

GROUP SUSTAINABLE DEVELOPMENT DIVISION

CORPORATE SOCIAL  
RESPONSIBILITY  
SOCIETE GENERALE GROUP

JULY 3rd, 2013



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CHAPTER 01

# GROUP CSR COMMITMENTS

# GROUP COMMITMENTS

The Group is committed to honour its obligations related to the environment, the workforce, and society across all of its activities and in all countries where it is established:



**Code of conduct 2013**

**Group's Code of conduct**

DEVELOPPONS ENSEMBLE  
L'ESPRIT D'EQUIPE SOCIETE GENERALE

The new updated **Code of Conduct** (translated into 8 languages) encompasses these commitments.



These commitments have been incorporated into the **Environmental & Social (E&S) Principles**, with **10 cross sectorial and specific sectorial policies** (published on the Group website).

- 2011**
- ✓ Mining and Metals
  - ✓ Defence
  - ✓ Coal-Fired Thermal Power
  - ✓ Oil and Gas
  - ✓ Shipping

- 2012**
- ✓ Dams and Hydroelectric
  - ✓ Civil Nuclear Power
  - ✓ Biodiversity (cross-sector)

- 2013**
- ✓ Forestry
  - ✓ Palm oil





CHAPTER 02

# MAIN CSR ACHIEVEMENTS AND GROUP'S AMBITION 2013-2015

# CORPORATE SOCIAL RESPONSIBILITY FOR SOCIETE GENERALE

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**Societe Generale's strategy is embedded in corporate responsibility and aims at:**

- **Towards our customers:** be a benchmark bank for our customers:
  - finance economy and cater to the financial needs of customers;
  - worthy of their trust on which our very business depends, beside them through good and bad times;
  - putting customer satisfaction at the heart of our strategy.
  
- **Towards our employees:** mobilize and value the wealth of our human capital, essential to the Group's strategy, by being a responsible employer:
  - mindful to the well-being and professional development of its teams;
  - ensuring behaviour that will sustain value creation over the long term.
  
- **Corporate Social Responsibility:**
  - manage the E&S impacts of our products and services;
  - encourage our employees involvement which benefits the community and society at large, alongside the Group's various partnerships and sponsorship programmes.



« Being the **reference relationship bank** on its markets, close to its customers and selected for the quality and commitment of its teams »

## THE GROUP'S CSR AMBITION FOR 2015 IS DIVIDED INTO 5 DIMENSIONS

### Societe Generale wishes to:

- reinforce its position among the **top quartile\* of banks** for CSR;
- consolidate its ambition for 2015 in sustainable growth through **5 strategic priorities** across **the Group**:

*1\_ Responsible finance*

*2\_ Solidarity banking*

*3\_ Responsible employer: diversity & employability*

*4\_ Environment for our own account & responsible procurement*

*5\_ Active in civil society*

*Towards our customers: be a reference bank*

*Towards our employees: be a responsible employer*

*Towards civil society and environment: be responsible of the impacts of our activities*

*Being a responsible bank at the service of its customers*

**AMBITION  
SG2015**

\* Since 2001, the Group's CSR ratings have been among the top quartile of banks for its CSR actions.

# PRIORITY 1: RESPONSIBLE FINANCE

## MAIN ACHIEVEMENTS

- **Operational procedures** implementing **our E&S screening principles** in client analysis and transaction analysis
- **60 projects** screened according to the Equator Principles in 2012 (72 in 2011)
- **Green financing:** close to **EUR 1 bn** in 2012 (EUR 2.2 bn in 2011)
  - financial products to enhance energy efficiency
  - responsible fleet management



- **Positive Impact Finance (EUR 605.8 m in 2012)**
- **Responsible lending Initiative**



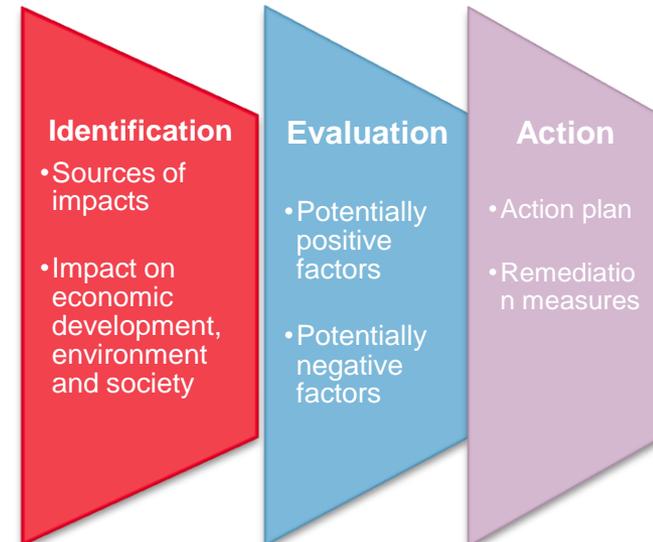
- **Mediation:** following the recommendations of Mrs. Scrivener in case of dispute.
- **Tax havens:** no presence in uncooperative countries as per OECD, and no holding (direct or indirect), among the list of non-cooperative States and territories (NCCT 2011 and NCCT 2012).



- *Positive Impact Business and Net Banking Income (NBI) generated*
- *CSR assessment/positioning, client surveys/polls*

## OBJECTIVES

- **Promote and develop Positive Impact Finance.**



- **Implement the Responsible Credit initiative in the Group, and disseminate good practices.**

## PRIORITY 2: SOLIDARITY BANKING



### MAIN ACHIEVEMENTS

- **Microfinance: EUR 85 m granted in favor of MFIs** (50% in North Africa and the Middle East), capital presence in 5 MFIs in Africa
- **Charity cards: more than EUR 1.69 m** given by 70,000 card-holders to **25 charities and communities** since 2008 (including 580 K EUR in 2012)
- **Solidarity savings services:** service launched in December 2010, 15,484 subscriptions by end of 2012, EUR 280 K (+200% vs 2011) given by clients to 37 charities and communities (proportion of interest on savings books paid back and topped up by 10% by Societe Generale)
- **The Loyalty Programme:** Filigrane, associated with the Jazz offer, helps support “Les Restaurants du Cœur” and “Handicap International” (EUR 420,000 paid in 2012 (+2.2% vs 2011))
- **Support for heavily/over-indebted people**, in partnership with the CRÉSUS Federation (Franfinance and CGI), or by our amicable negotiation platforms
- Close to 75% of French branches **accessible to disabled**, and 90% of **ATMs equipped for the visually-impaired**

### OBJECTIVES

- Expand and promote the range of **solidarity products and services**
- Increase commitments in **microfinance**
- Promote the **accessibility** of our services to disabled persons
- Enhance **prevention** of heavy indebtedness, and **assistance** for clients in difficulty



- *Solidarity business (outstanding), NBI generated*
- *Number and growth of labelled products*
- *CSR assessment/positioning, client surveys/polls*

# PRIORITY 3: A REINFORCED RESPONSIBLE EMPLOYER APPROACH

## MAIN ACHIEVEMENTS

**Responsible human resources policy:** placing professional fulfilment of its employees at the heart of its strategy.

- **Careers:** develop talents, giving everyone the same chance
  - **Training:** **2.9 million hours** dispensed in 2012 to 84 % of Group employees
  - **Professional evaluation:** new Group system (110,000 employees in 2012 vs 85,000 in 2011)
  - **Professional development:** Corporate University, Cursus Cadre / cursus Passerell'E
  - **Caring about employees:** employer barometer every 2 years: May-June 2013 campaign launched on 130,000 employees.
- **Diversities**
    - **Gender mix:** 40% women on the Board; training and mentoring actions dedicated to women; networking: *Féminin by SG* and *Financi'Elles*; allowance to re-balance M/F salary differences (EUR 5 m for 2013 – 2015)
    - **Disabled employees:** 2,138 employed by the Group (1,4% of the overall headcount); “**Pass pour l'emploi**”; forum in partnership with ADAPT
    - **Managerial training:** diversity and inclusion; biases.
  - **Citizens' initiatives and support for professional inclusion**
    - Specific initiatives aimed at students and recent graduates
    - Careers site to help young people get into their first job.



## OBJECTIVES

- **Develop and promote employability**
- **Value diversity**



- *Employer barometer on equality of chances*
- *% of employees with a development plan*

# PRIORITY 4: EXEMPLARY MANAGEMENT OF DIRECT ENVIRONMENTAL IMPACT AND OF ITS PROCUREMENTS | Environment (1/2)

## MAIN ACHIEVEMENTS

### Carbon neutrality plan 2008-2012

- **Objective to reduce CO<sub>2</sub> emissions by 11% per occupant** (ref. 2007): result at end of 2012, -20%
  - 29% of electricity consumption of renewable origin, and 188 GWh /year own production of renewable energy (32,736 CO<sub>2</sub> metric tons emissions avoided)
  - Programme on certified buildings, with high energy performance; reference system on “responsible buildings”
  - More restrictive travel policy, and purchase policy of lower CO<sub>2</sub> vehicles (« *New Car Policy* »)
  - Eco-labelled paper consumption: 100% in France and 62% in the world
- **Carbon neutrality:** compensation via purchase of carbon certificates (100% in 2012 excl. Rosbank) financed by **an in-house carbon tax**

## OBJECTIVES

### Carbon reduction plan 2012-2015

- **Twofold objective** (ref. 2007):
  - CO<sub>2</sub> emissions/occ: - 26%
  - Energy efficiency: +24%
- **Twofold incentive:**
  - **in-house carbon tax** (€10/tCO<sub>2</sub>e) paid by each business line;
  - **allocation** of tax revenue to **in-house environmental efficiency projects**
- **Improvement of waste management**



- *CO<sub>2</sub> emissions/occupant/2007*
- *Energy consumption/occupant/2007*

# PRIORITY 4: EXEMPLARY MANAGEMENT OF DIRECT ENVIRONMENTAL IMPACT AND OF ITS PROCUREMENTS | procurements (2/2)

## MAIN ACHIEVEMENTS

### Implementation of Sustainable procurement Programme (SSP) 2011-2015

- Systematic **CSR evaluation** of our suppliers (1,050) listed in the main Group countries, with Ecovadis
- "Responsible Supplier Relations" national certification obtained by "Médiation Inter-entreprises".
- **Specific legal clause** in each procurement contract
- Integration of **CSR objectives for all purchasers**
- Signatory of **Inter-Company Relation Charter**
- Appointment of an **internal mediator**
- **Flagship actions** associated with three development dimensions:



#### Economic dimension

##### Commitment to SMEs

**Objective:** facilitate access of PME to Societe Generale markets, and set up a framework of mutual trust with suppliers.

#### Workforce dimension

##### Use of sheltered sector

**Objective:** promote the sheltered sector, by means of subcontracting companies in this sector (EA/ESAT).

#### Environmental dimension

##### Reduction of carbon impact

**Objective:** participate in the Group carbon reduction plan, thanks to targeted procurement actions.

## OBJECTIVES

### Extend the scope of action of the SSP

- **Systematic CSR assessment** of referenced suppliers (with Ecovadis)
- Launch of **progress plans and audits**
- Reinforce collaboration with the **sheltered sector** (disabled)
- Keep our **commitment to SMEs**



- *Number of referenced and assessed suppliers*
- *Proportion of 'adapted' enterprise sector and SMEs in Group procurement*

# PRIORITY 5: AT THE HEART OF CIVIL SOCIETY

## MAIN ACHIEVEMENTS

- **Commitments in civil society and citizenship: professional inclusion**  
The Group's main dimension of operation:
  - **Societe Generale Corporate Foundation for Solidarity** (EUR 11.5 m over 5 years and 9 m in 2012): 373 projects supported since 2006
  - **Skills sponsorship**: 1600 working days devoted by employees in 2012
  - **"Talents & Partage"**, the solidarity association for current and retired employees of Societe Generale since 1984 (103 projects supported in 2012)
- **Engage with Stakeholders to adapt products:**
  - **Customers/clients**: satisfaction surveys or client barometers
  - **Employees**: employer barometer
  - **Shareholders**: Shareholders consultative committee
- **Links with communities or companies involved in solidarity economy, professional inclusion, or the 'adapted sector' under several dimensions:**
  - donations, sponsorship and skills volunteering;
  - procurement of services (catering (inclusion), post (ESAT), etc.);
  - co-construction (Personal micro-loans, "Restos du Cœur" and "CRESUS", combating over-indebtedness (CRESUS), etc.);
  - recruitment of underprivileged young people within the Group ("NQT", "Caza do Zezinho", etc.);
  - clients (banking products and services facilitating clients' solidarity conscious approach).

## OBJECTIVES

- **Consolidate solidarity sponsorship, employees and branches involvement**
- **Improve and reinforce existing dialogue with our stakeholders, especially through a stakeholder panel**
- **Have a comprehensive and coherent partnership policy, beyond financial sponsorship, and build long-term relationships with selected partners (social entrepreneurs, communities, etc.)**



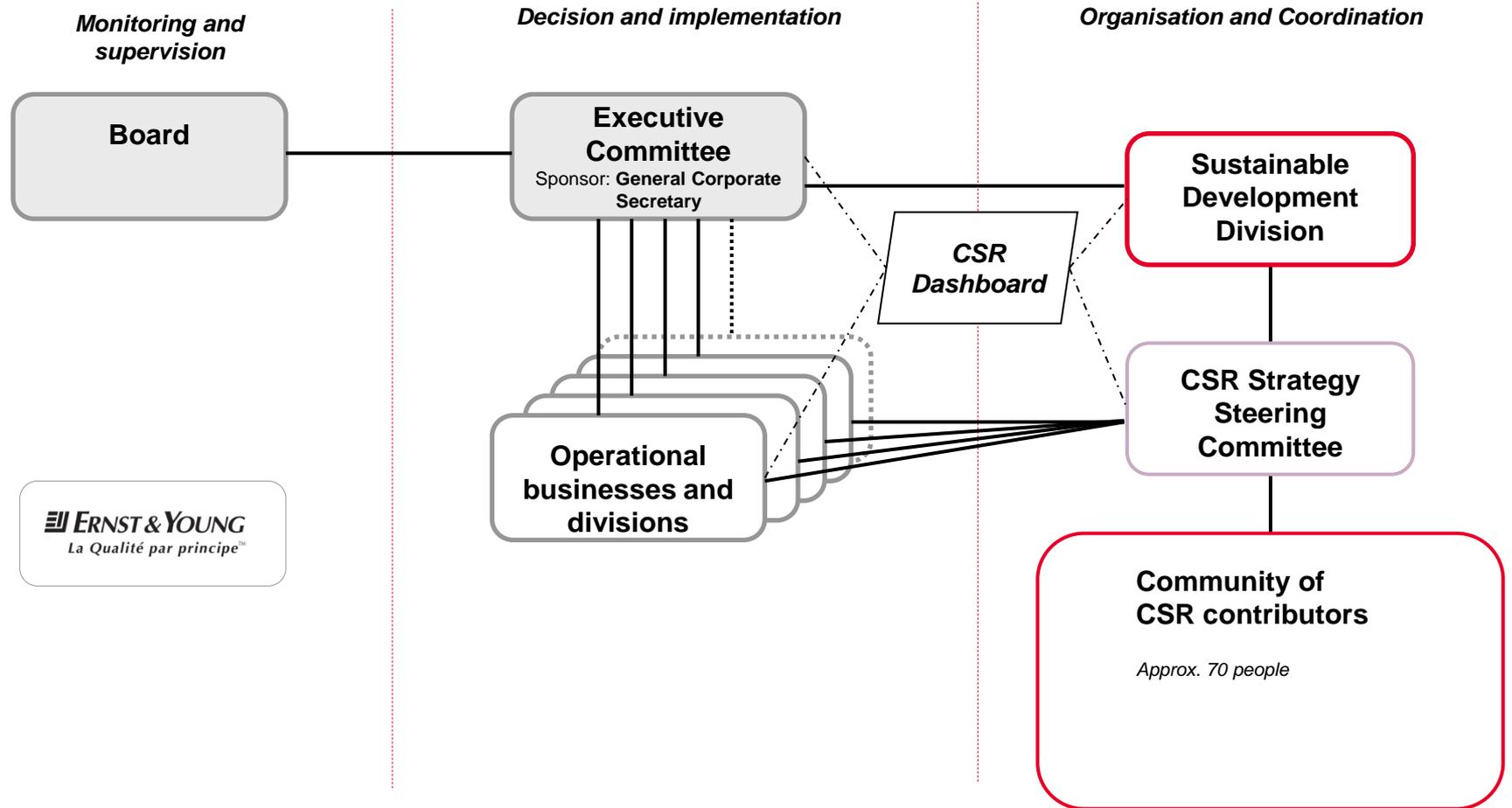
- *Number of people involved in skills sponsorship activities*
- *Panel of Stakeholders*
- *Number of partnership contracts with social entrepreneurs*



CHAPTER 03

# GOVERNANCE OF GROUP CSR ACTIONS, REPORTING AND EVALUATION

# MANAGEMENT OF CSR STRATEGY 2012-2015



Maximum 40% of **variable remuneration of Chief Executive Officers** is determined according to achievement of **qualitative objectives** of implementation of Group strategy, including the **CSR objectives**.

# REPORTING, EVALUATION AND PUBLICATION

- 2013 Registration Document and 1<sup>st</sup> update

[https://www.societegenerale.com/sites/default/files/documents/Societe-Generale\\_DDR2013\\_UK.pdf](https://www.societegenerale.com/sites/default/files/documents/Societe-Generale_DDR2013_UK.pdf)

[https://www.societegenerale.com/sites/default/files/documents/20130510-Societe-Generale\\_DDR13\\_1ere-Actualisation\\_EN.pdf](https://www.societegenerale.com/sites/default/files/documents/20130510-Societe-Generale_DDR13_1ere-Actualisation_EN.pdf)

- CSR Website

<http://csr.societegenerale.com/home-page>

- CSR Flipbook

- 2012 Remuneration policies and practices report

<http://www.societegenerale.com/sites/default/files/documents/20130430-SG-Remuneration-Policies-and-Practices-Report-2012.pdf>

- Assurance report delivered by our auditor:



- Player renowned for its CSR actions:

Extra-financial rating agencies	Rating 2012	1 <sup>st</sup> quartile
RobecoSAM	76/100	✓
Sustainalytics	73/100*	✓
Oekom	C [Prime]	✓
MSCI	BBB	

\*8th on a panel of 144 banks

The rating attributed to Societe Generale by Vigeo falls under Vigeo's intellectual property rights



- CSR assessment/positioning, in client surveys/polls
- CSR assessment/positioning, by extra-financial rating agencies

