CSR AND CLIMATE
MAY 2022
A CSR AMBITION THAT DRIVES OUR PURPOSE INTO ACTION

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

- **ENVIRONMENTAL TRANSITION**
- **POSITIVE LOCAL IMPACT**
- **CULTURE OF RESPONSIBILITY**
- **RESPONSIBLE EMPLOYER**

**300 BN EUR** FOR 2022-2025
Sustainable Finance Contribution
The Board of Directors approves the Group's strategic CSR guidelines and oversees their implementation.

The Board has ensured the presence of the necessary skills, including the appointment of a censor for the purpose of advisement regarding energy transition aspects.

CSR issues are handled by the Board of Director's different committees, specifically the Risk Committee and the Compensation Committee.
CSR, A PRIORITY TASK FOR GENERAL MANAGEMENT

A STRONGER ORGANIZATION

- CSR policies and their implementation are monitored by the Deputy Chief Executive Officer

- The Sustainable Development Department is under the direct responsibility of General Management

- CSR is built into the mandates of the Heads of different business lines and services

A MANAGED APPROACH...

- GROUP STRATEGIC COMMITTEE
- RISK COMMITTEE
- BUSINESS UNIT / SERVICE UNIT STRATEGY OVERSIGHT COMMITTEES
- RESPONSIBLE COMMITMENTS COMMITTEE

... SUPPORTED BY AN AMBITIOUS PROGRAM

- ESG BY DESIGN
CLIMATE & ENVIRONMENTAL TRANSITION
## More Than 20 Years of Commitment to the Environmental Transition

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<tr>
<td>Positive Impact Initiative</td>
<td>Initiative Climate Bond</td>
<td>United Nations Principles for responsible banking and Collective Commitment to Climate Action</td>
<td>PACTA for Banks</td>
<td>UNEP-FI Net-Zero Banking Alliance &amp; NZAO</td>
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<td>CDP, Equator Principles and Soft Commodities Compact</td>
<td>ICMA Green Bond Principles</td>
<td>Getting to Zero Coalition</td>
<td>Hydrogen Council</td>
<td>Steel Climate-Aligned Finance Working Group</td>
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<td>Katowice Commitment</td>
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<td>Poseidon principles</td>
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CLIMATE CHANGE CHALLENGE: 3 PRIORITIES

- Manage climate-related risks
- Pro-actively manage the climate impact of activities
- Support clients in their environmental transition
MANAGING RISK RELATING TO CLIMATE CHANGE

CLIMATE CHANGE CAN CAUSE:

- Physical risk for financed assets
- Transition risk for our clients

PROCESS FOR MANAGING CLIMATE RISK:

Climate risk impact analysis:
- For the Group’s geographies of operation
- For our clients and our financing

Assessment of the sensitivity of a country or an economic sector to transition risk

Portfolio analyses, dedicated stress test exercises based on these aspects
PROACTIVELY MANAGE THE IMPACTS OF BUSINESS ACTIVITIES (1/3)

50% REDUCTION OF CO₂ EMISSIONS TIED TO THE GROUP’S ACTIVITY BETWEEN 2019 AND 2030

<table>
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<th>Year</th>
<th>CO₂ Emissions</th>
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<tr>
<td>2019</td>
<td>298 KTCO₂e</td>
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<tr>
<td>2020</td>
<td>221 KTCO₂e</td>
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Breakdown of the Group’s direct CO₂ emissions

- Electricity: 49%
- Transport of goods, including transport of funds: 9%
- Steam, heat and cold: 11%
- Gas: 11%
- Fuel oil: 1%
- Business travel: 15%
- Waste: 2%
- Paper: 6%
- Freight transport: 4%
- Other: 3%

Sums collected were redistributed at the Environmental Efficiency Awards

Internal carbon tax, an innovative mechanism in place since 2011
PROACTIVELY MANAGE THE IMPACTS OF BUSINESS ACTIVITIES (2/3)

GRADUALLY ALIGN OUR CREDIT PORTFOLIOS WITH TRAJECTORIES COMPATIBLE WITH A 1.5°C SCENARIO

OUR MAIN COMMITMENTS

OIL AND GAS
Reduce our exposure to oil and gas extraction by at least 10% between 2019 and 2025

COAL
Reduce our exposure to coal to zero by 2030 in the EU and OECD countries, and by 2040 in the rest of the world

VEHICLE LEASING
Reduce the carbon intensity of ALD Automotive deliveries by 40% between 2019 and 2025

POWER GENERATION
Reduce the carbon emission intensity of power portfolio by about 75% between 2019 and 2040

Facilitating several industry-specific working groups of the NZBA

(1) Net Zero Bank Alliance (2) Scenario: MOI 2050 ambition

Caption:
NZBA working groups lead by Société Générale
PROACTIVELY MANAGE THE IMPACTS OF BUSINESS ACTIVITIES (3/3)

CLIMATE COMMITMENTS IN TERMS OF SECTORAL POLICIES

9 policies in the most sensitive industries

- Industrial Agriculture and forestry
- Dams and hydroelectric power
- Thermal power stations
- Ships
- Civilian nuclear power
- Thermal coal
- Defense
- Mining
- Oil and gas

3 environmental and social positions

Biodiversity
Climate
Human rights
SUPPORTING CLIENTS IN THEIR TRANSITION PROCESS (1/2)

MEETING THE NEEDS OF COMPANIES

Analyze their specific needs

Assist them in their own positive impact projects

Select or structure adapted offers:

- Sustainable and positive impact financing
- Responsible and sustainable investment
- Strategic and innovation advisory services
- Specialized services: mobility, equipment, supply chain...

... in compliance with the Group’s own commitments.

#1 Project Financing Advisor Worldwide (1)
#2 Sustainable export finance deals (2)
#3 Worldwide in Renewable Energy Project Finance (3)

#1 Best IB Bank for Sustainable Finance 2022 by Global Finance
#2 Investment Bank of the Year for Sustainability 2021 by The Banker
#3 Bank of the Year for Sustainability by IFR

(Source: IJ Global League Tables FY2021 (2) TXF 2020 (3) Dealogic FY2021)
MEETING THE NEEDS OF INDIVIDUALS

**Savings**

- New Savings generation (*Nouvelle génération d’épargne (NGE)*) that is 100% responsible in open architecture: 8 environment funds and 12 “SRI” funds
- Responsible participatory financing platform in partnership with LUMO
- Solidarity Savings Service: portion of interest earned from a savings account paid to partnering non-profit organizations
- “SG Solidarity” fund, with 50% of income paid to non-profit organizations

**Financing / Loans**

- “Sustainable Development Loan”, and “Expresso Sustainable Development” for buying residential energy renovation equipment / work

**Insurance**

- “Green” auto insurance, with subsidized rates for electric and hybrid vehicles
- “Environment” insurance package covering “green” installations

**Payment**

- “Charity Collection” cards pay 0.05€ per payment to a chosen non-profit organization

**Mobility**

- “Expresso Auto Loan” to finance hybrid and electric vehicles