



STRENGTHENING CRÉDIT AGRICOLE'S OIL AND GAS TARGETS: FROM LENDING TO CAPITAL MARKETS AND THE FULL VALUE CHAIN

May 2026

Summary

Well-designed medium- and long-term oil and gas targets supplement policies that immediately restrict financing for companies involved in the most climate-incompatible activities, in particular developing new fossil fuel projects. Crédit Agricole has only one valid target covering the oil and gas industry: a 2030 financed emissions target covering lending to the entire value chain (upstream, midstream, and downstream) for both oil and gas. The bank also had a 2025 credit exposure target covering only the upstream segment of the oil sector.

Credit exposure targets can help accelerate real-world decarbonization by sending a clear signal to investors, executives and policymakers that oil and gas companies' access to capital will be increasingly restricted in the coming years. **Crédit Agricole must now set a new oil credit exposure target for 2030. This target should cover the entire oil value chain. Crédit Agricole must also develop a target to reduce the volume of its capital markets issuances across the oil value chain. Similar lending and capital markets financing volume targets are also needed for the gas sector.**

Targets based on financed or facilitated emissions, as defined by the Partnership on Carbon Accounting Financials (PCAF), are ineffective in reducing real-world emissions as they can be met through rising corporate values.

Crédit Agricole's oil and gas targets

Crédit Agricole's oil and gas targets cover only the lending side of the bank's activities. They are both baselined to 2020. They are claimed to be benchmarked to the IEA Net Zero Emissions scenario.

1) Credit exposure

- a) This target called for lending exposure to oil companies to be reduced by 25% by 2025. No target has been released for a later year.
- b) The target covered only companies that are involved in upstream oil extraction and are in Crédit Agricole Corporate and Investment Bank's (CACIB) lending portfolio.
- c) The bank reports a 72% reduction in its credit exposure to the upstream oil segment as of December 2025, significantly outperforming its 2025 objective.¹

¹ [Crédit Agricole 2025 Universal Registration Document](#), p.85

2) *Financed emissions*

- a) The bank has one target covering oil and gas financed emissions (using the PCAF methodology). It calls for a 75% cut by 2030. It covers all reported GHGs and is measured in MtCO₂e.
- b) The target covers upstream, midstream, and downstream segments of both the oil and gas sectors.
- c) The bank states that by the end of 2025, it had cut its oil and gas financed emissions across the value chain by 81%.²

Analysis of targets

1) *Oil and gas credit exposure*

Crédit Agricole is one of only four banks, among the 30 largest non-Chinese banks, to have adopted a target to reduce the volume of financing for the oil and/or gas sector.³ The other three banks, BNP Paribas, Société Générale, and ING, all have 2030 targets covering both oil and gas. Given that 2025 is now in the past, Crédit Agricole is now without an oil and/or gas credit exposure target.

Lending volume targets are important to ensure a reduction in bank financing for oil and gas producers. Yet Crédit Agricole's 2025 target had several significant limitations:

- a) It covered only lending and not capital market issuances. Crédit Agricole announced in May 2024 that it would no longer participate in issuing conventional bonds for companies involved in oil and gas extraction. This does not, however, cover midstream and downstream parts of the value chain or equity issuances.⁴ It should be noted that the NZBA, of which Crédit Agricole was a member, required its members to set capital market targets for key sectors by 1 November 2025.⁵
- b) The target covered only the upstream segment of the oil value chain. It is important to cover the whole value chain of both oil and gas, as is done for the bank's financed emissions target.
- c) The target covered only the drawn component of revolving credit facilities, rather than the full committed amount, as is covered under BNP Paribas's targets.
- d) It is unclear how the target was applied, e.g. in terms of which companies it covered, how its metric of credit exposure (Exposure at Default) was calculated,⁶ or how adjusters were applied to distinguish companies' upstream oil and gas activities from their other business lines.

2) *Oil and gas financed emissions targets*

Most major banks have set absolute financed emissions targets for the oil and gas sector. Crédit Agricole, like most other banks with these targets, calculates financed emissions using

² Crédit Agricole, [Dynamic Activity and Strong Results in 2025](#), p.5, 4 February 2025

³ BNP Paribas has separate 2030 targets for the oil and gas sub-sectors. Société Générale calls for a reduction in credit exposure for oil and gas combined of 50% by 2025 and 80% by 2030 (using a 2019 baseline). ING calls for only a 35% drop in credit exposure by 2030.

⁴ It also excludes green or sustainability-linked bonds.

⁵ UNEP Finance Initiative/NZBA, [Guidance for Climate Target Setting for Banks, Version 3](#), April 2025

⁶ Crédit Agricole is the only bank Reclaim Finance is aware of to have disclosed its credit exposure metric.

the formula promoted by PCAF. This attributes the emissions of public corporations to banks by dividing their emissions by the corporations' enterprise value including cash (EVIC). EVIC is the sum of a company's market capitalization and its total debt. This formula enables financed emissions reductions to be partly or wholly achieved through increases in corporate value, rather than reductions in real-world emissions.⁷

The sharp rises in oil and gas company share prices after the Russian invasion of Ukraine in early 2022 caused steep drops in bank oil and gas sector financed emissions in subsequent years;⁸ the surge in fossil fuel company values after the US-Israel attack on Iran will have a similar impact if these increased values are sustained.

Crédit Agricole set its initial financed emissions target for oil and gas in June 2022 – a 30% reduction between 2020 and 2030.⁹ The following year the bank reported that by the end of 2022 it had already cut its oil and gas financed emissions by 40% from 2020 levels.¹⁰

In the absence of a disclosed attribution analysis, it is impossible to know how much the claimed drop in Crédit Agricole's financed emissions between 2020 and 2025 is due to a rise in the combined EVIC of the companies in its oil and gas portfolios, how much is due to changes in the composition of the portfolio, and how much is due to real-world emissions reductions by portfolio companies.

The value of the S&P 500 Energy Index rose by 47% between EoY 2019 and EoY 2022,¹¹ while over the same period oil and gas sector emissions appear to have been basically flat.¹² It therefore appears likely that much of Crédit Agricole's stated drop in financed emissions over this period is a statistical artefact produced by the growth in the value of the oil and gas companies in its portfolio.

3) *Other targets with important impacts on the oil and gas sector*

Crédit Agricole has also set targets for high oil and gas consuming sectors, including power generation, commercial real estate, automotive, and aviation.

- a) These targets are based on financed emissions intensity calculated using the PCAF formula, meaning that they do not directly relate to changes in real-world client emissions.
- b) These targets cover only lending and do not include capital markets activities.

⁷ This problem is now widely recognized by analysts (see e.g. Reclaim Finance, [Targeting Net Zero: The need to redesign bank decarbonization targets](#), pp.14-15, September 2024) and by PCAF itself (see Reclaim Finance, [Avoided Emissions Reporting: A greenwashing bonanza for financial institutions?](#), pp.6-11, May 2025).

⁸ Examples of sharp drops in bank oil and gas financed emissions after the attack on Ukraine are Société Générale – minus 40% 2019-2022 compared with target of -30% 2019-2030 (Société Générale, [Supporting the energy transition: Societe Generale accelerates the alignment of its Energy sector portfolio](#), 24 October 2022; Société Générale, [In Transition: Climate and Alignment Report](#), p.63, December 2023) and Deutsche Bank – drop of 29% in 2022 compared to a target of -23% 2021-2030 ([Deutsche Bank announces additional measures to reinforce net zero commitment](#), 2 March 2023). See also Reclaim Finance, [Targeting Net Zero: The need to redesign bank decarbonization targets](#), September 2024.

⁹ Crédit Agricole, [2025 Ambitions](#), p.57, 22 June 2022

¹⁰ Crédit Agricole, [In Transition: Climate and Alignment Report](#), p.63, December 2023

¹¹ Calculated from <https://www.spglobal.com/spdji/en/indices/equity/sp-500-energy-sector/#overview>

¹² McKinsey, [Global Energy Perspective 2023: CO2 emissions outlook](#), 24 January 2024

- c) No targets have been set for residential real estate or the petrochemicals sector, both of which are major consumers of fossil fuels.¹³

Recommendations

If Crédit Agricole is serious about its climate commitments, it must strengthen its oil and gas targets, with the two priorities being to set robust 2030 targets for its lending and capital markets activities, and to bring midstream and downstream parts of the oil and gas value chain into the scope of its targets. Specifically:

1. Crédit Agricole must set 2030 targets for lending exposure and capital markets issuances to oil and gas companies. These targets must seek to reduce the volume of financing, as was the case with the bank's 2025 oil target. They must not be based on PCAF's formulas for "financed emissions" or "facilitated emissions", both of which have an inverse relationship between changes in emissions and corporate value. Lending targets should be based on committed amounts for revolving loans.
2. Both lending and capital markets financing volume targets should be set for each of the upstream, midstream, and downstream parts of the value chain, and also expressed as a combined target across the value chain.
3. Crédit Agricole should replace its financed emissions intensity targets for fossil fuel demand-side sectors with physical intensity targets. These lending demand-side targets should be complemented with capital markets financing volume targets. Targets need to be set for the residential real estate and petrochemicals sectors.¹⁴
4. The methodologies behind the targets and how progress toward meeting them is measured should be disclosed. This should include companies in scope; methodology for calculating Exposure at Default; adjusters applied to companies to separate out their business activities and allocate them within different targets; and how credit exposure and capital markets financing volumes are calculated and allocated for multiple-bank transactions. Reporting should include comprehensive attribution analyses showing factors behind changes in headline numbers (e.g. exclusion of companies from portfolios vs reduction of financing to companies; emission intensity reductions from portfolio companies vs changes in portfolio composition; and changes in data quality).¹⁵
5. Absolute financed and facilitated emissions can be disclosed as a way of comparing portfolio emissions between banks at any moment in time, but should not be used for target setting.

¹³ Petrochemicals is fast-growing source of oil and gas demand (see e.g. Zero Carbon Analytics, [Overview of the global petrochemical industry](#), 13 May 2024).

¹⁴ It will be technically and economically complex to achieve deep decarbonization in the petrochemicals sector. Petrochemical-specific targets can bring attention to the importance of this sector in emissions reduction.

¹⁵ Among those who have called for transparent and comprehensive climate targets attribution analyses are the Net-Zero Asset Owner Alliance, the NGFS, and MSCI (NZAOA, [Understanding the Drivers of Investment Portfolio Decarbonisation](#), December 2023; NGFS, [Improving Greenhouse Gas Emissions Data](#), p.8, July 2024; MSCI, [Connecting Emissions Attribution with Climate Action](#), 16 May 2023). PCAF has also recognized the usefulness of attribution analyses (Reclaim Finance, [Avoided Emissions Reporting: A greenwashing bonanza for financial institutions?](#), May 2025, pp. 11).