based on this assessment, no loans were identified that were extended to companies that produce coal, petroleum or natural gas or operate coal-fired power plants.

Raiffeisen Bank International

Raiffeisen Bank International publishes a sustainability report, it reports to CDP, and in 2017 its rating was "A-".

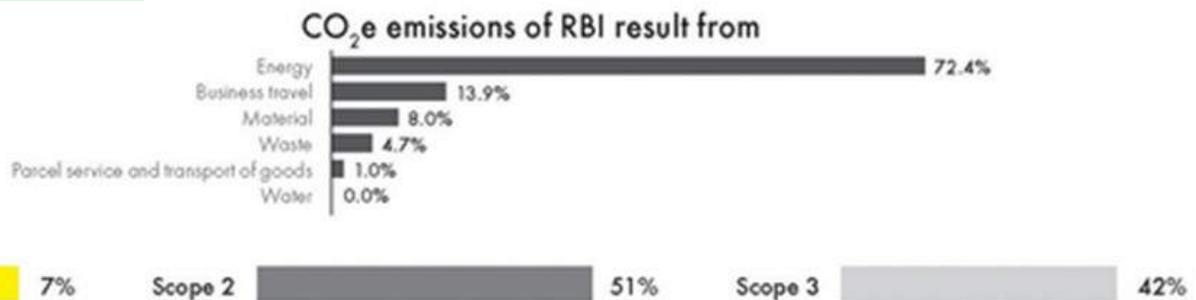
Raiffeisen Bank International promotes an annual stakeholders' dialogue and carries out a comprehensive stakeholder's survey every two or three years.

In 2016 Raiffeisen Bank International reduced its CO₂ emissions by two per cent compared to previous year. In 2017 it introduced a Carbon Policy.

Inhouse ecology

We are committed to environmental and climate protection, with the goal of keeping environmental impacts as low as possible. We therefore work to continuously improve our sustainability standards and the main environmental parameters in the most relevant areas.

The Raiffeisen logo consists of the word "RAIFFEISEN" in a bold, red, sans-serif font, centered within a white rectangular box.The Raiffeisen Bank International logo features a yellow square icon with a black 'X' shape inside, followed by the text "Raiffeisen Bank International" in a black, sans-serif font, all contained within a white rectangular box.



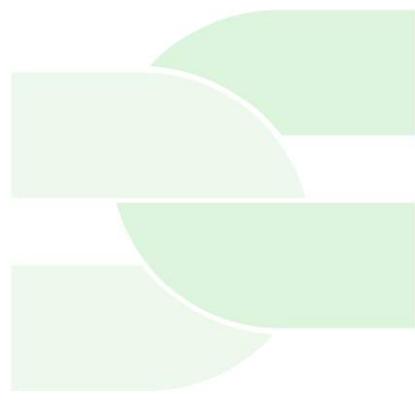
The graphic shows that the biggest items of CO₂e emissions of Raiffeisen Bank International (total of 97,636 tons (t) location-based, down six percent compared with the previous year and 26 percent compared with 2011) related to energy consumption and business travel. Particularly relevant is the division of the emissions into three „Scopes“, which define the classification of the CO₂ emissions according to the Greenhouse Gas Protocol:

Scope 1 comprises all greenhouse gas emissions produced directly in the company; e.g. from the combustion of stationary sources (such as power plants, boilers), from the combustion of mobile sources (such as from the company’s own fleet), from the production processes and from transient emissions.

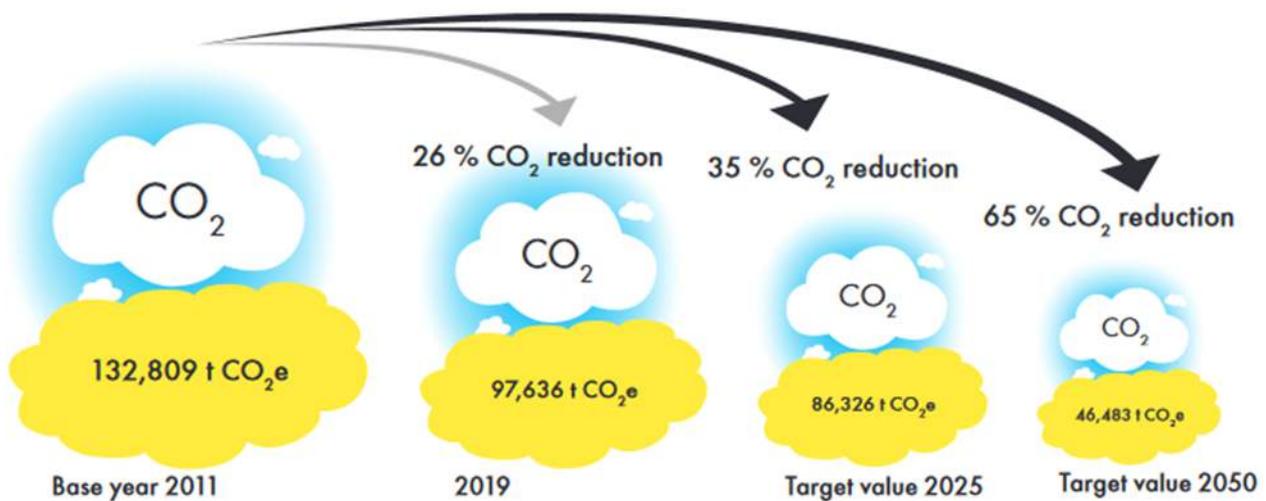
Scope 2 comprises indirect emissions that arise from the company being supplied with energy, i.e. when an energy supplier makes power or heat available for this company.

Scope 3 comprises all other emissions caused within the limits of the system, e.g. the mobility sector using planes, trains and external car fleets, as well as office supplies (such as paper) and waste etc.

Most emissions, 51 percent, can be found in Scope 2 (mainly caused by electricity consumption), followed by Scope 3 with 42 percent (here too, electricity consumption is in first place). At seven percent, Scope 1 is in third place and is caused by business travel (with the company’s own vehicle fleet), in addition to the purchase of electricity from third parties.



Target path CO₂ reduction of RBI



Average CO₂e emissions (calculated with the emission factor ecoinvent v3.4) for 2019 came to 97,636 tons (t) (location-based) and were reduced by 26 percent compared with 2011 (the first reporting date). Of this figure, 7,073 t of CO₂e (seven percent) was allocated to Scope 1, 49,708 t (51 percent) to Scope 2 (location-based) and 40,856 t (42 percent) to Scope 3. The greatest reduction compared with 2011 was achieved in Scope 2 (down 30 percent). In Scope 1, emissions have fallen by 24 percent since 2011, while Scope 3 has seen a reduction of 23 percent. Emissions were reduced by six percent compared with the previous year. More info: [LINK](#)

CHAPTER 2

Financing practices: financial products including promotional financing and services oriented to energy efficiency, renewable energy, green bond issues

Crédit Agricole

As a retail and investment bank, institutional investor and real estate developer, Crédit Agricole plays the role of energy efficiency financier -advisor for all of its customers.

The Regional Banks finance home energy renovations with products such as "Eco-PTZ" zero-interest eco-loans and "PEE" energy saving loans provided for heating, hot water, cooling or insulation works. From the outset and as at 31 December 2016, over 104,000 offers had been made totalling over €2.1 billion.

Crédit Agricole Assurances favours investments able to support the transition to new energy sources. Real estate acquisitions take environmental criteria into account and increase the proportion of retail and office properties with at least one environmental accreditation.

Crédit Agricole Immobilier has founded the BBCA (Bâtiment Bas Carbone) low carbon building association with other sector operators to help to reduce the carbon footprint of buildings at the level of construction and operation. It ensures the development of more environmentally-friendly buildings using bio-sourced materials and favouring moderate consumption of materials. Three BBCA certified buildings are in the process of being constructed within the Group.

Alternatives to fossil fuels, photovoltaic energy, wind power, biomass, methanisation and other renewable energies require heavy investment in research and development and infrastructure. Crédit Agricole is the leading financier of the sector in France.

Crédit Agricole Leasing & Factoring (CAL&F) uses the energy and environmental expertise of its subsidiary Unifergie to help to finance renewable energy projects by farmers, companies and local authorities. The cumulative capacity financed by CAL&F at end-2016 was in excess of 3,700 MW, equivalent to supplying power for 1,500,000 French households.

+21% increase in one year in renewable energy financing (€514 million in 2016 vs. €425 million in 2015).

More than one in two of these renewable energy projects is financed in partnership with the **Regional Banks**.

Crédit Agricole Assurances and Engie founded FEIH in 2013. This partnership was furthered in 2016 with the integration of wind farms operated by Maïa Eolis and now represents total capacity of 810 MW, making FEIH one of the biggest operators in France in terms of installed capacity.

Financing the transition to new and more environmentally-friendly energy sources implies a generalised approach in terms of consumption, economic models and regions. The Group offers specialised solutions for financing investment in water and waste management, heating networks, biodiversity and transportation.

Crédit Agricole CIB has arranged €28 billion of financing to support the climate, around half of the target announced at **COP21**.

€1.1 billion of cash invested in green bonds by Credit Agricole S.A. and Crédit Agricole CIB



In close collaboration with individuals and institutional investors, **Crédit Agricole** is using financial strength to support useful and responsible savings for financing the transition to new energy sources and a low carbon economy. Amundi, French market leader in socially responsible investment (SRI) with assets under management of €168 billion, is central to this approach.

Amundi offers its institutional investor clients a range of index-linked low carbon funds representing over €5 billion under management.

Amundi offers the Amundi Valeurs Durables fund, which invests in European companies that generate at least 20% of their revenues from the development of "green" technologies. At end-2016, assets under management totalled €237 million.

Launched in 2015, the **Amundi Green Bonds** fund offers a bond investment solution in the area of energy and climate transition financing. In 2016, the Amundi Impact Green Bonds fund, consisting entirely of green bonds, allowed investors to measure greenhouse gas emissions avoided as a result of their investment choices. At end-2016, these two funds had collected €65 million of assets under management.

€150 million mobilised by asset management company Amundi Transition Energétique at end-2016.

OUR EXPERTISE IN THE FIELD OF GREEN BONDS

Green Bonds are bonds exclusively reserved for financing projects or assets with an environmental and/or social purpose.

Crédit Agricole CIB is a co-founder of the Green Bond Principles and the only European bank that took part in drafting them in 2013.

Green Bond Principles create a framework for the use of proceeds, the process for project evaluation and selection, the management of proceeds and the reporting for the issuance of these Green Bonds. They offer investors the availability of the information required to evaluate the environmental impact of their investments.

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

Crédit Agricole CIB has been working in this market since 2010 and it has ever since been one of its top arranger worldwide. The Bank received the Global Capital Award SRI for the 6th consecutive year and IFR's ESG House of the Year award for the 5th consecutive year in 2019.

OUR INVOLVEMENT IN FIGHTING CLIMATE CHANGE

In order to limit the exploitation of fossil fuels and reach the target of keeping global warming under 2°C by the end of the 21st century, Crédit Agricole S.A. announced in May 2015 its decision to stop financing coal mining and fossil fuel operations in the Arctic in 2017 and has adopted in June 2019 a climate strategy aligned with the Paris Agreement.

On financing energy transition, Crédit Agricole CIB:

is developing its business activities of financing renewables projects



and structuring Green Bonds with a view to doubling the size of its green loans portfolio by 2022 encourages relevant partnerships for financing environmental projects.

In respect of climate-related risks, Crédit Agricole CIB has been working for several years on gaining a better understanding of climate-related risks and on handling them. It intends to continue this work by:

estimating the carbon footprint linked to its portfolio of loans and investments, defining sector policies for the sectors accounting for a sizeable proportion of this footprint. The goal is to cover 80% of this footprint gradually introducing an analysis linked to taking into consideration the issues surrounding global warming and the price of carbon in loan applications. The aim is to find which climate-related risks are most relevant for the Bank and to develop a methodology for assessing them.

OUR "GREEN SALES" PROGRAMMES

As part of the Finance for Tomorrow scheme backed by the Paris Market Operators, Crédit Agricole S.A. is committed to developing its green range of products and services.

The Sustainable Banking Service.

In 2010, a Sustainable Banking Team was set up in the Crédit Agricole CIB Sales Schemes arm. Its role is to advise the Bank's key customers on their transactions with social and environmental components.

Find out about our Sustainable Banking Service

Renewables

Financing renewables is an integral part of the strategy of Crédit Agricole CIB, one of the leading players in financing such projects. The Bank first entered this sector in 1997 by financing the first wind farms, and in 2008 it financed a solar energy project in Spain. The Project Finance business line has financed a total of 435 wind farms generating more than 24,000 MW and 1,006 solar farms representing almost 9,000 MW in installed capacity. In terms of number of loans, renewable energy represented over 64% of electricity generation project finance in 2018.

Crédit Mutuel

Crédit Mutuel provided environmental incentives for adapting to climate change consequences at local and regional levels for several years. It has developed specific products: it provides **energy savings loans** (short and long term) in addition to **eco-loans zero**. Furthermore, the Group supports the development of renewable and alternative energies by offering, for example, a home insurance which covers renewable energy installations (heat pumps, geothermal heat, aerothermy, solar panels...) and the properties on which they are installed. A civil liability insurance related to the energy production is provided in case of reselling of the electricity if panels are



declared.

Crédit Mutuel is committed through investments and products of its asset management companies:

Federal Finance has launched two climate initiatives to support financial flows to projects consistent with low carbon economies:

- **the set up of a climate indicator**, developed with two extra financial data providers, Sustainalytics and Grizzly Responsible Investment, specialized in sustainable development research;
- **the launch of a formula fund**, Daipazen Climat (net asset of 16 millions of euros) exposed to the Federal Objectif Climat index, composed of 50 companies committed in policies to reduce their carbon emissions.

Federal Finance Gestion, signatory of the Principles for Responsible Investment (PRI), is committed to improve its practices as an investor on behalf of third parties. This commitment was recognized through an A+ rating for the PRI 2015 assessment.

La Française (subsidiary of CMNE) has launched a **Zero Carbon fund**, which is a SICAV launched with 25 millions of euros (15/09/2017 – assets of 150 millions of euros).

CM-CIC Asset management has launched «**CM-CIC Objectif Environnement**», a fund invested in «green» value-added companies (15/09/2017- assets of 30 millions of euros). It has been ISR certified by Novethic.

TAKING ACTION TO STOP GLOBAL WARMING

For Crédit Mutuel Alliance Fédérale, the effectiveness of collective action cannot be judged on financial measures alone and must contribute to sustainable collective performance. Crédit Mutuel Alliance Fédérale is tightening its industry policies in order to combat the use of coal and unconventional oil and gas and help the economy make the energy transition .

As of March 1, 2020, businesses expanding their activities in the coal sector, at any point along the value chain, will be barred from obtaining any financial support. As of now, Crédit Mutuel Alliance Fédérale is exiting from all positions taken in such companies by its investment and asset management subsidiaries

More generally, Crédit Mutuel Alliance Fédérale will cease to work with businesses that produce over 10 megatonnes of coal a year, have over 5 gigawatts of installed coal-fired capacity, derive over 20% of their revenue from coal or have an energy mix in which coal contributes over 20%. We will stop working with businesses that exceed any one of these limits, which are the toughest to be imposed by a major European bank. The limits will be tightened every year, with the aim of ceasing the financing of coal energy completely by 2030. As of 2021, Crédit Mutuel Alliance Fédérale will make the continuation of financial support for corporate customers with an exposure to the coal sector conditional on the adoption of a plan to close down all coal assets by 2030.

With regard to unconventional oil and gas, Crédit Mutuel Alliance

The logo for Crédit Mutuel, featuring the text "Crédit Mutuel" in a blue serif font, with a small red and white circular emblem between the words. The logo is centered within a white rectangular box that has a thin grey border and is set against a light green background.

Fédérale is choosing to halt financing for projects linked to the exploration, production, transport infrastructure or refining of shale oil, shale gas, oil from bituminous sands, heavy and extra-heavy oil and oil and gas extracted in the Arctic. This will put our activities on a course that is in line with the Paris Agreement.

In the next few months, Crédit Mutuel Alliance Fédérale will perform an analysis aimed at setting criteria for businesses to encourage a progressive withdrawal from unconventional oil and gas. We aim to exclude all lending to businesses that lack a credible public plan to exit from these fuels with a clear timeline.

▶ **FOCUS IMPLEMENTING CLIMATE STRATEGY CRITERIA**

FINANCING OF COAL TO CEASE

- **Immediate exit from all positions** taken in such companies by our investment market (ACM) and asset management subsidiaries in businesses identified as developing new coal capacity*.
- **Exit from positions taken by our investment (ACM), asset management and trading floor businesses** in companies identified as developing new coal capacity.
- **Winding-down of existing corporate and project lending by 2030.** Credit facilities or overdrafts will not be granted or renewed, except to businesses that have publicly made a credible public strategy to exit coal with a clear timeline.
- Exclusion thresholds to be revised downwards every year

▶ **FOCUS IMPLEMENTING CLIMATE STRATEGY CRITERIA:**

UNCONVENTIONAL OIL AND GAS

- Financing to cease for projects linked to unconventional oil and gas
- Methodology work in progress to set exclusion criteria for all other types of involvement (to take effect by end 2020)
- Policy on restricting our financial support for unconventional oil and gas businesses to be published in 2020

**Ecology Building Society –
Our sustainable lending**

The **Ecology Building Society** provides mortgages for properties and projects that support individuals and communities to improve the energy efficiency of our building stock and live in a way that promotes a sustainable economy. These are funded through our simple, ethical savings accounts and our members trust us to use their money in line with our mission. The energy wasted by our homes is a critical barrier to reducing our national and global carbon footprint. It's also an increasingly important social and economic issue, with more than 2.3m households in fuel poverty in the UK and successive



government schemes to encourage domestic energy efficiency have only had limited success.

For 36 years Ecology has proven that the market can support **domestic energy efficiency initiatives**, delivering warm, healthy, affordable homes while generating a fair return for our members who choose to save with us.

Lending decisions are based on the ecological risk and reward of projects, as well as the financial aspects. So Ecology Building Society will consider projects that other lenders may reject, because they are innovative, unusual or complex. Ecology Building Society led the way in lending for self-build projects when the market barely existed and supported the refurbishment of empty homes long before the issue hit the headlines. We are undaunted by houses built of straw, timber or cob and we actively embrace alternative tenures, including housing co-operatives and cohousing.

Ecology Building Society mortgage pricing is **aligned to climate risk**, offering our unique 'C-Change' discounts for achievement of a recognised energy efficiency standard or significant improvement in a home's Energy Performance Certificate (EPC) rating. By the end of 2016 over 32% of mortgages were benefitting from one of these discounts, showing that our growth in lending was not at the expense of environmental quality.

Ecology Building Society impact is not just direct: its lending for pioneering techniques has stimulated growth in the market for **green building** and encouraged other lenders to follow suit. Self-build market in the UK is unlikely to have existed without Ecology Building Society willingness to lend in the early days. Today Ecology Building Society continue to support innovations such as the Passivhaus standard for energy efficiency, which attracts the greatest level of C-Change discount.

Within this community of borrowers and savers, the role of the society is to balance the different financial interests of our members, while making maximum progress towards our shared vision. Profit is not an end goal, but a means to an end. It is retained as capital, enabling us to further our lending and increase our environmental impact. Ultimately, it belongs to our **members** and we have a duty to use it in pursuit of our common goal.

Federkasse

In the framework of the clean energy agreement with **Legambiente** (Italian League for the Environment) and Federkasse (Italian Association of the Credit Cooperative Banks) 5.697 projects received a positive appraisal for a total of more than 268 million euro. These benefits, as of December 2015, of the national framework agreement between Federkasse and Legambiente launched in December 2006 with the aim of promoting and facilitating agreements between the individual BCCs (Banche di Credito Cooperativo-Co-operative Credit Banks) and Legambiente for the purposes of incentivising - via soft loans - the **use of renewable sources of energy**. Projects that can be financed include: energy efficiency systems, solar heating and photovoltaic systems, wind systems, biomass systems, high efficiency boilers.

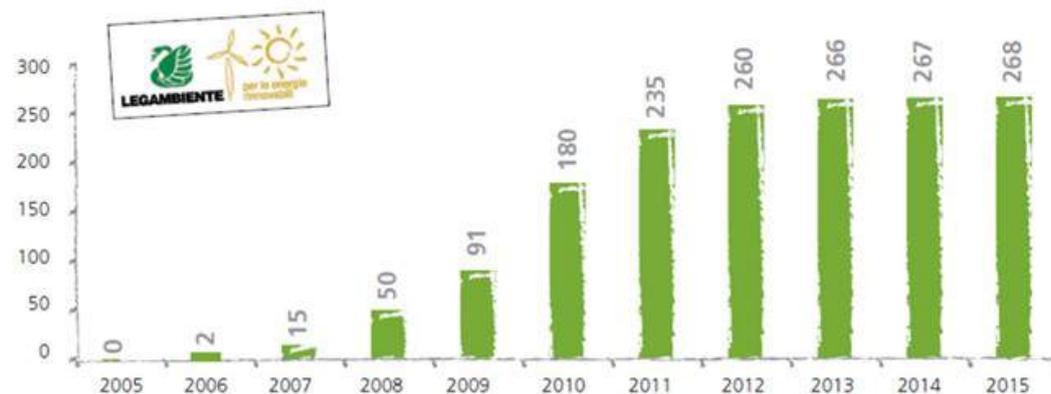


Legambiente, on its part, is committed to promoting the content and aims of the agreement and to providing training and support to banks in the technical appraisal of the projects to be financed.

The project has recorded notable success in **photovoltaic energy**. More than half of the loans have in fact concerned this system of energy production.



Finanziamenti cumulati. Milioni di euro.



Etika project:

Through a memorandum of understanding between the Casse Rurali Trentine, Cooperazione Trentina, various cooperatives and the Dolomiti Energia Group, Etika proposes the subscription of electricity and gas at very advantageous conditions, with a further important advantage given by the social and ecological value. The protocol uses only energy from renewable sources certified by the Electric System Operator, an independent third party. The 100% green energy is partly produced by Dolomiti Energia through its hydroelectric power plants located in the Trentino mountains. This project has also a solidarity impact as Dolomiti Energia pays 10 Euro for each contract (20 Euro for the electricity and gas option) to the Solidarity Fund to finance the research and implementation of housing solutions for people with disabilities. To date, this initiative has registered 51,940 adhesions, saving 28,192 tons of CO₂ (equal to the amount absorbed by 16,670 trees) and allocating 1,193,500 Euros to the solidarity project.



BCC Energia

The BCC Energia Consortium was set up in 2009 on the initiative of Federcasse to bring together the consumption of BCC in a single basket, so that it could take advantage of the numerical leverage to buy electricity, exclusively produced from renewable sources, on the free market at the best conditions. Over the years, the Consortium has developed a series of services ranging from the electricity and gas market to energy efficiency and consumption monitoring. It also supports and promotes electric mobility.

At the end of 2019, the BCC Energy Consortium had 137 Consortium members, including 117 BCC, 11 Local Federations and 9 system companies.

In 2019, 35,567 tons of Co2 was avoided, consuming 125,199,391 KWh of green energy at favourable conditions, saving 1.3 million euros.

Ethical sub-funds of the NEF Investment Fund

The Gruppo Bancario Cooperativo Cassa Centrale Banca, through its subsidiary NEAM - Nord Est Asset Management - has set up a number of sub-funds of the NEF investment fund, consistent with the principles of sustainable and responsible finance, whose management complies with the following criteria:

- the selection of companies and countries in which there is greater attention and protection of environmental, social and governance (ESG compliant) aspects;
- the exclusion upstream of Companies working in certain controversial sectors, such as tobacco, pornography, alcohol, gambling, weapons and/or in countries where, for example, serious human rights violations are implemented or tolerated. These are the ethical sectors of the NEF range (NEF Ethical Total Return Bond, NEF Ethical Balanced Conservative and NEF Ethical Balanced Dynamic) which are among the 34 funds in the world to have received certification for compliance with ethical finance criteria from the Luxembourg Finance Labelling Agency.

At the end of December 2019, the total assets invested in Ethical funds exceeded 750 million euros.

Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken (including DZ BANK)

Development lending in environmental protection, sustainability and energy efficiency are key components of the financing solutions of the **German cooperative banks**. The German cooperative banks have high market shares in promotional lending. According to the number of new promotional loans of KfW offered by cooperative banks to SME Volksbanken and Raiffeisenbanken were the market leader in Germany in 2016.

DZ BANK has been active in **green bonds** market segment since



2013. It is one of the ten leading syndicate banks operating in this segment. The fact that sustainability has been a major aspect of the cooperative principle and culture is proving to be an advantage. DZ BANK as well as Crédit Agricole and Rabobank, two other European syndicate banks with cooperative roots, are in the list of market leaders in this segment.

Groupe BPCE

By channeling our customers' savings towards a more responsible economy and financing the energy transition, we act as a responsible bancassurance specialist.

We support all our clients both in France and abroad. Our commitment finds expression in the financing of major green infrastructure projects as well as in the thermal renovation of single-family housing and the acquisition of clean vehicles. It also means speeding up the development of savings inflows and the management of more responsible investment products, as well as promoting dedicated refinancing tools such as the issuance of green or social bonds.

The TEC 2020 plan set three major goals in terms of the Group's "Commitment to its cooperative shareholders":

- to reach €10 billion in outstanding loans to finance green growth by the end of 2020;
- to record €35 billion in responsible deposits and savings;
- to issue at least two sustainable bonds per year with its own assets.

Regarding the financing objective, outstanding loans are growing steadily, and have exceeded the initial target, at €10.8 billion, driven by loans to finance renewable energy projects. Large-scale projects represent €9.8 billion in outstanding loans.

€9.8 bn

In outstanding loans granted for renewable energy projects

44% in solar power

35% in wind power (as at September 30, 2019)

FOUR PRIORITY SECTORS



Energy renovation



Renewable energy

Groupe BPCE finances energy efficiency projects, including thermal renovations and low carbon mobility solutions for individuals, professionals and SMEs. As of the end of 2019, outstanding loans in this area amounted to €1 billion.



Green mobility



Companies in transition

Despite intense competition and the falling cost of facilities, demand for renewable energy structured finance is not slowing. Financing for green growth is a bullish segment. However, it is important to keep a close eye on market developments.

Renewable Energy Sector :

Wind and photovoltaic solar power solutions are reaching maturity and demand for energy transition project financing is intensifying.

While interest rates remain persistently low, Groupe BPCE is using all its expertise to structure financing solutions adapted to the complexity of these projects. The quality of its relationships with its stakeholders allows it to find solutions suited to all players.

Financing for the energy, ecological and social transition with Groupe BPCE's products and services:

- Thermal renovation in individual homes (e.g. Eco-PTZ)
- Giving the green light to green projects
- Facilitating access to zero carbon mobility
- Financing the transition in the agri-food sector
- Guiding craftsmen and SMEs on the path to sustainable development : a question of competitiveness
- Local public sector stakeholders and the social and solidarity-based economy
- Renewable energy projects
- Facilitating the transition for real estate portfolios

SRI and ESG expertise serving the sustainable development cause incorporating ESG criteria:

Groupe BPCE's asset managers offer a range of investment solutions that incorporate ESG criteria to different degrees:

- first level: ESG analysis – recognition of ESG criteria in the analysis of issuers, without this systematically having an impact on investment decisions;
- second level: ESG integration – incorporation of ESG criteria in investment decisions (including thematic and/or impact investments and exclusion strategies);
- third level: Certification – funds certified by recognized third parties (the French SRI label, Greenfin, Finansol, Febelfin, LuxFlag ESG, Nordic Swan EcoLabel, FNG Siegel).

Under an inclusive system, when a fund qualifies for Certification, it also joins the ESG integration category, and a fund that qualifies for the ESG integration level also enters the ESG analysis category.

Ecofi – Crédit Coopératif's asset management subsidiary – is pursuing its commitment. Since January 1, 2019, Ecofi Investissements has applied its new SRI process to all its open-ended funds and it completed its certification process, obtaining three SRI labels from the French government and a Greenfin label for its investment funds. At the end of 2019, Ecofi Investissements chose a new service provider, ISS ESG, to enhance analysis of its investments in terms of their alignment with the 2°C climate scenario.





Responsible Passbook savings accounts

The Banques Populaires and the Caisses d'Épargne are regional cooperative banks that channel most of their customers' savings and deposits into local projects.

Groupe BPCE is a leader in solidarity-based savings in France, ranking number one in terms of inflows and management in the latest Finansol professional survey.

At December 31, 2019, Groupe BPCE managed nearly 36% of total solidarity-based savings (€4.5 billion out of €12.6 billion).

CODEVair is a Finansol-certified product distributed by the Banques Populaires, aimed at encouraging customers to put their savings into the energy transition. Launched in 1999 by Banque Populaire d'Alsace, CODEVair is now distributed by nine Banques Populaires, including Crédit Coopératif. Outstanding deposits and savings amounted to €1.85 billion at December 31, 2019. The savings in these accounts have financed 11,500 projects totaling €283 million, in particular low energy homes and low emission vehicles.

All the Caisses d'Épargne offer the Compte sur Livret Régional (CSLR) passbook savings account. Funds collected are used to finance local support and development initiatives. Each Caisses d'Épargne chooses to use the funds to finance digital development, healthcare or employment. Outstanding savings in CSLR accounts total €1.42 billion, invested by 17,009 customers who can ask to be informed of the projects financed by their savings.

Crédit Coopératif is one of the leaders in solidarity-based financial products in France. It offers the AGIR range, which includes a charity debit card and six passbook savings accounts.

Crowdfunding solutions for projects to improve society

For exemple, Crédit Coopératif is also involved in crowdfunding with the support of new digital players such as the equity structure, WiSEED, with which it has formed a partnership to promote innovative offers in the energy, ecological and solidarity transition field. It also supports Financement Participatif France, an association that represents and promotes crowdfunding platforms.

Grupo Cooperativo Cajamar

The **Grupo Cooperativo Cajamar** is working on identifying social and environmental risks, as well as on carrying out actions aimed at implementing audits that assess these risks, while expecting to advance in this scope in the medium term. Specifically, in recent years it has developed a method that allows assessing the economic and financial risks of environmental nature. This method includes several lines of work:

- **Assessment of the risk of non-compliance of environmental regulations:** The regulatory non-compliance by companies involves the accumulation of environmental liabilities in its balance sheets due to the exposure to sanctions or to activity cessation.

- **Assessment of the risk linked to climate change:** The effect of climate change on the business activity may have an impact on the different stages of the value chain that are taken into consideration.

Products and services		
4. Development and/or expansion of low-emission goods and services	3-6 years	4A. Increase in the number of investors who require green bonds
	3-6 years	4B. Greater contribution of revenue from financing lowcarbon and low-water technology and infrastructure sustainable mobility projects, etc
5. Developing solutions for climate adaptation and risk assurance	3-6 years	5A. Greater contribution of revenue from solutions to companies with a high environmental profile
	3-6 years	5B. Greater contribution of revenue from the range of more specific and customised insurance plans for customers exposed to risk of climate change
6. Change in consumer preferences	3-6 years	6A. Greater contribution of revenue from obtaining a competitive position that reflects the changing preferences of consumers

Krajowy Związek Banków Spółdzielczych

The **Polish co-operative banking sector** comprised of more than 550 independent, local co-operative banks, it is a common practice to cooperate with The National Fund for Environmental Protection and Water Development. This includes preferential **loans for growth of renewable energy sources**, e.g. construction of small installations, producing energy from renewable sources for own consumption, purchase of environmentally friendly solar panels.

Having a wide network of regional and local branches, Polish co-operative banks provide financial support for **green investments** even to small, rural communities, individuals and farmers. Co-operative banks are very often the only source of funding for such investments in these areas.

This puts Polish co-operative banks in the key role in locally providing promotional and preferential retail financing for energy-efficient investments in central heating and water heating, energy-efficient building insulation, waste management, construction of small and home sewage treatment plants, investing in energy-efficient lighting, purchase and installation of ventilation and air conditioning systems with heat recovery.





OP Financial Group

OP Financial Group published its Green Bond Framework in 2018 and issued its inaugural Green Bond on 26 February 2019. By issuing green bonds, OP supports one of its core values – Responsibility. Conducting business in a responsible manner and understanding customers' ESG risks better were the key drivers for OP in entering the green bond market. As at December 2019, the Green Bond register included eligible assets as follows:

- Renewable energy production in aggregate value of approximately EUR 656 million
- green buildings in aggregate value of some EUR 158 million
- sustainable land use in aggregate value of some EUR 146 million

OP has indirect responsibility in companies' business

As a financial services group, OP has indirect responsibility when it comes to financing for corporate customers. Our financing decisions take account of social responsibility and environmental issues. It is crucial for this evaluation to identify potential risks associated with major projects and risky sectors.

In addition to our own analysis, we may consult an independent expert who assesses environmental risks with respect to an individual customer or a project to be financed. The identified risks play their role in our lending decisions.

ESG analysis

In 2019, OP Corporate Bank developed its ESG analysis (Environmental, Social & Governance) as part of the assessment of corporate customers' creditworthiness. This analysis examines businesses and projects seeking financing, including their effects and risks in terms of climate change, waterways or land use. As regards society and governance, ESG analysis examines elements such as employee wellbeing, board independence and transparency of taxation. The analysis seeks to identify material ESG risks and opportunities for the bank's corporate clients, which supports to the traditional credit assessment.

Products

In 2019, OP Corporate Bank developed two products based on the international framework for sustainable finance: the green loan and sustainability-linked loan. In green loans, the corporate customer undertakes to use the borrowed assets for defined projects, whereas in sustainability-linked loans the corporate customer commits itself to sustainability performance targets that are jointly agreed at the lending stage. These targets affect the loan margin. With our green loans and sustainability-linked loans, we encourage companies to further improve their sustainability.

OP's responsibility principles in project finance

The Equator Principles (EP) is a benchmark in the financial services industry. It is a risk management framework for determining, assessing and managing environmental and social risk in projects. OP Financial Group adopted the Equator Principles (EPs) towards the end

of 2016. Projects in question are implemented in OP Corporate Bank Plc. The relevant personnel working in project financing and related financing in OP Corporate Bank's corporate finance have been trained to follow OP's internal EP process.

In practice, OP applies the EPs by executing the following stages:

OP identifies the projects whose size and nature fall within the EP scope. OP makes environmental and social assessments of these projects using material provided by the customer and where necessary, independent consultants and site visits. Based on the provided material, an EP specialist working in corporate finance assesses the project's environmental risks as well as ways to mitigate them. The EP specialist cooperates with the persons negotiating the project's financing and with legal services when drawing up the financing terms.

Together with the person responsible for financing, the EP specialist presents the project in a decision-making body, compliant with the risk policy, whose committee confirms the EP risk level and action plan. The committee's statement on EP compliance is appended to the financing decision.

OP monitors the projects annually to ensure that the planned actions are implemented from the environmental and social perspective. The customer must submit a report on the project's progress. In the case of misuse, OP goes through the suitable measures with other financiers.

OP reports annually the projects within EP scope to the Equity Principles Association.

OP Asset Management has well-developed active ownership practices, including direct and collective engagement with companies and one of the broadest in Finland proxy voting programmes, OP is also a leader in thematic ESG funds' management with four dedicated funds and one private equity impact fund in cooperation with Finnfund. OP Asset Management is licensed and is cooperating with SASB on financially material ESG integration. ESG integration practices are described in OP's Responsible Investment Principles.

Rabobank

The transformation of the Netherlands into a circular economy needs leaders who invest in advancing sustainability. One of those trailblazers is waste processing company AVR, which recently received a Rabobank-arranged sustainable syndicated loan to help it keep the wheels of innovation turning.

Waste processing company AVR-Afvalverwerking invests tens of millions of euros a year in upgrading its waste recycling processes. The company recently secured its investment budget for many years to come by renewing a credit facility, as part of which it received a syndicated loan to fund its plans from a pool of five banks headed by Rabobank, in addition to a private placement.



AVR-Afvalverwerking in Figures

- Revenue: EUR 241.5 million
- Operating Income: EUR 76.8 million
- Profit: EUR 37 million
- Workforce: 429 FTEs
- Quantity of waste processed: 2,305 kilotons
- AVR's 2 facilities account for 22% of total incineration capacity in the Netherlands
- Utilization breakdown: 74% energie, 24% recycling, 2% discarded
- Total energy generated (heat, steam, and electric power): 8,5 petajoules
- Amount of carbon avoided: 628 kilotons

Promoting Sustainability

The advantage of this new type of loan is not so much the interest rate discount itself, says Juliette Stevenaar, DCM Loan Syndication at Rabobank, which coordinated the syndicated loan and advised AVR on the sustainable loan. "Although it might involve just a few basic points, by incorporating sustainability criteria into your loan, you can communicate to the outside world – and certainly also within your own ranks – that your organization has strong commitments to CSR and ESG policies and practices. You force yourself to report on these issues to external stakeholders."

Renewable Energy: Project Finance

Rabobank is a leading financier of solar, wind, bioenergy, and energy infrastructure projects. Our Project Finance team focuses on the renewable energy and infrastructure sectors, offering advisory, structuring, arranging and underwriting capabilities for Renewable Energy Financing transactions.

Green Finance: Bonds and Loans

Rabobank is a leading issuer of Green Bonds, a unique financing tool which empowers sustainable development projects and has been playing a leading role in green bond execution, with 12 other financial institutions, since the Green Bond Principles were founded in 2014. The Green Bond Principles, a framework for designating, disclosing, managing and reporting on Green Bonds, have grown to include more than 130 adhering financial institutions.

Additionally, we are active in constructing Green Loans, a newer product that is also aimed at facilitating and supporting environmentally sustainable activity. Green Loans can be:

- Used for specific sustainability projects or
- Link the ESG performance to the rate of the recipient and funds can be used for general purposes

Raiffeisen Luxembourg

Banque Raiffeisen has today a comprehensive range of sustainable products and aims to further develop this offer.

The Bank offers its clients investment opportunities that comply with the ESG (Environment & Social & Governance) criteria, enabling them to invest in sustainable products and services that support the achievement of UN sustainable development goals.

Sustainable investments are aimed at people who want to build



wealth while contributing actively to building a more responsible and sustainable future. In the area of sustainable investments, Banque Raiffeisen offers:

- Wealth management in accordance with a sustainable directive
- Investment funds savings plan - R-PlanInvest Sustainable
- LuxFLAG ESG-certified investment funds, in particular in our 'Best Of' range
- Sustainable investment funds of our partners
- Exchange Traded Funds (ETFs) SRI
- Act ESG' certified structured products
- Green Bonds
- "Fairtrade" Gold"

In addition to that, the Bank launched in February 2020 a personal loan called R-Eco intended for retail customers and that can be used to finance new eco-friendly cars or energy saving projects linked to housing.

Raiffeisen Switzerland

Sustainable products and services

Product portfolio

Environmental and social factors, such as climate change, affect risks and simultaneously represent business opportunities. The Raiffeisen Group plans to give these factors due consideration when developing financial products and respond to growing client interest in sustainable products.

As a major mortgage lender, Raiffeisen educates clients about opportunities to improve properties' energy efficiency and reduce their CO emissions. Raiffeisen clients, who obtain energy efficiency evaluations during home ownership consultations, can learn about their property's energy efficiency, identify potential investment needs and simulate renovation scenarios. In 2019, clients once again had access to low-cost thermal imaging and analyses provided by Raiffeisen banks and branches for the purpose of identifying energy conservation opportunities. When clients decide to obtain a cantonal building energy certificate (GEAK® Plus), Raiffeisen assists them with a financial contribution of CHF 200.

SMEs that are Raiffeisen members receive a free initial analysis from an advisor at the Energy Agency of the Swiss Private Sector (EnAW).

All investment clients are asked about their sustainability stance and advised on request when they open a custody account and when their situation is periodically reviewed.

Raiffeisen works closely with independent specialised partner companies in developing and managing sustainable investment products and carrying out sustainable asset management mandates (under the Futura brand in both cases). Inrate, a rating agency, is responsible for rating securities and real estate based on defined sustainability criteria. Vontobel Asset Management manages the Raiffeisen Futura investment funds. VERIT Investment Management is responsible for the Raiffeisen Futura Immo fund. Raiffeisen Switzerland manages the Futura asset management mandates.

In the case of Futura funds and Futura asset management mandates, the investment universe is determined on the basis of a strict selec-



Raiffeisen

RAIFFEISEN

tion procedure with a "best in service" approach according to ecological, social and ethical criteria identified by Inrate, which specialises in sustainability ratings. With the Futura Immo fund, Inrate assesses properties based on defined sustainability criteria, including location quality, housing quality and resource efficiency.

Two investment strategies were added to the range of Futura pension products in the current year. First, Raiffeisen Pension Invest Futura Equity was launched at the start of March. This fund allocates up to 100% of its portfolio to international equities. Second, the Raiffeisen Index Fund – Pension Growth was integrated in the sustainable Pension Invest Futura funds and renamed Raiffeisen Pension Invest Futura Growth as of 1 April 2019. The fund's strategic equity allocation is between 50% and 80%. Overall, Raiffeisen now provides its clients with a pension range consisting of four investment strategies that all pursue the Futura sustainability approach and take ecological, social and ethical criteria into account accordingly.

Raiffeisen Switzerland also floated the first sustainable bond in the Swiss capital market in April 2019: the Raiffeisen Sustainability Bond. Investors could use it to invest in energy efficient, low-emissions and social housing.

In addition, Raiffeisen developed clear and scientifically based criteria for "green" real estate financing to be used for the Swiss market.

CO2 emissions

Unchecked greenhouse gas emissions will lead to climate change with serious, irrevocable consequences for humanity and the environment. The Raiffeisen Group directly generates CO emissions through business travel, cargo shipments and building energy for operating nearly 900 bank branches. The Raiffeisen Group's strategic goal is to reduce its CO emissions (Scope 1 to Scope 3 together) by 30% compared to 2012 levels by 2020. To achieve this target, it intends to implement standards that regulate energy, transport, resources and procurement. Employees will be trained and relevant banking processes checked for energy and resource efficiency on an ongoing basis.

The entire Group's environmental performance indicators are monitored by Environmental Management, a specialist unit in Raiffeisen Switzerland's IT & Services department. The unit also manages the Pro Futura incentives programme that encourages Raiffeisen banks to take steps to cut their CO2 emissions. Pro Futura aims to promote emission reductions along the entire banking value chain, collects related best practices throughout the Raiffeisen Group and shares edited versions of the practices with all the Raiffeisen banks. It focuses on building energy consumption (electricity and heating) and business travel (cars, public transit and air travel). In addition, Raiffeisen's internal climate fund subsidises efforts to improve energy efficiency and reduce CO emissions.

These initiatives resulted in energy retrofits for a large number of buildings. Large sites were connected to district heating systems; one head office building received an SNBS certification for sustainable construction. The Raiffeisen Group also had two of its sites classified as "major consumers" under Swiss energy law and so signed agreements with the federal and cantonal governments to reach specific targets at both of these sites and a dozen others. Raiffeisen intends to only use renewable heating energy in its buildings and to avoid or replace electricity generated using nuclear sources or fossil fuels. It makes sure all the vehicles in its fleet meet the legal requirements (no more than 130 g CO /km for passenger vehicles). When it constructs or modifies buildings, it encourages eco-friendly commuting by providing good access to public transport or building changing rooms and showers for employees who cycle to work. CO emissions were reduced 5% year-on-year during the current year. This suggests that Raiffeisen can reach its ambitious CO reduction target for 2020, which it set back in 2012.

It continues to improve its data basis and data quality in environmental management.

The logo for Raiffeisen, consisting of the word "RAIFFEISEN" in a bold, red, sans-serif font, centered within a white rectangular box.

CHAPTER 3

R&D&I, and other social action initiatives

Crédit Agricole

The Crédit Agricole Solidarité et Développement Foundation supports projects carried out by public interest organisations throughout France. It complements the work of Crédit Agricole's 39 Regional Banks, which are responsible for identifying and supporting projects in their territories, as close as possible to the needs. In addition to these local projects, the Foundation also aims to forge lasting partnerships with national players to promote the socio-economic independence of people throughout France.

All the actions classified by themes can be found [here](#)

Crédit Mutuel

Employees are also made aware of the corporate, social and environmental responsibility, whether for energy consumptions or solidarity-based savings or responsible investment or good practices:

- Distribution of a newsletter which contains general and competitive information and highlights some good practices of group entities for the last 9 years. The aim is to ensure an active pedagogy on corporate, social and environmental responsibility.
- This weekly publication is accessible to all members of the staff and to most of the mutualist elected directors on the intranet websites of Group entities, representing 100 000 potential readers.
- Some information taken from this newsletter has been published on the Group's national website for customer-members, clients and web surfers.

A sustainable development portal has been set up in the intranet website designed to employees, mutualist elected directors and the Group entities, in order to encourage respectful behavior towards the environment. It contains news, actions taken in this area and a space on eco-gestures ("under development").

Actions in 2019: [here](#)

Federcasse

INTERNATIONAL COOPERATION | ECUADOR | 



Over the course of 17 years, BCCs have been provided over **83 million** dollars loans to BanCODESARROLLO and the *Fondo Ecuatoriano Populorum Progreso* (FEPP) **to defeat poverty and increase economic and social inclusion**. Of these, approximately **73 million** to BanCODESARROLLO and **10 million** to the FEPP. **11 monitoring** and planning missions were carried out.



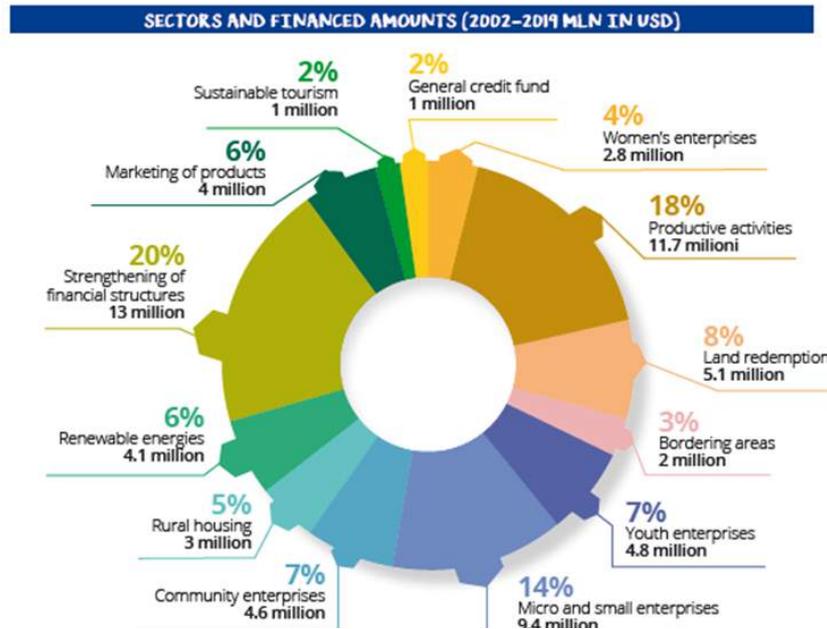
35% of BANCODESARROLLO'S capital (around 3.6 million dollars) is held by some BCCs, the TERTIO MILLENNIO FOUNDATION and other ITALIAN MEMBERS who are part of the world of COOPERATION

Source: Federcasse.



Over the 17 years, more than **66 million** dollars loans have been aimed at the development of integrated **agricultural production systems**, initiatives in favour of **Ecuadorian migrants**, the **redemption** and legalization of the **land**, the installation of **solar panels** in small 'high altitude' community schools, the **capitalization** and consolidation of basic cooperatives and the **training** of their directors, managers, members and employees.

Source: Federcasse.



INTERNATIONAL COOPERATION | TOGO |



For over 7 years, Credito Cooperativo has been engaged in Togo with projects aimed at putting an end to hunger, at **improving nutrition** and **promoting sustainable agriculture** through the development of cooperative entrepreneurship. **17 missions** were carried out nationwide for technical monitoring, professional training and consolidation of institutional relationships.



2018

- ★ The **Tertio Millennio Foundation** became a partner **In the Project** (aimed at training activities on finance and on developing cooperative entrepreneurship, with a focus on strengthening the network of the Union of rural Togolese women, to consolidating the startup incubator - APES, to enhancing the technical-managerial skills of the directors and managers of the two rural Funds that are partners of the project).
- ★ The last training session was provided to 30 (of which 10 from APES) technicians of the FAIEJ Fund as part of the **Federcasse/Coopermondo-Togolese Government partnership agreement** signed in 2016.

Source: Federcasse.



OVER 1.8 million euro LOANS LENT BY a POOL OF 6 BCCs IN FAVOR OF 61 TOGOLÉSE COOPERATIVES

2019

- ★ *Memorandum of Understanding* between Federcasse and the Togolese Government to strengthen the technical and financial capabilities of Togolese cooperatives.
- ★ Collaboration agreement between Federcasse and the Aurora Foundation to carry out support activities for cooperatives. Promoting growth and social impact generation for local communities.



In 2019 many contributions were collected thanks to Initiatives by the IDEE Association aimed at purchasing the necessary equipment for the **HOSANA Female Pastry Cooperative** as part of the "Laboratory of cooperative entrepreneurship and development cooperation" project. In the photo, a training session on cooperative management with the women of HOSANA.



Source: Federcasse.

Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken

The national association of German cooperative banks **BVR** yearly publishes an [annual report on corporate citizenship](#). This report gives an insight into the wide variety of corporate citizenship activities that German cooperative banks undertake.



Groupe BPCE

Commitments to our customers and territories

In our capacity as the 2nd largest provider of financing for the French economy, we contribute to the economic and social development of regional ecosystems. We actively embrace this mission as a commitment to our 30 million customers and 9 million cooperative shareholders.

We aim to provide access to banking services for all. As a result, we create the conditions for more inclusive finance through various measures: actions in favor of customers faced with financial fragility or disability, the promotion of personal or professional microcredit solutions, etc.

- No.1 bank for protected persons,
- No.1 operator for microloans accompanied by support measures in France.

In 2019, Groupe BPCE remained the number one bank in France in personal and professional microloans with support, with nearly one third of the market. It has consolidated its position as the leading financier of the three major microloan support agencies. These loans qualify as solidarity-based loans because their approval is not based on standard bank scoring criteria,

particularly for project sponsors who are out of work or cannot put up personal collateral. They are guaranteed by specific mechanisms, In France, the Group is the number one bank in microloans with support, with 21,131 solidarity-based loans with support distributed for a total of €555.8 million.

These include specific services for financially vulnerable customers, the prevention of over-indebtedness, personal or professional microloans, accessibility for disabled customers, and banking services for protected persons.

We act in favor of a more socially responsible economy by promoting solidarity-based investments. We satisfy the expectations of our customers who want to lay a greater focus on the impact of their investment decisions. As such, we offer them a comprehensive range of savings and investment solutions contributing to projects of significant social, solidarity or environmental benefit.

- No.1 collector and manager of solidarity-based savings in France according to the Finansol 2018 Barometer,
- 38% of solidarity-based savings outstanding under financial management in 2017 (equal to outstandings of €4.4 billion)
- Groupe BPCE is a long-standing leader in socially responsible investment (SRI)



Disability and responsible procurement policy

Since July 2010, when it launched the responsible purchasing and disabilities policy (Politique Handicap et Achats Responsables, or PHARE), Groupe BPCE has contributed to the professional and social inclusion of persons with disabilities by sub-contracting some operations to companies working with disabled persons.

In 2019, Groupe BPCE bolstered this commitment by spending €15 million (including tax) on companies employing persons with disabilities. Purchases by Groupe BPCE from companies working with disabled persons contributed to the professional inclusion of persons with disabilities equivalent to 499 Full-Time Equivalent (FTE) positions.

Groupe BPCE currently works with over 300 suppliers in this sector who provide different types of services both directly and via co-contracting agreements.

Grupo Cooperativo Cajamar

The Grupo Cooperativo Cajamar's impact on the primary sector and the agro-industry is projected via two clearly differentiated lines, but deeply integrated since the Group's origins: the banking activity (financing and management of agricultural credit risk), and research. During 2016, more than a hundred projects were open in experimental centres of the Grupo Cooperativo Cajamar. The vast majority were developed by the Group's own researchers, and others were developed in collaboration with different Spanish and foreign companies, technological centres and universities. The partnership with companies and research centres is essential to improving research efficiency and, in turn, multiplying the positive impact of research for the agricultural sector, the environment and society as a whole. The three R+D+i areas of the Grupo Cooperativo Cajamar are: agricultural sustainability (69% of projects); food and health (14%); and greenhouse technology (17%).

Business model: territory, inclusion and creation of shared value

Commitment to territorial development: sustainable local development and enhancement of the rural environment

The Group is present in both urban and rural areas and is especially committed to the rural environment and economic activities that take place in rural areas. As a result, the Group is particularly engaged in the economic and social development of rural areas through its financial activity based on the criteria of social economy. Its business proposal is based primarily on searching for financial solutions geared towards the well-being of families, supporting small and medium-sized enterprises, and, in particular, developing the farming and agri-food sectors.

Krajowy Związek Banków Spółdzielczych

Polish co-operative banks carry out the mission of **promoting sustainable development in their local communities**, mostly by



their engagement in local social initiatives, supporting local culture, sport events, activity and development of young and senior citizens, supporting financial education, local entrepreneurship, reconstruction of damages caused by random events, including natural disasters, as well as supporting public services and public benefit organizations. Polish co-operative banks are especially involved in supporting concept of sustainable and coherent development of rural areas, by providing sustainable financing. An important aspect of each of these activities is to share an awareness on sustainable growth and necessity to take into account the surrounding environment. These social action initiatives are very often set directly to achieve this goal, e.g. organizing school meetings on environmental attitudes for children and youth.

Rabobank

Our ambition: Rabobank aims to be a courageous bank that makes a substantial contribution to the well-being and prosperity of people in the Netherlands and to a sustainable food supply for the world. Yes, our goals are ambitious – but we are not alone. We tackle issues head on, in cooperation with our customers and our partners. Step by step. That's how we make changes with impact. What kind? Read about it in this report.

Our Social Impact on Dutch Society Rabobank aims to make a substantial contribution to wellbeing and prosperity in the Netherlands. Our focus lies in four areas self-reliance, enterprise, the local living environment, and food.

Self-reliance: We invest in innovative products and services for specific groups so they can become more financially self-reliant and remain so. All actions can be found [here](#).

Raiffeisen Luxembourg

As the first cooperative bank in Luxembourg, Banque Raiffeisen has since 1925 been committed to working in the sole interest of its members and customers in accordance with its cooperative values. With a large network of branches all-over Luxembourg, Banque Raiffeisen serves retail and private banking customers as well as SMEs.

Banque Raiffeisen is a totally independent bank, owned by its members who are also its clients, and focuses exclusively on the Luxembourg market, enabling rapid and independent decision making with full knowledge of the local context. Studies show that in Luxembourg, Banque Raiffeisen's customers are among the most satisfied with their bank.

Banque Raiffeisen does not aim at profit maximization but works primarily and especially for the benefit of its customers and members, who, thanks to the OPERA member program and the OPERA PLUS offer, can benefit from many advantages.

Deep-rooted in Luxembourg, the Bank is very active in supporting the local community through the sponsoring of cultural and sports



associations and events as well as local ONG, like e.g. SOS Faim.

Financial education is another important topic in which Banque Raiffeisen is very active. Beside participating in national initiatives like the "Money week", an event organised by the ABL (The Luxembourg Bankers' Association) aimed at raising preschool and primary school students' awareness of money management in many schools across the country, Banque Raiffeisen has created in 2019 the initiative "Raiffeisen School" where employee can educate high school kids on finance.

More information can be found in our financial report 2019: www.raiffeisen.lu/en/raiffeisen-bank/your-bank

Raiffeisen Switzerland

The Raiffeisen Group, as Switzerland's third-largest banking group, employs over 10,000 people, pays salaries, pension fund contributions and taxes, and supports charitable organisations and initiatives. In addition, through its financial products, financial services and purchasing, the Group helps to generate value locally, regionally and nationally in a way that benefits cooperative members, clients and society. The issues connected to this aspect of Raiffeisen's economic performance are managed by various units within the Raiffeisen Group. Generally speaking, the Raiffeisen Group does not pursue profit and growth at any price but rather seeks sustainable, long-term success. Raiffeisen employees receive fair, competitive wages. The pension fund aims to maintain a funding ratio of at least 100% and has adopted actuarial assumptions that will ensure and secure, reasonable pensions for present and future generations. Raiffeisen cooperative members receive particularly favourable terms for certain banking transactions as well as other exclusive benefits.

Sponsorship details/Sponsorships

When it comes to sponsorships and donations, Raiffeisen Switzerland and the Raiffeisen banks set their own priorities based on local, regional and national needs and conditions. The bulk of these initiatives relate to culture and sports, including supporting around 20,000 young athletes in the world of skiing. Raiffeisen's decentralised approach to sponsorships, donations and community involvement reflects its local roots and strengthens the Raiffeisen brand throughout Switzerland. This approach is also perfectly expressed in the museum pass, which Raiffeisen uses to support around 500 museums throughout Switzerland.

The Raiffeisen Group's sponsorship programme amounts to around CHF 30 million.

Economic, social and cultural contributions and donations make up around CHF 6.5 million.

Through lokalhelden.ch, Raiffeisen provides a free project and donations platform for local projects that has crowdfunded over CHF 13 million in donations for more than 700 projects since 2017.

For three years, Raiffeisen has been handing out regional entrepreneurship awards that have attracted applications from more than 160 SMEs. A total of 25 finalists have been selected, and the jury has picked one winner for each prize awarded. This accolade recognises companies who have developed a particularly prudent and responsible business model. The prize-winners have resoundingly demonstrated that their business model successfully incorporates

The logo consists of the word "RAIFFEISEN" in a bold, red, sans-serif font, centered within a white rectangular box.

OTHER INFO: data and reporting

Credit Agricole

Crédit Agricole is publishing this year, in addition to the Reference Document, its first Integrated Annual Report, which replaces the activity report and the CSR report. For the first time in a single publication, all the key elements are included in the understanding of the Group's economic model and its ability to create medium- and long-term value by comparing them with the changes in our ecosystem.

Crédit Mutuel

Crédit Mutuel is publishing its [CSR report](#) with a lot of indicators (governance, social, environmental, societal ...).

Item	Type et number of projects	Amount
Loans for house energy efficiency « éco-prêt à taux zéro »	5442	94,5million €
SRI (Socially Responsible Investment)	/	9000 million €
épargne salariale solidaire	/	357 million €
Investment funds with ESG criteria	/	47000 million €

Ecology Building Society

Ecology Building Society which operates in the UK, specialises in mortgages for properties and projects that benefit the environment. This includes sustainable new builds, renovation or conversion of derelict buildings, and energy saving improvements to existing buildings.

By offering interest rate discounts linked to energy saving measures in a property, Ecology's borrowing members are encouraged and rewarded for reducing the carbon footprint of their homes.

In 2016 Ecology provided £31 million of new lending for 120 sustainable properties and projects. The loans included:

Sustainable new builds	64
Conversion (of a non-residential building into a residential property)	9
Renovation (of a residential property)	23
Woodlands (for biodiversity)	2
Social and community-led housing	26
Projects involving renewable energy technology	43



Federcasse

Federcasse is publishing the CSR report of CCBs (Italian Co-operative credit Banks) with a specific section on environment and in particular on the ecological footprint

Item	Definition	Type et number of projects	Amount
Lending renewable energy	To promote clean energy	7.234 green projects	480 million euro in soft loans (All CCBs system-December 2015)

Grupo Cooperativo Cajamar

Grupo Cooperativo Cajamar is publishing [Integrated report](#); Carbon Disclosure Project Questionnaire; Report on the socio-economic and environmental impact of the Grupo Cooperativo Cajamar.

Item	Definition	Type et number of projects	Amount
Loans for house energy efficiency	Financing for the improvement of efficiency (agricultural sector)	4,668 transactions (loan)	600 million €
Savings and investments for environment	SRI (Socially Responsible Investment)	Investment funds with ESG criteria (environmental, social and governance)	1.600 million €
Donations and sponsoring of local projects (cooperative dividend)	Endowment to Foundations (R+D+i agri-food)	77 projects: agricultural sustainability; food and health and greenhouse technology	4.9 million €

Groupe BPCE

<https://groupebpce.com/en/the-group/publications>

2019 Universal Registration Document and annual financial report

1. €82.4 billion in SRI and €4 billion in responsible deposits and savings (CODEVair, regional passbook savings accounts, "Épargne engagée" range at Crédit Coopératif).

Item	Definition	Amount
Funding a more responsible economy	Responsible savings, including SRI ¹	86.4 billions €
	Financing for the energy and ecological transition: production ²	196 million €
Reducing our direct environmental impacts	Carbon emissions – Scope 1, 2 and 3 emissions – excl. data centers	587,999 metric tons of CO2 equivalent
Promoting the environment in our business lines	Financing for the energy transition ³	10.8 billions €
Integration of ESG criteria in lending/investment decisions	Percentage of sector lending policies including CSR criteria	100 %
Environmental footprint	Annual CO2 emissions per FTE	6.8 tCO ₂ eq FTE

2. Green building loans (Eco Ptz + PrevAir + Ecureuil Crédit DD + ProVair loans) + Green mobility loans (AutoVair + Ecureuil auto DD loans)

3. Renewable energy loan outstandings + building energy renovation loans and environmentally friendly equipment loans for professional customers and SMEs + green car loans

Raiffeisen Bank International

RBI is publishing its [Sustainability Report](#). In 2016, RBI won the first prize of the Austrian Sustainability Reporting award for its Report 2015. Specific data on ecological footprint.

Item	Definition	Type et number of projects	Amount
RBI AG Lending renewable energy			174 million €
RBI AG Loans for house energy efficiency	Financing for the improvement of efficiency real estate		418 million €
Raiffeisen KAG Savings and investments for environment	SRI (Socially Responsible Investment)	Investment funds with ESG criteria (environmental, social and governance)	1.800 million €
RBI Donations of investments in the community	Endowment to Foundations (R+D+i agri-food)	1653 projects:	4 million €



Rabobank

Rabobank reports on environmental and CSR aspects both via a specific report and as part of the [Annual Report](#) and the [Sustainability Policy Framework](#).

Item	Definition	Type et number of projects	Amount
Lending renewable energy	Providing affordable and clean energy	Renewable solar and wind energy projects, energy efficiency, lighting, water and waste management, power consumption.	EUR 2.3 bln
Loans for house energy efficiency	Green Mortgage: mortgage that encourages customers to opt for an energy efficient new home by giving them a discount (0.5%) on the interest.	Build energy efficient houses	EUR 50 mln
Savings and investments for environment	Impact loan: loan with a significant interest account introduced by the European Investment Bank and Rabobank for sustainability frontrunners in the Netherlands with a positive social impact. Funding projects for climate action, life below water and life on land	Sustainable investments for SMEs	Climate action impact loan: 70 mln Total impact loans: 80.6 mln Life on land: organic farming 326 mln nature conservation 23 mln
Green bonds issues	Rabobank has Green Bonds: Funds allocated to the financing of renewable energy pro-		EUR 500mln
Donations and sponsoring of local projects (cooperative dividend)	Sustainability Bond: funds allocated to loans provided to SMEs with sustainability certifications on products, processes or	Supporting 381 new collective local community initiatives with finance, knowledge and our networks	EUR 72.8 mln

Raiffeisen Switzerland

Performance indicators for responsible management

Category	Unit	Raiffeisen Switzerland and Group companies	Raiffeisen banks (including banks)	Projection (banks not included)	Raiffeisen Group (total)	Raiffeisen Group change to previous year in %	Raiffeisen ¹ Group (total) per FTE
Building energy (total)	kWh	15,378,000	24,971,000	27,701,000	68,051,000	-3	7,146
Electricity	kWh	12,158,000	17,324,000	14,680,000	44,162,000	-2	4,637
Heating energy	kWh	3,221,000	7,647,000	13,021,000	23,889,000	-5	2,508
Business travel (total)	km	12,694,000	2,552,000	1,389,000	16,635,000	-15	1,747
of which public transport (rail, bus, tram)	km	3,523,000	1,468,000	962,000	5,952,000	-18	625
of which road transport by private cars (personal vehicles)	km	1,429,000	1,085,000	427,000	2,941,000	-23	309
of which road transport by company cars (company vehicles)	km	3,651,000	-	-	3,651,000	-12	383
of which road transport for courier deliveries	km	3,375,000	-	-	3,375,000	-5	354
of which passenger transport by air	km	60,000	-	-	60,000	-39	6
of which air freight	tkm	655,000	-	-	655,000	-6	69
paper consumption	tons	-	-	-	880	-19	0.09
water consumption	m ³	12,000	55,000	80,000	147,000	-9	15
Greenhouse gas emissions from energy, travel, paper and water²	tonnes CO₂ eq	5,462	2,724	4,772	12,958	-5	1.36
of which Scope 1	tonnes CO ₂ eq	1,549	1,762	3,820	7,132	-9	0.75
of which Scope 2	tonnes CO ₂ eq	167	177	0	344	-0	0.04
of which Scope 3	tonnes CO ₂ eq	3,745	785	953	5,482	-0	0.58

1 Calculation based on the key figures of the Raiffeisen Group in the "Employees" section of the management report, excluding Group companies. For the calculation method, also refer to footnote 1 of the table with the key figures of the Raiffeisen Group in the "Employees" section of the management report.

2 The important emissions sources are recorded. The three system limits are:

Scope 1: direct greenhouse gas emissions from stationary sources in the company itself, such as heating or own vehicles;

Scope 2: indirect greenhouse gas emissions from energy generation outside the company, such as electricity and district heating;

Scope 3: other indirect greenhouse gas emissions outside the company from upstream and downstream processes, such as business travel by rail or upstream processes involved in supplying energy.

Each key figure recorded is annualised based on the last eight quarters and assigned to the recorded organisational units, based on the full-time equivalents. The next step is the extrapolation of the annualised key figures, aggregated by Raiffeisen Bank. They are generated based on the worst qualities such as "heating oil" for heat production. Currently the following shares of consumption values are recorded and extrapolated (recorded in brackets):

- Electricity: 65% (35%)
- Heating: 43% (57%)
- Employee driving: 86% (14%)
- Rail and public transport: 84% (16%)
- Water: 44% (56%)

The remaining categories are completely recorded and not extrapolated.

Review of the environmental data in the current year revealed that the values stated here are above the actual quantities. Greenhouse gas emissions are calculated based on the emission factors for the 2015 VFU indicators. The Raiffeisen Business Owner Centres (RUZ), Immo AG, Valjo Ltd and the former Group business Notenstein La Roche Private Bank Ltd were not considered.

Rounding differences are negligible.

Key figures for sustainable products and services

Products with specific social and ecological benefits (GRI FS 7 & FS 8 & FS 11)	31.12.2019	31.12.2018	31.12.2017
Investment products			
Sustainable funds (Futura funds)			
Volume (in million CHF)	7,753.5	6,565.6	5,862.7
Share of volume of all Raiffeisen funds (in %)	67.7	62.8	59.3
Share of custody account volume (in %)	20.5	16.5	14.4
Development funds ¹			
Volume (in million CHF)	252.3	272.2	305.6
Share of custody account volume (in %)	0.7	0.9	0.9
Structured products with a sustainability focus			
Volume (in million CHF)	12.3	9.9	0
Raiffeisen Asset management			
Volume (in million CHF)	253.2	38	0
Shares of all asset management mandates (in %)	19.2	13.5	0
Raiffeisen Pension Fund assets (in million CHF) ²			
Value of the pension fund assets verified according to ecological, social and governance factors	2,985.9	2,587.7	2,691
Share of verified Raiffeisen Pension Fund assets as a proportion of the total pension fund assets (in %)	80.6	80.3	84.1
Leasing business			
Subsidised leasing in the case of replacement investments for Euro 6 emission standard-compliant lorries			
Volume (in million CHF)	10.7	14.9	3.1
% of total lorry leases (volume)	8.6	23	9
Raiffeisen Bonds			
Raiffeisen Sustainability Bond (in million CHF) ³	100	-	-

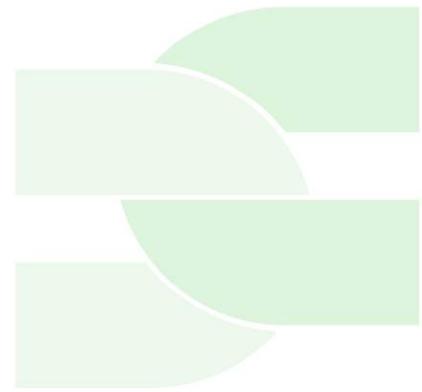
¹ responsAbility Investments AG investment funds are listed here because Raiffeisen Switzerland is a founding member and shareholder of responsAbility. These numbers refer to the securities held in Raiffeisen clients' custody accounts. They reflect Raiffeisen's performance and responsibility in the sale of responsAbility funds

² Swiss real estate directly held by the Raiffeisen Pension Fund meets environmental/sustainability criteria, as required by the investment policy. These investments, which are worth roughly CHF 0.7 billion (20%), are therefore included here as of 31 December 2019.

³ Outstanding as of 31/12/2019.

Awareness-raising tools and initiatives

	2019	2018	2017
Energy-efficient renovation and climate compatibility			
GEAK® Plus certificates subsidised in the current year	146	-	-
Thermal imaging performed in campaigns concluded during the current year	11,300	8,500	-
e-Valo energy efficiency consultations for real estate	1,795	1,259	934



Project	Monitoring indicator	2017	2018	2019	2020 targets
Economic engagement					
Funding a more responsible economy	Responsible savings, including SRI ⁽¹⁾ (in billions of euros)	27	72.5	86.4	35
Developing responsible procurement	Group institutions with Responsible Supplier Relations and Procurement certification (number)	7	9	11	14
	Procurement RFPs incorporating a CSR component ⁽²⁾ (as a %)	NS	34%	36%	80%
	Supplier payment deadlines (in days)	30	31	32	28
Societal engagement					
Promoting access to Groupe BPCE services	Origination of microloans with support for individual customers (in millions of euros)	19	20	20	Consolidating Groupe BPCE's market leadership
	Origination of microloans and other solidarity-based loans for entrepreneurs (in millions of euros)	484.3	515.7	536.2	Consolidating Groupe BPCE's market leadership
Reducing our direct environmental impacts	Carbon emissions (in metric tons of CO ₂ equivalent) – Scope 1, 2 and 3 emissions – excl. data centers	602,629	601,587	587,999	(10%)
Promoting the environment in our business lines	Financing for the energy transition ⁽³⁾ (in billions of euros)	8.2	8.7	10.8	10
Attracting and retaining top talent	Employees recommending the Group as an employer (as a %)	65%	NC ⁽⁴⁾	56%	70%
Changes in Groupe BPCE's reputation	Featuring among the Top 20 in the Potential Park "Top Employers" ranking	36th	14th	17th	Top 20
Promoting gender equality	Women in management roles (as a %)	42.3%	42.9%	43.7%	45%
	Female company directors (as a %)	20.4%	26.1%	26.4%	30%
Developing employability	Total number of training hours over 3 years (in millions of hours)	8	2.3	5.5	10
Promoting mobility	Launch of Mobillway website	16%	39%	61%	100%
Empowering employees to drive change	Percentage of employees who feel they can drive change	40%	NC ⁽⁵⁾	39%	50%
Digitized HR services	Use of electronic signatures in employment contracts (as a %)	42%	81%	92%	80%
Oversight	Number of Group entities audited by an external auditor based on ISO 26000	7	7	8	12
ESG rating	MSCI	AA (2016)	AA	A	Maintain
	OEKOM (Germany)	C/Prime (2016)	C/Prime	C/Prime	Maintain
	Sustainalytics	61/100	65/100	65/100	Maintain
	Vigeo-Eiris (France-United Kingdom)	55/100	57/100	57/100	Maintain

(1) €82.4 billion in SRI and €4 billion in responsible deposits and savings (CODEVair, regional passbook savings accounts, "Épargne engagée" range at Crédit Coopératif).

(2) RFPs, use of companies working with people with disabilities, total cost of ownership approach, use of SMEs/VSEs or start-ups, integration of a CSR rating in the overall rating.

(3) Renewable energy loan outstandings + building energy renovation loans and environmentally friendly equipment loans for professional customers and SMEs + green car loans.

(4) Measured in alternate years.

(5) Data available alternate years.

Raiffeisen Bank International

Raiffeisen Bank International: is publishing its Sustainability Report. in 2016 RZB won the first price of the Austrian Sustainability Reporting award for its Report 2015. Specific data on ecological footprint.

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Green bonds issues			
Raiffeisen Bank International Donations of investments in the community	Endowment to Foundations (R+D+i agri-food)	1653 projects:	4 million €

Acknowledgements

The European Association of Co-operative Banks (EACB) would like to thank the members of the EACB Working group on Green and Sustainable Finance for their precious contributions in elaborating this report.

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The Co-operative Difference : Sustainability - Proximity - Governance

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