SUSTAINABLE AND RESPONSIBLE BANKING

March 2022
A STRATEGIC SUSTAINABILITY AMBITION ACTIONING THE GROUP’S CORPORATE PURPOSE

OUR PURPOSE:

"BUILDING TOGETHER, WITH OUR CLIENTS, A BETTER AND SUSTAINABLE FUTURE THROUGH RESPONSIBLE AND INNOVATIVE FINANCIAL SOLUTIONS"

OUR SUSTAINABILITY AMBITION:

- ENVIRONMENTAL TRANSITION
- POSITIVE IMPACT ON LOCAL COMMUNITIES
- CULTURE OF RESPONSIBILITY
- RESPONSIBLE EMPLOYER

DEEPENED COMMITMENTS;
SUPPORTING CLIENTS
SUPPORTING CORPORATES AND ENTREPRENEURS;
SUSTAINABLE CITIES AND INFRASTRUCTURE;
SUSTAINABLE MOBILITY
CSR IN THE GROUP’S GOVERNANCE;
E&S GENERAL PRINCIPLES AND SECTOR POLICIES;
STAKEHOLDER ENGAGEMENT
DIVERSITY AND INCLUSION IN THE WORKPLACE;
FOSTERING EMPLOYABILITY;
QUALITY OF LIFE AT WORK
2021 HIGHLIGHTS DELIVERING OUR SUSTAINABILITY AMBITION (1/2)

DRIVERS OF POSITIVE TRANSFORMATIONS:

ENVIRONMENTAL TRANSITION

FOUNDING MEMBER OF NZBA

- Aligning banking portfolios with macroeconomic scenarios aiming at carbon neutrality by 2050
- Marginal residual exposure to thermal coal securing full exit by 2030/2040\(^{(1)}\)
- On track to meet -10% target in oil and gas extraction sector by 2025 Full exit by 2023 of US onshore Reserve Based Lending (limited remaining exposure, ~USD 500m, ~ -60% vs. 2019)

SUPPORTING CLIENTS

- > EUR 150bn to support the energy transition, exceeding the EUR 120bn target (2019-2023), 2 years ahead of schedule
- Co-lead Steel Climate-Aligned Finance working group

REDUCING OWN CARBON FOOTPRINT

- New commitment to reduce own carbon footprint by 50% 2019-30: -35% at end-2021
- 8th annual Internal Environmental Efficiency Awards redeploying internal carbon tax to reward initiatives launched by staff

POSITIVE IMPACT ON LOCAL COMMUNITIES

ACCELERATING IN FRENCH RETAIL NETWORKS

- Launch of E&S loan offer
- First bank in France to offer 100% SRI open architecture savings range
- Dedicated range of financing and advisory solutions incl. impact loans and carbon footprint tools for SMEs and entrepreneurs, launched January 2022

SUSTAINABLE MOBILITY

- Proposed acquisition of LeasePlan by ALD: a step change towards creating a leading player of sustainable mobility solutions, leading a fair transition towards electric vehicles for both corporates and individuals

SUSTAINABLE CITIES AND INFRASTRUCTURE

- Exceeded target to increase financial commitments for structured finance in Africa by 20% 2018-21: +43% at end-2021 (EUR 12.1bn)
- Supporting African SMEs with 9 SME Centres now open in Africa
- Joined the Sustainable Building Observatory to participate in the sustainable transformation of the real estate sector

\(\text{(1) 2030 in EU and OECD countries, 2040 elsewhere} \)}
2021 HIGHLIGHTS DELIVERING OUR SUSTAINABILITY AMBITION (2/2)

RESPONSIBLE BANK FRAMEWORK:

CULTURE OF RESPONSIBILITY

CSR IN GROUP GOVERNANCE

• Appointment of a Non-Voting Director, supporting the Board on the energy transition
• Appointment of Chief Sustainability Officer, Hacina Py, reporting directly to General Management
• Strategic operational and data programmes to support ESG transformation
• Investment in ESG training incl. 40,000 trained on E&S risk, 10,000 on energy transition in 2021, ESG portal for all staff

RESPONSIBLE EMPLOYER

DIVERSITY AND INCLUSION

• Pursuing the Group’s 30% 2023 target: % women in General Management increased to 33%, in Key Group Positions to 25% (vs 21% in 2020)
• 5 new charters signed supporting gender diversity, LGBT+ and new parenthood

LIFE AT WORK

• Major reskilling programme and no compulsory departures as part of French retail networks restructuring
• Deployment of new agreement on telework

E&S GENERAL PRINCIPLES AND SECTOR POLICIES

• Updated E&S General Principles to better reflect the Group’s human rights, climate and biodiversity commitments
• Reviewed all E&S policies to enhance understanding of E&S issues and exclusion criteria
• Integration of E&S risks into risk management framework, incl. E&S risk integration in the standard credit risk assessment, Group Risk Appetite Framework, and Stress Testing

LAUNCH OF THE SG FOUNDATION “THE FUTURE IS YOU”

• Intensify commitment to classical music, solidarity and young people
• Annual budget of EUR 7m, mainly in France and Africa
• Employees can engage through skills sponsorship, mentoring and solidarity actions
POSITIVE IMPACT BY DESIGN

TRANSFORMING OUR BUSINESS TO ALIGN WITH THE CHANGING NEEDS OF OUR CLIENTS AND SUPPORT THE JOURNEY TO A SUSTAINABLE FUTURE

BY CONTRIBUTING TO NEW STANDARDS FOR OVER 15 YEARS
co-founder of major industry initiatives, driving sustainable change and enhancing client value proposition

BY ACTING FOR COMMUNITIES ACROSS GEOGRAPHIES
a catalyst for positive societal and economic impact in emerging and developed economies, co-constructing sustainable solutions with clients

BY LEADING THE ENERGY TRANSITION
a global presence with extensive experience and expertise in the energy sector: positions the group in a key role to support clients in the energy transition

BY DELIVERING INNOVATION IN ESG MARKETS
at the forefront of innovation, expanding sustainable solutions across products and asset classes, with one of the broadest offerings in the market

SOCIETE GENERALE

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THE JOURNEY TOWARDS BUILDING A SUSTAINABILITY CULTURE

Example of Global Banking:

EXPERT TEAMS, IN CONSTANT ADAPTATION
• CORPORATE E&S ANALYSIS & ADVISORY
• TRANSACTIONS E&S ANALYSIS & ADVISORY
• CROSS-PRODUCT IMPACT STRUCTURING
• IMPACT-BASED FINANCE
• SOCIAL IMPACT SOLUTIONS

SHIFT

RETHINKING MANDATES: POSITIVE IMPACT BY DESIGN

AWARENESS BOOST
• EXTENSIVE TRAINING PROGRAMME

EMBED ESG
• COMMUNITY ESG CHAMPIONS
• 6 MONTH SECONDMENT PROGRAMME
• GRADUATE PROGRAMME: ‘IMPACT GENERATION’
• TOOLS FOR BUSINESS LINES TO BECOME AUTONOMOUS ON ESG
• STRENGTHENED ESG GOVERNANCE

EXPANSION OF EXPERTISE
• ACROSS PRODUCTS AND GEOGRAPHIES
CONTRIBUTING TO NEW STANDARDS FOR OVER 15 YEARS

AS CO-FOUNDER OF MAJOR INDUSTRY INITIATIVES, WE DRIVE SUSTAINABLE CHANGE

Founding member of the Positive Impact Finance initiative within the UNEP-FI

Paris Agreement: SG commits to aligning its portfolio

Long partnership with HEC Paris, as sponsor of the Energy & Finance Chair and a continuous commitment to Energy Transition research and thought leadership

Signatory of the CDP, Equator Principles and the Soft Commodity Compact

2001

2018

2019

2020

2021

Founding signatory of the Poseidon Principles: decarbonising the shipping industry

Among the 1st banks to publish TCFD climate disclosure

Founding bank for UN Principles for Responsible Banking; joined Collective Commitment on Climate Action

SG signs Sustainable IT Charter, committing to limit environmental impact of technology and support digital inclusion

First bank to join the investor Group of the Hydrogen Council

First commercial bank to sign the CFO Principles on Integrated SDG Investments and Finance

Societe Generale Assurances signs the “Principles for Responsible Investment” (PRI)

SG one of the six largest French banks to agree a common goal in the unconventional hydrocarbons sector and the protection of biodiversity in protected areas

Leading in Transparency: second climate report under the FSB’s Task Force for Climate Disclosure (TCFD) recommendations

PACTA for Banks: joint publication of a methodology with the Katowice Banks

SG joins the UNEP-FI Net-Zero Banking Alliance, as a founding member, and NZAO, to achieve carbon neutrality by 2050

Signatory of Katowice Agreement and pledge to align portfolio with Paris Agreement

First French bank to join the Climate Bond Initiative Partnership programme

Member of the ICMA Green Bond Principles

First commercial bank to sign the CFO Principles on Integrated SDG Investments and Finance
LEADING THE ENERGY TRANSITION WITH FLAGSHIP TARGETS

BEST-IN-CLASS SECTOR POLICIES

SETTING STANDARDS

CLIENT-FOCUSED

COMPETITIVE EDGE

DECARBONISING OUR PORTFOLIOS

OIL AND GAS
Reduce overall exposure to extraction sector by 10% by 2025 vs 2019 levels

COAL
Reduce to zero our exposure to thermal coal in 2030 in EU and OECD countries, and 2040 elsewhere

SHIPPING
Poseidon Principles commitment to reduce CO2 emissions by 40% by 2030 and 50% by 2050

POWER
Reduce the carbon emission intensity of power portfolio by 18% by 2025 and by 75% by 2040 vs. 2019 levels

ENGAGING OUR BUSINESSES

EUR 120bn to support the energy transition 2019-2023

MOBILITY
30% of ALD new contracts to be electric by 2025

KB
Reach carbon neutrality in own operations by 2026

ALIGNING BANKING PORTFOLIOS WITH MACROECONOMIC SCENARIOS AIMING AT CARBON NEUTRALITY BY 2050
**SUSTAINABLE AND POSITIVE IMPACT BOND JOURNEY**

**AT THE FOREFRONT OF SUSTAINABLE AND POSITIVE IMPACT FINANCE: CONTINUING TO BE A REGULAR ISSUER IN THIS MARKET, SUPPORTING FINANCING OF GREEN AND SOCIAL ACTIVITIES**

**KEY MILESTONES**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>EVENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>FIRST POSITIVE IMPACT BOND Established benchmark for transparency and traceability</td>
</tr>
<tr>
<td>2016</td>
<td>FIRST POSITIVE IMPACT COVERED BOND Set a new standard in market for Green mortgage covered bond</td>
</tr>
<tr>
<td>2018</td>
<td>PUBLICATION OF NEW FRAMEWORK - June 2020 Holistic approach, enlarged scope of eligible assets and alignment with EU taxonomy</td>
</tr>
<tr>
<td>2019</td>
<td>FRAMEWORK UPDATE - Nov. 2021 To reflect most recent market standards (final EU Taxonomy reports and ICMA principles) and SG’s E&amp;S commitments</td>
</tr>
<tr>
<td>2021</td>
<td>CONTINUE TO BE A REGULAR POSITIVE IMPACT BOND ISSUER</td>
</tr>
</tbody>
</table>

**BOND ISSUES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Bond Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Societe Generale EUR 500m 5-year senior Green Positive Impact Bond: renewable energy (solar and wind)</td>
</tr>
<tr>
<td>2016</td>
<td>Societe Generale EUR 500m 5-year senior Green Positive Impact Bond: renewable energy (solar and wind)</td>
</tr>
<tr>
<td>2018</td>
<td>ALD €500m 4-year senior Green Positive Impact Bond (CBI certified): electric and hybrid vehicles</td>
</tr>
<tr>
<td>2019</td>
<td>Societe Generale SFH EUR 1bn 10-year Green Positive Impact Covered Bond (CBI certified): refinancing home loans on carbon-efficient buildings</td>
</tr>
<tr>
<td>2020</td>
<td>Societe Generale SFH EUR 1bn 10-year Green Positive Impact Covered Bond – Feb., 11th</td>
</tr>
<tr>
<td>2021</td>
<td>Societe Generale SFH EUR 1.5bn 5-year Green Positive Impact Covered Bond – Dec., 2nd</td>
</tr>
<tr>
<td>2022</td>
<td>Societe Generale SFH EUR 1bn 6NC5 Social Positive Impact SNP Bond – Dec., 2nd</td>
</tr>
<tr>
<td>2023</td>
<td>Societe Generale SFH EUR 1bn 8NC7 Green Positive Impact SNP Bond – Dec., 2nd</td>
</tr>
<tr>
<td>2024</td>
<td>Societe Generale SFH EUR 1bn 8NC7 Green Positive Impact SNP Bond – Dec., 2nd</td>
</tr>
</tbody>
</table>

**TOTAL SUSTAINABLE AND POSITIVE IMPACT BONDS ISSUED SINCE 2015:** **EUR 7.3 BN**

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2 Transactions issued under the new Framework

3 ALD has its own framework and associated reporting

### MAPPING OF EXTRA-FINANCIAL RATINGS

<table>
<thead>
<tr>
<th>Agencies</th>
<th>Best</th>
<th>Score</th>
<th>Worst</th>
<th>Position Versus Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s ESG</td>
<td>A1+</td>
<td>100 - 69</td>
<td>30</td>
<td>TOP 1% ALL COMPANIES WORLDWIDE</td>
</tr>
<tr>
<td>MSCI ESG Research</td>
<td>AAA</td>
<td>100 - 80</td>
<td>30</td>
<td>TOP 3% BANKS WORLDWIDE</td>
</tr>
<tr>
<td>Dow Jones Sustainability Indices</td>
<td>A+</td>
<td>100 - 20.2</td>
<td>30</td>
<td>TOP DECILE BANKS WORLDWIDE</td>
</tr>
<tr>
<td>ISS ESG</td>
<td>Negligible</td>
<td>20 - 80+</td>
<td>30</td>
<td>TOP 14% BANKS WORLDWIDE</td>
</tr>
<tr>
<td>Sustainalytics</td>
<td>low</td>
<td>30</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Societe Generale</td>
<td>medium</td>
<td>40</td>
<td>30</td>
<td></td>
</tr>
</tbody>
</table>

Note: Number of companies in each agency universe: MSCI 190 banks; S&P CSA 242 banks; Sustainalytics 415 banks; Moody’s ESG Solutions 4,952 companies; ISS ESG 285 banks.
## ESTABLISHED LEADERSHIP IN ESG

<table>
<thead>
<tr>
<th>Energy Transition</th>
<th>Geography</th>
<th>Innovation</th>
<th>Mobility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable Energy Project Financing in EMEA(^{(1)})</td>
<td>Investment Bank of the Year for Africa 2021(^{(3)})</td>
<td>Investment Bank of the Year for Green / Sustainability-Linked Loans 2021(^{(3)})</td>
<td>ALD sustainability rating upgrade to <strong>top 1%</strong> worldwide by EcoVadis</td>
</tr>
<tr>
<td>#1 in Top 20 Clean Energy Lead Arrangers, by deal value(^{(2)})</td>
<td>Outstanding Leadership in Sustainable Finance in Africa(^{(4)})</td>
<td>Outstanding Leadership in Sustainable Loans 2021(^{(4)})</td>
<td></td>
</tr>
<tr>
<td><strong>Exclusive Financial Advisor of Hy24</strong>: largest global fund dedicated to clean hydrogen infrastructure</td>
<td>Outstanding Leadership in Sustainable Finance in Emerging Markets(^{(4)})</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sources:**
1. Dealogic, end of June 2021
2. Clean Energy Pipeline 2020
3. The Banker 2021
4. Global Finance 2021
APPENDICES
EXAMPLES OF ACCELERATED TRANSITION TIMELINES

**COAL**

Towards a complete exit from coal

- **2016**: Zero financing of coal mines and associated infrastructure
- **2020**: Gradual reduction of exposure to oil and gas extraction sector
- **2021**: Immediate conditions: ceased to offer products and services (unless dedicated to energy transition), to companies whose revenues in thermal coal are >25% and which do not have an exit strategy from the sector, and those developing new thermal coal projects
- **FROM END-2021**: all clients with mining and power assets to have defined and communicated a transition plan aligned with SG’s 2030/2040 thermal coal phase-out objective
- **ZERO EXPOSURE** to thermal coal in OECD and EU countries
- **ZERO EXPOSURE** to thermal coal worldwide

**OIL & GAS**

Gradual reduction of exposure to oil and gas extraction sector

- **2017**: No new financing of Arctic oil or oil sands
- **2021**: Further reducing exposure to shale oil and gas, oil sands, extra heavy crude oil, Arctic oil, Ecuadorian Amazon oil, through the exclusion of:
  - New transactions dedicated to their exploration and production
  - Pure upstream players for which the above resources represent >30% of their overall production
  - Diversified players (upstream, midstream, downstream) for which exploration and production of the above resources represent >30% of their revenues
- **LNG IN NORTH AMERICA**: no new mandates for new production projects
- **2025**: -10% exposure to oil and gas extraction sector vs 2019 levels
PACTA: PIONEERING ALIGNMENT OF CREDIT PORTFOLIOS

Implementing a standard, called PACTA for Banks, which is open source and available for all to use: joint publication of a methodology, with the Katowice Banks and 2DII, in September 2020

OBJECTIVE:

- Select indicators that are enablers of the transition and which help us to accompany clients towards lower carbon practices
- Provide a methodology on which to set credible targets and steer a portfolio

HOW DOES IT WORK?

- Identifies the technology shift needed in specific sectors to slow global warming
- Draws on climate scenarios and the related transition pathways that are developed by independent parties such as the IEA
- Measures the needed technology against the actual technology clients are using, or plan to use in the future

SOCIETE GENERALE, APPLYING THE PACTA METHODOLOGY, HAS SET COAL, OIL & GAS COMMITMENTS SIGNIFICANTLY MORE AMBITIOUS THAN THE IEA PRODUCTION TREND
Société Générale’s E&S risk management approach for business activities is based on 3 main steps and applied at client and/or transaction levels:

<table>
<thead>
<tr>
<th>E&amp;S RISK IDENTIFICATION</th>
<th>E&amp;S ASSESSMENT</th>
<th>E&amp;S ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Identifying whether the client’s activities or the transaction/service present a potential E&amp;S risk.</em></td>
<td><em>Assessing counterparties or transactions identified as presenting an E&amp;S risk.</em></td>
<td><em>The E&amp;S assessment can result in a positive, conditional (contractual conditions, action plans, restrictions) or negative E&amp;S opinion.</em></td>
</tr>
<tr>
<td><em>The identification step is aimed at verifying whether the counterparties or underlying activities are on the E&amp;S exclusion list or the E&amp;S identification list, or covered by sector policies.</em></td>
<td><em>E&amp;S risk assessment is performed by the business lines (for transactions) or relationship managers (for clients) with support of E&amp;S experts or CSR, analysing compliance with the criteria of the applicable E&amp;S policy(ies), the severity of E&amp;S controversies and the CSR maturity of the counterparties.</em></td>
<td><em>Mitigation actions are proposed in proportion to the residual risk identified.</em></td>
</tr>
<tr>
<td><em>The identification step also aims at documenting the applicable E&amp;S framework/ due diligence process.</em></td>
<td></td>
<td><em>Opinions and proposed action plans are reviewed by the 2nd line of defence.</em></td>
</tr>
</tbody>
</table>
MEASURING SENSITIVITY TO CLIMATE RISK

Implementation of a Corporate Climate Vulnerability Indicator (CCVI) to reinforce the credit analysis on the most exposed counterparties to transition risk. The CCVI:

- corresponds to the marginal impact on the counterparty internal rating over a 20-year time horizon of a selected transition scenario (currently the IEA SDS), with a strong assumption that the counterparty takes no adaptation measures;
- evaluated alongside the internal rating and is applicable to all sectors identified as sensitive to transition risk (oil and gas, power, transport, metals and mining, commercial real estate);
- represented through a 7-level scale: for counterparties that score poorly, a discussion has to be initiated to formalise an opinion on the adaptation strategy of the counterparty to transition risk. For LT exposure, attention is paid on the financing risk at maturity.

Identification of transition and physical risk impact on different industry sectors (Industry CVI)

ONGOING INITIATIVES USING SCENARIO ANALYSIS:

- Identification of transition and physical risk impact on sovereigns (Sovereign CVI): a proof of concept has been conducted
- Identification of physical risk impact on credit risk: retail mortgage loan portfolio and large corporate borrowers
- Leverage on ECB Climate Stress Tests
CULTURE & CONDUCT: MULTI-PRONGED APPROACH

GOVERNANCE
- Culture & Conduct “C&C” topics reporting to CEO and the Board
- From January 2021, steering of C&C taken over by HR and Compliance departments, with C&C relays and sponsors at each Business and Service Unit to ensure full BU SU ownership of C&C matters on a day-to-day basis
- This new governance follows a 3 year C&C programme which ended in 2020, based on 3 main objectives: accelerate SG’s cultural transformation; achieve the highest standards of quality of service, integrity and behaviour; make SGs culture a differentiating factor

CODE OF CONDUCT
- The Board formally endorsed the updated Code of Conduct in 2016, last update was in December 2019.
- Complemented by Anti-Corruption and Anti-Bribery Code since 2017 (updated in 2021)
- 98% of all staff have validated annual code of conduct training, at May 2021. A new campaign started in October 2021.

CONDUCT RISK MANAGEMENT
- Embedding conduct risk into overall Group risk management framework
- Role and Responsibilities of LOD2 defined and LOD3 implemented

DASHBOARD
- Annual dashboard for Board and General Management with 6 conduct and 8 culture indicators covering regulatory training, compliance dysfunctions, operational losses resulting from misconduct, sanctions and compensation reviews, results of employee barometers

CULTURAL TRANSFORMATION
- Alignment of HR processes, including sanctions, evaluation and compensation, recruitment and induction, talent development
- Tools to support and encourage appropriate behaviours and an ethical approach
- Specific initiatives on speak-up, including a guidebook and integration of the concept in the annual employee barometer
- Strengthened whistleblowing tool
- Actions targeted at the C&C community: workshops, best practice and suggestions

COMMUNICATION AND AWARENESS
- All-staff communication plan
GROUP PLEDGE FOR DIVERSITY

GROUP OBJECTIVE

- 30% women in Group management bodies by 2023
- achieved at two levels:
  1/ strategic committee: comprises General Management and Heads of Business and Service units (Top 30);
  2/ Group's 200 main managers: “key positions”

ACTION PLAN TO DELIVER OBJECTIVE

- An enhanced talent management strategy with a focus on career and professional development among female employees
- Training sessions to raise awareness of biases and stereotypes which will be available to all employees and will be mandatory for top managers and future managers
- Diversity objectives part of the evaluation of each member of the Management Committee from 2021

MONITORING OF OBJECTIVE

- The Board will carry out precise and regular monitoring of the achievements and reviews of the Bank’s diversity policy
ACTION LEVERS DEFINED AT GROUP AND LOCAL LEVELS

EMBEDDING DIVERSITY IN ALL HR PROCESSES

- Diversity objectives form part of the evaluation of each member of the Management Committee, from 2021

GENDER PAY GAP ACTIONS

- Since 2013 EUR13.1m allocated to correcting 6300 pay gap differences in France. A further EUR7m allocated 2019-21
- French Gender Equality Index Score 86/100 in 2020
- UK: Gender Pay Gap: SG London Branch median hourly pay gap improved to 30.4% in 2020 (vs 32.5% in 2019)

TRAINING, ENGAGEMENT AND AWARENESS

- Training sessions to raise awareness of biases and stereotypes available to all employees and mandatory for top managers
- Employee surveys conducted annually to all staff to gather feedback on diversity
- Club 21 Siècle: Participation in first barometer in France on origin and socio-economic diversity, in 2021
- #Mandala lecture series on diversity introduced in 2019

PROGRAMMES AND NETWORKS

OTHER ACTIONS DEFINED AT LOCAL AND BUSINESS/SERVICE UNIT LEVEL

- UK: 30% women in senior positions on UK platform by 2025
- Africa: 33% women on SG Africa management committees by end-2022
- A diversity action plan with quantified objectives specific to each Business and Service Unit

THE CIRCLE

SOCIETE GENERALE

WILL

IT4Girls

Féminin

WOMEN IN MARK

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### SNAPSHOT OF SG BOARD

<table>
<thead>
<tr>
<th>Key changes in 2021:</th>
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<tbody>
<tr>
<td>- Addition of 1 new seat representing shareholder employees: elected by shareholder employees and appointed at AGM</td>
</tr>
<tr>
<td>- Appointment of a Non-Voting Board Member “censeur” for 2 years, M. Jean-Bernard Lévy:</td>
</tr>
<tr>
<td>- Chairman and CEO of EDF Group</td>
</tr>
<tr>
<td>- Chairman of the French Energy Council (CFE)</td>
</tr>
</tbody>
</table>

| Board Chairman | ✔ | Separation of Chairman and CEO roles since May 2015 |
| Independence | ✔ | 15 Directors; 91.6% independent (excluding 3 staff-elected) |
| Diversity | ✔ | Gender: 40% women; Nationality: 9 nationalities |
| Non-Voting Member | ✔ | Attends Board meetings and committees, in a consultative capacity, and is subject to the same rules of ethics, confidentiality and deontology as the Directors. The Board has asked M. Lévy to follow in particular the manner in which the Group defines and implements its energy transition strategy. |
| Tenure | ✔ | Length of term: 4 years; Average tenure: 5 years |
| Overboarding | ✔ | Cap on the number of directorships: |
|   - 1 executive and 2 non-executive; or |
|   - 4 non-executive |
| Attendance | ✔ | Attendance in 2020: 97% |
| Training | ✔ | 11 training sessions in 2020 covering regulatory aspects, corruption, AML, KYC, AI, Blockchain, crypto assets, market/operational risks, financial subjects, governance |
| Board evaluation | ✔ | External 360° assessment every 3 years; internal assessment in other years |
CONTINUING TO APPLY RESPONSIBLE COMPENSATION PRACTICES

**EXECUTIVE MANAGEMENT & MANAGEMENT COMMITTEE**

**EXECUTIVE MANAGEMENT**

**LONG-TERM INCENTIVES**

**CSR performance condition 20% of the award, of which:**
- $\frac{1}{2}$ Energy transition financing
- $\frac{1}{2}$ Positioning within the extra-financial ratings (SAM, Sustainalytics & MSCI)

**VARIABLE REMUNERATION:**

For Executive Management:
- Achievement of **CSR** targets in line with Strategic Plan, **Human Resources** management and good operational management of the **Covid crisis**
- For all qualitative and quantitative criteria see p105 URD

For all, alignment with collective Group targets:
- Employee Commitment Rate
- Client Satisfaction: Net Promoter Score
- External Group ESG Ratings (SAM, Sustainalytics, MSCI)
- Financial performance

**Diversity objective from 2021**

The CEOs gave up 50% of the annual variable remuneration allocated to them by the Board with regard to the financial year 2020, to contribute to the Group’s Global Solidarity Programme (launched in 2020 to support various initiatives directly linked to the consequences of the Covid crisis)

**ALL STAFF**

**ANNUAL EVALUATION:**

- **Values and Behaviours** as KPI for all employees
- All staff measured against **Compliance and Conduct conditions**
SELECTED REPORTS FOR FURTHER READING

UNIVERSAL REGISTRATION DOCUMENT AND DUTY OF CARE PLAN

CLIMATE DISCLOSURE REPORT

PRINCIPLES FOR RESPONSIBLE BANKING

PACTA METHODOLOGY REPORT (aligning credit portfolios with Paris Agreement)

INTEGRATED REPORT

AROUND THE WORLD IN 2021: integrating our corporate purpose into business solutions