

Société Générale

December 31, 2018

Independent report of one of the statutory auditors on the compliance of assets selected for the 2015, 2016 and 2018 "Positive Impact Bonds" with the Positive Impact Assessment Framework and the Climate benefits criteria, on the impact reporting provided to investors and on the allocation of funds raised under these bonds

ERNST & YOUNG et Autres



Société Générale

December 31, 2018

Independent report of one of the statutory auditors on the compliance of assets selected for the 2015, 2016 and 2018 “Positive Impact Bonds” with the Positive Impact Assessment Framework and the Climate benefits criteria, on the impact reporting provided to investors and on the allocation of funds raised under these bonds

To the Chief Executive Officer,

In our capacity as one of the statutory auditors of the Company, we hereby present our report (i) on the compliance of the selected assets, reported by Société Générale in the use of proceeds of the “Positive Impact Bonds” and available on Société Générale’s website, with the Positive Impact Assessment Framework and the Climate benefits criteria, (ii) on the impact reporting provided to investors dated December 31, 2018 and (iii) on the allocation of funds raised under these bonds.

1. Reasonable assurance report on the compliance of assets selected for the 2015, 2016 and 2018 “Positive Impact Bonds” with the Positive Impact Assessment Framework and the Climate benefits criteria and on the impact reporting provided to investors

Responsibility of the Company

It is the responsibility of the Company to establish the selection and monitoring criteria (hereafter the “Positive Impact Assessment Framework” and the Climate benefits criteria) and to ensure their implementation.

Independence and quality control

Our independence is defined by regulatory requirements and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures, to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the statutory auditor

It is our role, based on our work, to express a reasonable assurance conclusion as to whether the selected assets comply, in all material aspects, with the Positive Impact Assessment Framework and the Climate benefits criteria.



We conducted the work described below in accordance with International Standard ISAE 3000 (International Standard on Assurance Engagements) and professional standards applicable in France. To assist us perform our work, we called on our experts in sustainable development, under the responsibility of Mr Eric Duvaud, partner.

Nature and scope of work

In order to be able to express our conclusion, we undertook the following work in April 2019:

- We assessed the suitability of the Positive Impact Assessment Framework and the Climate benefits criteria regarding their relevance, completeness, clarity, neutrality and reliability, taking into consideration the “Green Bonds Principles” dated June 2018¹ and the “Principles for Positive Impact Finance” dated January 2017².
- We compared the list of assets in Société Générale’s Positive Impact Bonds annual use of proceeds reporting as at December 31, 2018 with the list of assets in the last reporting (annual use of proceeds reporting as at December 31, 2018 for the bond issued in November 2015, for the one issued in September 2016 and for the one issued in October 2018).
- For assets already verified based on the last reporting, we focused on assets categorised A and B in non-designated countries³ by verifying the management of potential negative impacts according to the Positive Impact Assessment Framework.
- In case of new selected assets, we verified their positive impact and the management of their potential negative impacts (including avoidance, mitigation, remediation and/or compensation measures) according to the Positive Impact Assessment Framework.
- We verified the climate benefits of these assets in terms of CO₂ avoided, using the methodology developed by the European Investment Bank⁴ and prorated CO₂ avoided⁵, using the methodology developed by Société Générale.
- We verified the total installed capacity of the assets.

¹ The Green Bonds Principles and Governance Framework are available on the website of the ICMA (International Capital Market Association): www.icmagroup.org

² The Principles for Positive Impact Finance are available on the website of the UNEP Finance Initiative: www.unepfi.org

³ The assets are categorised by Société Générale according to internal procedures, in compliance with the Equator Principles. The definition of categories and the list of designated countries can be found on the Equator Principles website: www.equator-principles.com

⁴ The European Investment Bank developed methodologies for the assessment of project GHG emissions and emissions variations. The latest version (10.1) which has been used is available at: www.eib.org

⁵ CO₂ avoided/k€ invested