

COMMUNICATION ON PROGRESS 2018

Crédit Agricole Srbija

Cela jedna banka za vas



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Carlos de Cordoue

President of the Executive Board

We are living times of tremendous changes where the world reshapes faster than ever. The digital transformation has erased boundaries and has opened new opportunities. It is up to us to attune our business with this immense potential. That is why we at Crédit Agricole opt to be „ 100% human, 100% digital '' Bank.

Our sustainability policy is based on the Crédit Agricole Code of Ethics and our long-standing values: customer focus, responsibility, solidarity – meaning that people drive our actions and are central to our purpose.

Crédit Agricole Group undertakes that its principles of action help further its goal of being the fair bank, open to everyone, multichannel, providing each person with support over time and with ability to make fully informed decisions.

Doing something for the society we are living in, all the stake holders and our customers, ensures long term growth and success. Our Corporate social responsibility plays a crucial role in making sustainable decisions.

I am pleased to confirm that Crédit Agricole Srbija supports the ten principles of the Global Compact and with this communication, we express our intent to implement and develop those principles.

Throughout this report, you can read about how Crédit Agricole Srbija is dedicated to implementation of the UNGC principles in the areas of human rights, labour, anti-corruption and environment in order to give its contribution in building a sustainable Serbian economy that delivers lasting benefits to people, communities and the entire market.



**“Working every day
in the interest of our
customers and
society.”**



Svetozar Šijačić

Head of Human Resources

In the previous year, we continued to support our clients by providing them with the right and timely advice thus satisfying their financial requests in the best possible way.

Operating in accordance with adopted principles we managed to accomplish excellent results and enhance our service to clients, simultaneously improving our internal organization by increasing own productivity.



In this way, we managed to both operate successfully and be responsible towards clients, business partners, employees and the society as a whole.

Our ethical principles and corporate social responsibility will continue to represent the core of our future business, promoting high standards of the Crédit Agricole Group.

In this report, we present all CAS projects, programs and initiatives from 2018 realised in the area of sustainable development, all in accordance with the United Nations Development Agenda. In this way we wanted to align our efforts with initiatives of wider social communities and international organisations streaming them in the same direction.

Being present on the market for over ten years, Crédit Agricole Srbija has become recognised for its CSR projects focused on children like Magic breakfast, Christmas shoebox, Adopt a school, Bank employee, and other smaller projects.

The investment in employees' continual education, improvement of the welfare programmes i.e. better health care and safety policies, were also brought to a higher level in 2018, all in line with the human rights and labour laws, providing a creative and inspirational working environment.

A Medium-Term Plan 2019-2022 has been adopted, putting the human aspect in focus– clients, employees and business partners– through harmonized development of the whole society respecting universal Human Rights based on existing international conventions and acts of the United Nations.

CRÉDIT AGRICOLE GROUP

The Executive Management has made the development of corporate social responsibility (CSR) a strategic priority for Crédit Agricole S.A. The aim is to carry out its banking and insurance activities responsibly and effectively as regards its stakeholders, and to assume its role as the

leading financial partner of the French economy and its regions. CSR has been one of the Group's strategic challenges since the "2010 Group Project". This importance was reaffirmed with the launch of its Medium-Term Plan, Strategic Ambition 2020, in March 2016. The Group's decision-making bodies

jointly defined and shared the CSR policy, which was formalised in 2014. It is revised each year on the basis of employee and external stakeholder consultation so that its key challenges can be updated. The Group thereby ensures that its strategic decisions are in line with the expectations of stakeholders.



"Working every day in the interest of our customers and society"- the new long-term Group Project

Crédit Agricole is the number one bank in France, number one insurer in France, number one bancassuer in Europe, number one asset

management in Europe and the world's tenth largest bank. With 51 million

customers around the world and the biggest retail banking customer base in Europe, the Group has built its growth on a unique relationship model, which intends to expand by drawing on three pillars.

"Working every day in the interest of our customers and society."



The Group is placing the empowerment of Crédit Agricole teams at

the center of its Human Project, to reinforce the amplification of the Customer Project in order to

improve the quality of the relationship with the client and to quickly assess the specific needs.

Crédit Agricole Group will pursue its

mutualist commitment to inclusive development and it will continue to make green financing one of its key growth drivers.



A WHOLE BANK JUST FOR YOU

Crédit Agricole serves **52 million customers worldwide**, with customer focus, accountability and community support, the enduring values that have been its hallmark for 120 years.

Led by its **139,000 engaged employees**, the bank forges genuine partnerships with its customers.

Thanks to its **universal customer-focused banking model**

– based on close cooperation between its retail banks and its specialised business lines – reaffirmed by its "A whole bank just for you" brand signature, Crédit Agricole helps its customers to realise all their personal and business projects. It does so by offering them an extensive range of services consisting of day-to-day banking, loans, savings products, insurance, asset management, real estate, leasing and factoring, corporate and investment banking, and issuer and investor services.

Crédit Agricole's **corporate social responsibility policy** lies at the heart of its identity.

This is reflected in its products and services and informs the actions of all its business lines.

This commitment is a key factor contributing to overall performance and a powerful innovation driver.

Built on strong cooperative foundations and led by its **9.7 million mutual shareholders** and **more than 30,000 directors** of its Local and Regional Banks,

Crédit Agricole's robust organisational model gives it stability and staying power as a European group open to the wider world.

Crédit Agricole Group extends its **leadership** year after year. It is the number one provider of financing to the French economy and the number one insurer in France. It is also the leading bancassurer in Europe, the top-ranked European asset manager and the world's largest green, social and sustainability bonds bookrunner.



52m
CUSTOMERS



49
COUNTRIES



139,000
EMPLOYEES

9.7m
MUTUAL
SHAREHOLDERS

30,000+
DIRECTORS
OF LOCAL AND
REGIONAL BANKS

Group Organisation

9.7 million mutual shareholders underpin Crédit Agricole's cooperative organisational structure. They own the capital of the **2,447 Local Banks** in the form of mutual shares and they elect their representatives each year. **More than 30,000 directors** work in their best interests.

The Local Banks own the majority of the **39 Regional Banks'** share capital.

The Regional Banks are cooperative regional banks that offer their customers a comprehensive range of products and services. Their sounding board is the Fédération Nationale du Crédit Agricole, where the Group's strategic vision and policies are discussed.

The Regional Banks together own, via **SAS Rue La Boétie**, the majority (56.6%) of the share capital of **Crédit Agricole S.A.** Working with its specialist subsidiaries, Crédit Agricole S.A. coordinates the various business lines' strategies in France and abroad.



The FReD approach

FReD is based on the **3 sets of standards** established by the business lines (i.e. the 3 CSR pillars: economic, social and environmental) to create a framework for their entities' actions:

For the economic segment : **FIDES**,

For the social segment : **RESPECT**,

For the environmental segment : **DEMETER**,

Each of these themes is associated with **19 commitments**. Entities must choose 4 areas for each set of standards and organise at least 12 projects.

Fides– 6 commitments to strengthen the trust



- **Protect customers interests:**

Transparency information, client relations and protecting customers data.

- **Develop products & services which integrate social and societal concerns:**

In investment, insurance and credit activities, in financing and savings activities, in own funds investment.

- **Facilitate access to products & services by the largest number:**

To economically vulnerable populations and to people with disabilities.

- **Establish responsible suppliers and subcontractors relations:**

Payment deadlines and mutual dependency.

- **Build up dialogue with stakeholders:**

Customers, consumer associations, NGOs, local communities and other...

- **Be ethic in business and operations:**

Prevent corruption, disloyal practices, fraud, conflicts of interest, market abuse, fight against money laundering, monitor operations, protect employees' personal data.

Demeter– 6 commitments to protect the environment

- **Develop "green" products & services [indirect impacts]:**

In investment, financing, credit, insurance and savings activities.

- **Encourage "green" innovation in our industrial production [directs impacts]:**

Eco-design in our production processes.

- **Control our direct environmental footprint and preserve the nature:**

Energy, paper, waste, transports, biodiversity and water.

- **Build up dialogue with stakeholders:**

On environmental issues.

- **Consider environmental factors in purchasing processes:**

Selection and supporting suppliers on environmental issues.

- **Formalise policies and processes which integrate environmental factors in our activities:**

In investment, in insurance, in credit, in financing, in savings activities and in own funds investment.

Respect– 7 commitments to benefit people and our

- **Act in line with the Group's values and cultures:**

Values and cultures of the entities and consistency behavior.

- **Encourage staff's development and employability:**

Responsible management, co-constructed career development, anticipate and accompany transformations.

- **Promote economic, social and cultural development in local areas:**

Local employment + labor market inclusion + support to local entrepreneurship, ...

Dialogue with local communities stakeholders, general interest causes and employee's involvement.

- **Ensure equity and promote diversity:**

Fair treatment for anyone and promote diversity.

- **Promote quality of life at work:**

Health and safety / psychosocial risks, work-life balance.

- **Promote our social commitments to suppliers and other external stakeholders:**

Selection and supporting suppliers on social issues, dialogue with stakeholders.

- **Promote staff participation and social dialogue:**

Information to employees, participatory approach and social dialogue.



**GROUPE
CRÉDIT
AGRICOLE**

For over 10 years, Crédit Agricole has demonstrated its involvement through its various commitments, many of which have focused on the development of “climate finance”.

“Working every day in the interest of our customers and society.”

Signatory of the:

- United Nations Global Compact since 2003;
- Equator Principles since 2003;
- Principles for Responsible Investment since 2006;
- Diversity Charter since 2008;
- Sustainable Purchasing Charter since 2010;
- Charter for the energy efficiency of commercial buildings since 2013;
- Science Based Targets since 2016;
- RE 100 since 2016.

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.



**Ceta jedna banka
za vas**

United Nations Sustainable Development Goals



In 2015, the United Nations launched a new agenda to eradicate poverty, protect the planet and guarantee prosperity for all within the framework of 17 Sustainable Development Goals (SDGs). The agenda calls on governments, the private sector and civil

society to contribute to its mission between now and 2030.

As a financial intermediary, Crédit Agricole participates through all of its business lines.

In 2017, the Group mapped the tangible initiatives taken by its units in line with the

SDGs. Certain SDGs correspond more specifically to the Group's key strategic CSR challenges.

<p>1 NO POVERTY</p>	<p>Eliminate poverty in all its forms everywhere.</p>	<p>2 ZERO HUNGER</p>	<p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</p>
<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages.</p>	<p>4 QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>
<p>5 GENDER EQUALITY</p>	<p>Achieve gender equality and empower all women and girls.</p>		
<p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all.</p>	<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>		
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	<p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries.</p>
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>		
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns.</p>	<p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts.</p>
<p>14 LIFE BELOW WATER</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>		
<p>15 LIFE ON LAND</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>
<p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.</p>		

CRÉDIT AGRICOLE SRBIJA



Crédit Agricole Srbija is a universal bank, a member of the Crédit Agricole, French banking group which owing to over 125 years of experience has positioned itself as one of the a leading full-service retail banks in Europe.

As the market leader in Retail Banking in France, Crédit Agricole is the leading financial partner of the French economy and one of the largest banks in Retail Banking in Europe. The Group employs more than 139.000 people and successfully meets the needs of 52 million customers worldwide.

Tailor-made offer of products adjusted to clients' needs in line with the highest financial standards, is what each of 260.000 customers in 74 branches of Crédit Agricole bank receive in all parts in Serbia.

Commitment to the development of long-term relationships with clients, their financial needs and requirements has had a direct impact on business of Crédit Agricole Srbija since it records better results every year.

Growth in the number of clients, as well as the level of deposits entrusted to Crédit Agricole bank in Serbia, are the best indicators of the level of credibility and trust that customers have in CAS.

This trend reinforces a strong commitment of CA Srbija Bank for further growth and development on Serbian market. This year we have celebrated ten years as Crédit Agricole Sbjija.

Strategic orientation of Crédit Agricole bank Srbija is to support the local economy, businesses and citizens through specialized products, participation in subsidized loans and special credit lines.

Almost 900 banking professionals whose main goal is long-term protection of the interests of clients and fulfilling of all their financial needs, work on these tasks daily and - that is why Crédit Agricole bank Srbija is The Whole Bank Just for You.

“Working every day in the interest of our customers and society.”



Our CSR vision



By committing to Global Compact we at Crédit Agricole Srbija transparently acknowledge, support and promote the United Nations values and policies of all 10 principles.

CAS goes a step further in promoting and supporting Children's rights as part of the sustainable development policy of Crédit Agricole Bank Srbija for the eight year now.

Corporate social responsibility is taken very seriously at Crédit

Agricole Srbija (CAS) and all our responsibilities and commitments are enhanced by our corporate values: client in focus, responsibility and ethics.

These commitments call for a stronger engagement by all business lines to achieve the development goals set in 2017 and reflected in the increased levels of attention being given to sustainability in our economic, social, civic and environmental

goals.

Being responsible for Crédit Agricole Srbija means addressing the issues and expectations of a society in flux while ensuring our company's future.

That's why we need to understand the aspirations and expectations of our clients and our employees, as well as those of public authorities while treasuring our most precious asset—the trust our clients, employees, partners and public authorities place in us.

Our economic responsibilities

Listening to our clients is a prerequisite for understanding their true needs and designing responsible products accordingly.

Our economic responsibilities are equally relevant to all four business lines:

Retail — SBE — Corporate — Agro

Each business line is aware of the following:

- Our primary vocation is to serve our clients and long-term financing for the economy is of utmost importance.
- Ethics in our everyday business is the driver towards strengthened confidence in our products and services.
- Each business line accomplishes this through their specific range of products and services. However, behind each product or service there is a committed employee who is motivated and engaged to fulfill this task in a responsible and ethical manner.





**“Working every day
in the interest of our
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society.”**

Our social responsibilities

"One is a member of a country, a profession, a civilization, a religion. One is not just a man." ~Antoine de Saint-Exupéry, Wartime Writings 1939-1944.

Crédit Agricole Srbija is a Bank with 74 branch offices in four regions: Belgrade, Novi Sad, Kragujevac and Niš.

Widespread network of branch offices means that CAS is also an active participant in the local economy and local community where it does business.

Social responsibility means treating the Bank's 900 employees in a fair, respectful and honest manner and treating all our customers with the same care, respect and honesty.

Employment policy includes fostering diversity, prioritizing internal promotions and internal job mobility.

We recognize that we have a particular responsibility in training all employees in the relevant fields in order to stay abreast of the fast changing world around us, especially the newly promoted ones and talents.





Our civic responsibilities

The Bank has a strong stake in society, through initiatives and projects which advocate children's rights. Whether it be new babies, children with disabilities or socially vulnerable ones, we work hard towards their inclusion into the society.

Crédit Agricole Srbija views civic responsibility in light of helping to combat social exclusion and promoting an inclusive society, respecting diversity, education and culture.

Crédit Agricole is proud to announce that every year, its employees take a more active part in projects within the employee engagement program "Good Fairy Dobrila's Team".

Our civic engagement is also manifested in the support of the work of the French Institute whose initiatives encompass arts and culture which Crédit Agricole Srbija strongly supports.

Our environmental responsibilities

Environmental responsibility for Crédit Agricole Srbija means paying particular attention to the impacts on the environment that arise from our banking activities.

It is very important for us to know who our suppliers are and how they operate. It is our responsibility to choose the most suitable ones and it is our responsibility to further develop sensitivity and ethical behavior toward environmental issues.

The Bank has set clear targets for reducing the environmental impact of its own day-to-day operations, including reducing paper consumption, fuel consumption and energy consumption.

Environmental responsibility starts with an individual. Individual responsibility is not given since it is also our responsibility to develop it and make every employee aware of his or her behavior. When there is accountability, there is responsibility and awareness. That is our goal.

Therefore it is our responsibility to promote safe and secure environment within the Bank and outside the Bank within the reach of our limits.





Our anti-corruption responsibilities

Procedures and Guides of Crédit Agricole Srbija are in line with the Anti-corruption Law and principles of the Crédit Agricole Group (the zero-tolerance policy).

- All employees are well informed of the definition and the rules in the prevention of corruption. The internal documents are available to all employees of CAS and they describe in detail the problem about the corruption.
- All employees have the possibility of anonymous reporting of corruption cases.
- Through the Compliance training (since 2015), the subject of corruption prevention is dealt (the notion, appearance, prevention and detection, denouncement and treatment of employees).
- The fight against the corruption is also part of Compliance test-reviewing employee's knowledge which is mandatory for all employees.

In the aim of conducting a more efficient battle against the corruption, the Bank is tracking some specific fields that are considered as sensitive in these contexts:

- Giving and receiving gifts;
- Travels and accommodation of employees;
- Supply, purchase and investments for the Bank;
- Paying the third parties - entrance and control of incoming invoices.

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CHARTER OF ETHICS– 2018

Our commitment to ethical standards and principles

The Code of Ethics is the expression of commitment Crédit Agricole Srbija undertakes regarding the relationship with clients, business partners, the community, employees, shareholders and all other stakeholders with that engages. Guided by the highest ethical standards and principles, this Code of Ethics stands for the foundation of Crédit Agricole Srbija corporate values and long-term aspirations.

Management and employees are required to incorporate ethical norms and principles into daily operations, to demonstrate and to ensure by their own example the implementation of this Code, regardless of their position, the organizational sector and the territory in which they are engaged.

Besides the application of highest professional standards in business, the respect of overall regulation and best professional practices in all business areas, this Code is an expression of efforts Crédit Agricole Srbija constantly engages to improve the quality of its services, putting the customer at the center of its values, which represents the "raison d'être" from the establishment of Crédit Agricole until now.

All management and employees are familiar with this Code of Ethics.

The Code of Ethics applies to all business areas in Crédit Agricole Srbija, in all organizational units and the entire territory in which our Bank operates. The control of the Code implementation is incorporated into the rules and internal procedures control.

The Code of Ethics is aligned with both legal and internal regulations within Crédit Agricole Group, business standards and fundamental principles of International Organizations documents such as the Universal Declaration of Human Rights, the UN Global Compact, OECD Rules for Multinational Enterprises, OECD anti-corruption guidelines and recommendations, the Convention of the international labor organization.





Our identity and values

Crédit Agricole Srbija is part of the French banking group whose business model is based on the best experience and 120 years long tradition of European banking. Fundamental values of the Group come from its roots of the well-developed agricultural cooperative culture in France, a long tradition and rich history, but also from the dynamic development and permanent efforts to find answers to nowadays challenges. The idea of community and democratic decision-making, mutual respect and trust, and harmonized regional development are some of the main determinants of the organizational culture of the Group.

Crédit Agricole Srbija is a universal bank, and, develops business relationships with individuals, entrepreneurs, small, medium and large enterprises including international companies. In everyday business, the Bank provides complete banking service of credit, deposit and payment transactions but also the leasing company and insurance brokerage services.

With dynamic development, recognizable image of French bank and strategy of very fast development in certain business segments, Crédit Agricole has become recognizable on the Serbian banking market. Building long-term relationships with clients - client in focus, has become its main recognition and vocation. Coordinated access to multiple channels that are available for clients is in the heart of the banking model that provides security and ensures customer's confidence.

A team of over 850 motivated and trained employees, through branch network in all major cities in Serbia, and other channels, provides various services to clients covering the whole country. This way we ensure that banking services, knowledge and expertise are available to customers at the right time. The relationship with client is established the way the client must be fully informed so that together we can make decisions in fair and rational conditions.

Crédit Agricole Srbija supports clients over time in different situations, providing them with advice, knowledge and experience through numerous channels, in best, fair and proper manner, with full awareness, in the aim of making the best decisions for the client.

**“Working every day
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Our standards and principles

Towards clients

Respect, support and fair relationship: All employees are responsible for developing long-term and fair relationship of respect towards our clients, carefully paying attention to their needs and, taking into account the multitude of modern communicational channels, providing them with complete and comprehensive information regarding the proposed solutions. This way, employees provide support to clients so

that they can, in the best way, independently make a decision and choose the way of enjoying their life and business needs.

Solidarity: All relationships with clients are based on relationships of solidarity and mutual understanding.

Usefulness and convenience: In its business, Credit Agricole Srbija is guided by simple and practical solutions, that take into account

all the specific and various client profile and develop that way a flexible approach for them and for all business partners.

Personal data protection and transparency in their use: In accordance with the regulations and standards of the profession, respecting the privacy and the right of discretion of each client, Crédit Agricole has established a system of personal data protection that ensures the respect of most stringent norms in this field.

Towards business partners

Fair relationships and transparency: Crédit Agricole selects its business partners in a fair and honest way and guaranties to each partner an equal treatment. Transparent and fair procurement and selection of partners is incorporated in the ordinary business and internal procedures of the Bank's controlling authorities.

Corporate social responsibility

Fundamental Human Rights: In business, Crédit Agricole is conducted by principles based on respect of fundamental Human Rights, equality and non-discrimination.

Corporate and social responsibility (CSR): As part of its corporate

social responsibility, Crédit Agricole actively influences and commits for solving specific social problems. Financially engaging, and mobilizing partners and employees, Crédit Agricole drives the attention to certain social problems. The second

field of corporate social responsibility is reflected in the wide field of environmental protection through implementation of criteria for financing, energy saving, training of employees and clients from marginalized groups, volunteering activities, and participating in the UN Global Compact.





Toward employees

Responsible Human Resources management underlines: non-discrimination, equal treatment of all employees, support to personal development of employees through training, promotion of gender equality, promotion of diversity and support for people with special needs, supporting social dialogue and improving the working quality conditions, creating a safe and healthy working environment in which employees are treated with respect and reverence.

CAS ethical standards

Professionalism and skills: All employees are required to apply the laws and by-laws, rules and professional standards as well as Bank's procedures and in a responsible and overall manner, adjust daily business with such prescribed standards.

Responsible behavior: Reputation is the most valuable thing an individual or organization can have. Every manager and every employee of Crédit Agricole Srbija represents the entire Group image. Responsible behavior of each individual is required, without exception and any activity that

may harm the Crédit Agricole Srbija's and the entire Group's reputation is prohibited.

Confidentiality and integrity of information: All managers and all employees are required to keep all information obtained in the business operation, and under no circumstances this information cannot be used for any other purpose nor disclosed to third parties. All the information that employees provide to customers, shareholders, control authorities or to the public must be accurately reliable.

Prevention of conflict of interest: Managers and employees must not allow any activity that might lead to conflict of interest and must always have in focus the realization of the client's interest.

Vigilance: All managers and employees must protect the clients interest, actively work to prevent money laundering and terrorist financing, apply the directives related to international sanctions, prevent corruption, work on the fraud prevention and the preservation of the free market. Every employee must be aware of these dangers and, where necessary, be prepared to react in accordance with the Regulation and internal procedures.

“Working every day in the interest of our customers and society.”



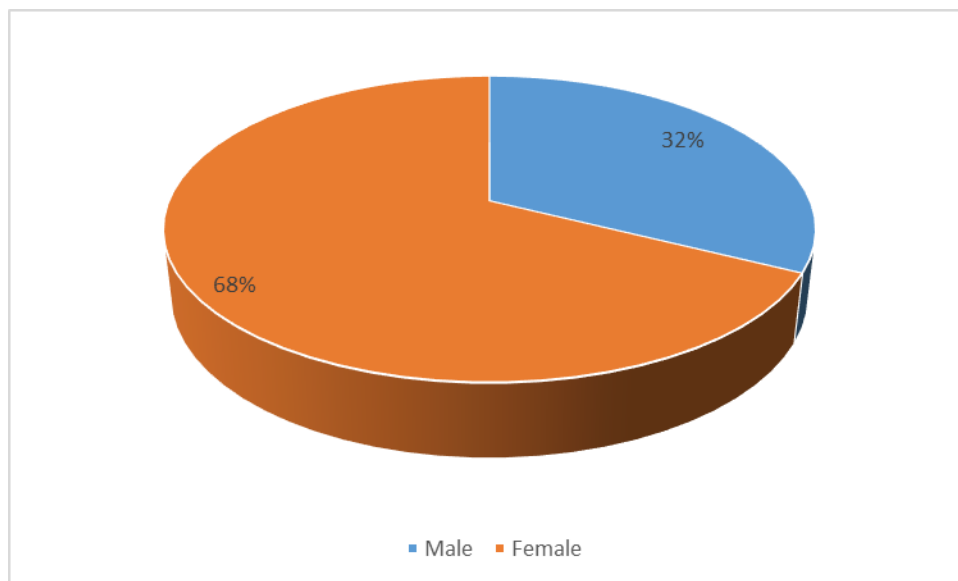
OUR EMPLOYEES

Employees structure

On 31.12.2018, CAS had 935 employees. Out of that number, 303 employees are males and 632 females.



CRÉDIT AGRICOLE
Cela jedna banka za vas



Employee's gender ratio in comparison with the type of Labour Contract is given in the following table on 31/12/2018:

LABOR CONTRACT/ GENDER	Male	Female	Total 31/12/2018
Temporary	13	61	74
Permanent	290	571	861
Total 31/12/2018	303	632	935

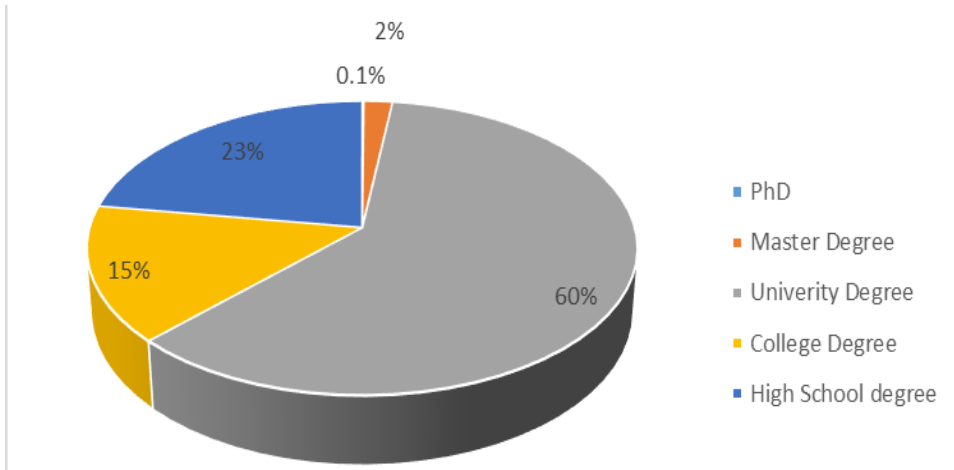


Average work experience in Bank for 2018 was 14,8 years. For women average work experience was 14,8 years and for men 14,6 years.

In 2018. Average age of employees was 41,1 years – for men 41.8 years, and for females 40.8 years.

Educational structure breakdown:

The level of education of our employees is high, with 62.5% of population with University degree or higher. The rest of educational breakdown structure on 31/12/2018 is shown in the chart below:



Take care project

In line with the group strategy year after year we are trying to be more focused on Employee's health and on continuous improvement of medical care benefits for all employees.

Major improvement in comparison with 2017 when we had one medical check up for all employees in private clinics, in 2018 for the first time CAS introduced private medical insurance.

CAS introduced equal medical coverage for all employees of the Bank engaged on permanent labour contract. The introduced package is basic medical coverage with 1000 EUR limit per employee and medical check-up that is fully paid by the bank. Employee's participation is 15% in each medical examination except medical check-up that is fully paid by the Bank in the same scope that we had in 2017.

The same benefit package is available for Employee's family members and in this case, the cost is born by the employee.

Beside mentioned, all employees are insured 24/7 in case of accidental death, disability, death and for serious diseases/ surgery interventions.

In parallel, we are keeping existing practise such as solidarity aid program. Several years ago CAS introduced solidarity assistance that may be provided to an employees in amount of legal tax free amount, in case of death of family members, in case of illness, medical rehabilitation or disability of employee or his/her family member, as well as in other justified cases.

**“Working every day
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CAS e-school

In 2018, all BPI entities received OFAC requests regarding e-learning platform's functionalities.

CAS had to improve traceability and reporting, archiving and registration. Specification for development of additional functionalities was created and external agency engaged at the end of 2018.



In 2019 e-learning platform (Moodle) will fulfil all criteria requested from OFAC team.

We continued with network certification for newcomers in 2018.

More mandatory trainings related to Compliance topics are expected in 2018 and 2019.

Supplemental trainings on International sanctions (Advanced module and Procedures and Controls) were implemented for the first time.

Index of engagement and recommendation



The ERI survey - index of engagement and recommendation was conducted for the first time in 2017. In 2018 CAS continued to implement this survey - carried out by an independent external

agency that guarantees the anonymity of the survey. ERI questionnaire was available from September 18 and lasted until October 9th. CA Serbia's employees voluntarily participated for the second time.

The main priority of the Group is the engagement and motivation of all employees. This is a prerequisite for a successful transformation of the Group, which should be carried out jointly.

The success of ERI research depends exclusively on the willingness and interest of employees to participate and honestly answer the questions in the questionnaire. It is expected that ERI results will give even clearer guidance for further improvement next year.

This research enable us to collect employee's attitudes and to measure their sense of belonging to the local entity, as well as the sense of belonging to the Group.



Cooperation with universities

During 2018 CAS HR team has been involved in negotiations with Universities, related to engagement of best candidates within the Bank.

We concluded agreements with various faculties in Novi Sad (Faculty of Economics, Faculty of Technical Sciences, Faculty of Agriculture) as well as with Faculty of Economics in Kragujevac; we also initiated negotiations with Faculty of Economics in Belgrade, Faculty of Natural Sciences in Belgrade and Faculty of Applied Management, Economics and Finance (MEF) in Belgrade.



Programs realized for external candidates

- CAS Summership 2018 – implemented for the 8th time, number of interns recruited in different organizational parts of the Bank is 17.
- NES internship 2018 – continued and total number of engaged interns was 58 (CAS + CAL, 2 interns were in CAL); information regarding this program are the same as for 2017.
- Digital officers – graduate program designed by CAS, implemented for the second time; initially engaged 10 Digital officers in different parts of the Bank (ICT, CRM, Digital channels and Organization) with the main goal to include them in digital projects on the level of the Bank; program is planned to last for two years, it is paid by the Bank and all good interns are supposed to be engaged on employment contract after DO program expiration; plan is to increase number of engaged Digital officers in the next year for 5 more.
- The part related to disabled person – CAS participated in employment fairs specialized in employment persons with disabilities organized by NES.
- Percentage of women recruited in 2018 – 74%.
- In total number of employees, we have 61% of women.

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Recruitment

In 2018, for the eight time, the program "CAS Summership 2018" was implemented.

Interns, with the help of professional and dedicated mentors, re-ceived the opportunity to be acquainted with the banking system through active work and learning in modern environment.

In 2018, 26 interns were recruited in various divisions of the Bank. Furthermore, CAS continued with the cooperation with the National Employment Agency, and 62 candidates were hired through a program of professional internship.

The duration of internship depended on the qualification of candidates. Internship program for candidates with university degree lasted for 12 months, for employees with college degree 9 months, and for candidates with high school 6 months.

We continued the cooperation with the National Employment Service and City Centre for Social Entrepreneurship, in order to support hiring candidates with disabilities and to select candidates for several positions in the Bank.

For this purpose, we actively participated in several employment fairs, specializing in the employment of persons with disabilities, and had interviews with potential candidates for employment in the Bank.

In 2017, on various projects for employment of people with disabilities, cooperation was achieved with the National Employment Service, the Employment Centers for Persons with disabilities in Belgrade and Novi Sad, the Union of Employers of Serbia and with the organization of the Forum of Young with Disability.

In 2017, females were represented in total recruitment with more than 70%, including the internship program.





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Employer branding

In 2018 Crédit Agricole Srbija continued with the Employer Branding Strategy and with the planned action plan that in order to encourage Employer recognition, to improve Bank's external website and communication with targeted groups of candidates, to automatize selection process, to update and innovate career page on CAS website.

We want to achieve better integration of site and social networks to continue establishing cooperation with Universities and to ensure regular presence and communication with our audience.



CAS Sports Day for employees



Traditional Event, Sports Day under the slogan CA the team always wins, which was held in early September 2018. in Aqva Park Club S in Jakovo was a great opportunity for gathering colleagues from across the Bank in one place.

The main goal of this event, in addition to the competitive part in sports and good fun for all colleagues, is building and fostering team spirit.

Sports Day is a unique opportunity for the entire CAS team together enjoys, relax and exchange ideas by the usual business environment.





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Rural (or People) development

In cooperation with partners the CAS has launched capacity building programs for young peoples with possibility to have insight and get experience from developed countries and theirs matured markets. By free purpose loans with partners financed over 100 clients projects.



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Environmental sustainability

- CAS is market leader with 53% market share in car financing in Serbia and as a market player very focused to provide its contribution to the reduction of environmental pollution through very favorable financing conditions for all customers of Eco Friendly vehicles.
- Despite the lack of focus and support from the states institution for the sale of this type of vehicle in Serbia, Credit Agricole Bank recognizes values, potential and significance of these vehicles and makes direct contributions to environmental protection in addition to motivating customers to choose the Eco Friendly vehicle when purchasing the most favorable loan terms. Although, the sale of this type of vehicle is practically conceived and sales results are negligible on market, primarily due to non-existent subsidies by the state and not developed infrastructure for electrical cars, CAS successfully financed 5 electrical vehicles and motorcycles as numerous hybrid vehicles by special green car loan.
- Thanks to these financing, pollution is lower i.e. reduced emissions per ton and security in traffic much better thanks to cars of new generation on Serbian market.
- CAS through business partnership sector in cooperation with local partners is very active with its program of energy efficiency for eliminating energy waste in Serbia. The Serbian market has a high degree of energy lost and through partnerships CAS successfully financed over 250 projects that very related to: insulation of space that is heated or cooled, replacement of worn-out carpentry in the premises which are heated or cooled, introduction of later heating systems and heaters, for example, boilers of the latest generation, replacement of non-renewable energy sources with renewable energy
- replacement of energy-inefficient consumers for example, solar systems, heat pumps
- installation of measurement and regulation devices for consumers of energy,
- control of the entry of sunlight and heat to the space, energy-efficient heating material
- and others new generation programs that enable energy savings.
- In energy efficiency CAS has own subsidy program financing with partners based on which such projects to households are financed with free consumer loan for energy efficiency. Bearing in mind the main production source of energy in Serbia, by this program financing, CAS in one part contributed to reduced emissions per ton.



Through business partnership finance sector and these business models, the CAS will continue on featured commitments in CAS society report to guide our collective efforts to meet specific objectives, which are in accordance with the UN principles



In 2018, Crédit Agricole Srbija recycled the following quantities and types of waste (quantities are given in tonnes):

- Waste paper: 44.380
- Waste toner for print: 2.72
- Mixed waste: 5,842.85
- Waste from harmless cosmetic products: 0.16



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Magic Breakfast

At the beginning of May 2018, the eleventh „Magical Breakfast“ was held with the aim to promote the CSR project: it was organised a symbolic competition - making of „a magical burger“ in which participated the representatives of the Belgrade City, companies METRO Cash & Carry, medias and the representatives of our Bank. They were making meals for the School „Dragan Kovačević“ from the municipality Stari grad.

This time, together with the partners, CA Srbija gathered five tones of food and distributed three thousand of packages for children with disabilities.





Participants: 35 schools for children with special needs

Volunteers: approx. 80 per event

Quantity of food: 6-7 tons per each event

The event's mascot – Vila Dobrila (Good Fairy)

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Partners:

METRO Cash & Carry

Belgrade Secretariat for education and child protection

Food Bank

Mission:

to support happier childhood by providing healthier and better quality food to children with special needs

Activities:

Annual activities involving CAS and city officials, sports celebrities, actors and media people



Christmas Shoebox



About a thousand children from Belgrade kindergartens in difficult material status, received packages within the traditional humanitarian action "New Year's ShoeBox" which was held on December 20, 2018. in the Sava Center. The package was organized by Crédit Agricole Bank in cooperation with the Secretariat for Education and Child Protection and Metro Cash & Carry.

Thousands of children from all parts of Belgrade, accompanied by their parents or guardians, enjoyed the New Year's *Kvizovizija* play and then packaged toys and sweets.





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Green Magic



Another project in the field of CSR within CAS called "Green Magic" is completed in 2018. This project aimed to make happier New Year holidays to children with disabilities and the orphans. Green Magic or *Zelena Čarolija* is a project in which CAS employees, together with teachers and children from fosters, decorate the New Year's Christmas tree, and the space around, in the festive spirit, bringing decorations and sweets the Bank donated.

For that occasion, we first visited the Children's foster "Jefimija" in Kruševac and the Škola sa domom za učenike oštećenog sluha, in Kragujevac. Then Children's Village - Dr. Milorad Pavlovic in Sremska Kamenica and finally a foster in Zvečanska in Belgrade. The atmosphere in all four institutions was very pleasant and the most important thing is that the children were happy and that this way they experienced the holiday spirit.





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