

ENVIRONMENTAL AND SOCIAL GENERAL GUIDELINES FOR BUSINESS ENGAGEMENT

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1. INTRODUCTION

Societe Generale considers that the banking and financial sector is an essential contributor to the economic development. Fully aware of its role in assisting the economic sphere, Societe Generale is also committed to conducting its activities in a responsible way. Taking into account the economic, environmental and social consequences and impacts of its activities is a major focus of the Group's sustainable development policy.

Based on continuous improvement, sustainable development draws on best practices of the banking and financial institutions, but also of the other economic sectors. The objective of the Group is to better understand, manage and improve its impacts on society and the environment, in conjunction with its stakeholders.

Societe Generale has established the Environmental and Social (E&S) General Guidelines which are in line with the Group's previous commitments. The E&S General Principles stem from the legal and regulatory framework applicable to the Group's activities, as well as from the voluntary initiatives it has joined. They are implemented through processes and procedures adapted to the different activities of the Group.

The E&S General Guidelines outline the key standards and parameters enabling a responsible engagement of Societe Generale in all its activities. They may evolve in time, according to legislative or regulatory evolutions and as a result of the discussions between the Group and its various stakeholders.

2. SCOPE

These guidelines apply to all the banking and financial services provided by the Societe Generale Group entities.

3. STANDARDS AND INITIATIVES

Societe Generale complies with the E&S laws and regulations in force in the countries in which it operates and with the applicable international E&S conventions and agreements.

Societe Generale also adopts and respects the values and principles enshrined in the following international conventions and agreements:

- the [Universal Declaration of Human Rights](#) and associated covenants (namely, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights);
- the main Conventions of the [International Labour Organization](#);
- the UNESCO [Convention concerning the Protection of the World Cultural and Natural Heritage](#);
- the [OECD Guidelines for Multinational Enterprises](#).

Moreover, Societe Generale has adopted and supports the following voluntary best practice initiatives:

- the [UNEP Finance Initiative](#);
- the [UN Global Compact](#);
- the [Equator Principles](#).

Legal and regulatory obligations and adoption of the above standards and initiatives entail that Societe Generale does not knowingly finance transactions linked to certain goods and services defined in Appendix.

4. CROSS-SECTORIAL POLICIES AND SECTORIAL POLICIES

The Cross-sectorial Policies and Sectorial Policies define the specific standards Societe Generale applies to E&S issues common to many sectors (such as biodiversity), and to sectors considered as sensitive from an E&S point of view (such as Oil and Gas, Mining, etc.). They are based on the best international practices.

Societe Generale E&S General Guidelines, as well as Cross-sectorial and Sectorial Policies, are available on [Societe Generale's website](#).

5. IMPLEMENTATION PROCESS

Societe Generale integrates the assessment of potential E&S risks and impacts into its decision-making processes both at the client assessment level and, where necessary, at the transaction assessment level.

Development of such processes takes into consideration risks materiality and may be adapted to countries.

Societe Generale decisions are based on the information made available to the Group. Societe Generale puts all its reasonable endeavors in seeking to ensure the quality and reliability of this information.

a. Client assessment and information

Societe Generale commits to providing its clients with all relevant information related to the E&S General Guidelines, as well as to Cross-sectorial and Sectorial Policies applicable to their activities. The Group only engages with clients who meet or aim at meeting its sustainability standards.

Central to the Group's assessment of E&S risks are the understanding of the E&S impacts associated with the client's activities, and the evaluation of the client's commitment, capacity and track record in managing these impacts. The Group's expectation is that the client should aim at avoiding – or at least reducing, mitigating or compensating for – negative E&S impacts, and at engaging with local communities about matters that directly and materially affect them.

b. Dedicated transaction assessment

In addition to the client assessment process, transactions are subject to a specific E&S assessment when the potential E&S impacts are considered significant, and when it is possible.

Societe Generale applies the [Equator Principles](#) and its underlying standards to the transactions falling in the scope of this initiative.

For other types of dedicated transactions (known use of proceeds), Societe Generale implements E&S assessment procedures adapted to its leverage. For these transactions, Societe Generale conducts an E&S due diligence based on a framework consistent with the supported standards and adapted to each type of financial engagement.

6. SCHEDULE – REVISIONS

Societe Generale E&S General Guidelines and Policies are applicable from the date of their publication to all services provided therefrom.

Procedures are put in place progressively, as necessary, throughout the Group to ensure full integration of these requirements in the usual decision processes. Review mechanisms will allow for continuous improvement.

Societe Generale reserves the right to modify these E&S General Guidelines and attached Cross-sectorial and Sectorial Policies at any time. These documents cannot be interpreted as contractual commitments.

Updated versions are issued on [Societe Generale's website](#).

This document is a free translation into English of the original Policy drafted in French.

APPENDIX: EXCLUSION LIST

Societe Generale will not knowingly finance transactions related to the following products or activities which are banned by international conventions and agreements:

- cluster bombs and anti-personnel mines;
- production, use or trade of unbounded asbestos fibres and asbestos-containing products, excluding asbestos cement sheeting where asbestos content is less than 20 per cent;
- production or trade in products containing PCBs (polychlorinated biphenyls);
- production, distribution, sale and trade in pesticides, herbicides, pharmaceuticals and other hazardous substances subject to international bans;
- production, use or trade in chlorofluorocarbons (CFCs) and other ozone depleting substances which have been banned following the calling of an international phase-out;
- trade in wildlife or wildlife products regulated under the [Convention on International Trade in Endangered Species of Wild Fauna and Flora](#) (CITES);
- drift net fishing in the marine environment using nets in excess of 2.5 km in length.