

POSITIVE ACTION FOR THE ENVIRONMENTAL TRANSITION

This decade will be crucial to engage in a strong energy transition and so meet the guidelines of the Paris Climate Agreement. By joining the Net-Zero Banking Alliance, the Bank undertook to align its activities with scientific scenarios consistent with reaching the Paris Climate Agreement's objectives by setting regular medium-term objectives. Consequently, we have already put in place initiatives to act on our portfolios in the most carbon-intensive sectors.



A PROGRESSIVE EXIT FROM THERMAL COAL

Since announcing our determination in 2019 to eliminate our exposure to companies operating in the thermal coal sector by 2030 in EU and OECD countries, and by 2040 elsewhere, and after tightening our criteria in 2020 by rolling out a new sectoral policy, Societe Generale has made substantial progress towards its objective of a complete exit.

REDUCE OVERALL EXPOSURE TO THE OIL AND GAS EXTRACTION SECTOR

In 2020, we were among the first banks to announce an objective of reducing overall exposure to this sector by 10% in absolute terms by 2025. In 2021, we strengthened our commitments in a number of activities linked to non-conventional hydrocarbons, such as shale oil and gas, tar sands, extra heavy crude oil, Arctic petroleum, and equatorial Amazonian petroleum.

DECARBONISE THE MARITIME TRANSPORT INDUSTRY...

After joining the Poseidon Principles to set the standard of environmentally responsible

financing of the global shipping industry and signing the Getting to Zero coalition in 2019, which aims to develop and deploy commercially viable zero-emission vessels on the high seas by 2030, Societe Generale joined Call to Action for Shipping Decarbonisation in 2021. This call is aimed at encouraging all businesses committed to decarbonisation and using maritime transport in their supply chains to commit to concrete measures to make zero-emission vessels and fuels their default choice by 2030.

... AND THE STEEL AND AVIATION INDUSTRY

Societe Generale is Co-Leader of the Steel Climate-Aligned Finance Working Group, which seeks to define standards advancing the decarbonisation of this sector. The working group aims to draft a joint climate-aligned finance agreement for the sector modelled after the Poseidon Principles. Societe Generale is also applying this approach to the aviation sector and is a founding member of the Aviation Climate-Aligned Finance (CAF) Working Group supporting the decarbonisation of the aviation sector.

A commitment of
€120bn
dedicated to the energy transition
between 2019 and 2023,
already surpassed with a contribution
of €157 bn at the end of 2021

New commitment of
€300bn
in sustainable finance
between 2022 to 2025

€12.6bn
in green loans
or other funding contributing
to the energy transition

Over
235
green, social or sustainable
bond mandates
completed since 2013 for
a total of more than €240bn

No.1
worldwide in renewable
energy financing
for the EMEA region at the end
of June 2021, Dealogic

-35%
reduction in the Group's
carbon footprint
(target of -50% in 2030 vs. 2019)



PRESERVING BIODIVERSITY

We exclude supporting projects located in protected areas as classified by the International Union for Conservation of Nature (Zone I-IV), areas classified as RAMSAR wetlands, UNESCO's World Heritage sites and Alliance for Zero Extinction sites for sensitive sectors such as oil and gas exploration and development, mineral extraction, upstream industrial farming, water storage dams, power plants and shipyards.

RESPONSIBLY MANAGING OUR OWN CARBON EMISSIONS

In 2021, we further looked to reduce our own direct emissions on the basis of a net-zero emission scenario extending to 2050. The scenario ran through the Group's main sources

of emissions (specifically our buildings, IT infrastructures, air travel and vehicle fleet) and allowed us to define a roadmap to reduce our carbon emissions by 50% between 2019 and 2030 (in tons of CO₂ equivalent). Societe Generale also decided to ban single-use plastic from the workplace by 2025, and sooner if possible in some regions.

In line with this reasoning, after having signed a Power Purchase Agreement in 2021 for the supply of wind-generated electricity to cover 20% of the annual electricity needs of our branches in France, the Group went a step further in reducing our carbon footprint in France and signed an addendum covering the remaining 80% of our power needs with French hydroelectricity. As a result, 100% of our French branches will be supplied with renewable energy.

SUPPORTING OUR CLIENTS ACHIEVE THEIR CLIMATE TARGETS

By way of example, we helped Faurecia, a world leader in the development of sustainable mobility solutions, with its acquisition of Hella, a German corporation specialising in lighting and electronics, to become the seventh largest automotive equipment manufacturer and supplier in the world. Financing took the form of sustainability-linked notes indexed to reducing Faurecia's Scope 1 and 2 greenhouse gas emissions by 80% compared to 2019 and in line with a scenario validated by the Science-Based Targets initiative (SBTi)⁽¹⁾.

(1) The SBTi is an initiative driven by the World Wide Fund for Nature and the United Nations Global Compact aimed at ensuring that the greenhouse gas (GHG) emissions targets set by corporations are in line with climate science data.

FIND OUT MORE

> [Universal Registration Document 2022, Chapter 5](#)
> www.wholesale.banking.societegenerale.com/fileadmin/user_upload/Wholesale/pdf/Corporate/21_Tour_du_Monde_Brochure-UK-vf.pdf
> www.societegenerale.com/sites/default/files/documents/CSR/Societe-Generale-Climate-Disclosure-Report-December-2021-EN.pdf