SOCIETE GENERALE

SUSTAINABLE AND POSITIVE IMPACT BOND FRAMEWORK

June 2020
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1. INTRODUCTION

1.1 Positive Impact Finance Initiative

1.1.1 A new approach to business and finance to achieve the SDGs

The positive impact initiative by the United Nations Environment Programme Finance Initiative (the “UNEP FI”), which brings together 52 financial institutions worldwide, aims to bridge the gap of financing the Sustainable Development Goals (the “SDGs”) set by the United Nations. USD 5-7 trillion a year until 2030 are needed to realize the SDGs worldwide, including investments into infrastructure, clean energy, water and sanitation and agriculture.

As such, the Positive Impact Manifesto1 was published at the end of 2015, followed by the Principles for Positive Impact Finance2 (the “PPIF”) at the beginning of 2017. These publications have defined positive impact finance as applying to every activity verifiably producing a positive impact on at least one of the sustainable development pillars (economic convergence, populations’ basic needs and the environment) while ensuring that the potential negative impacts on any of these pillars have been identified and properly managed.

By virtue of this holistic appraisal of sustainability issues, positive impact finance constitutes a direct response to the challenges of financing the SDGs.

1.1.2 Principles for Positive Impact Finance (the “PPIF”)

The PPIF are applicable to all forms of financial institutions and financial instruments. By jointly considering the three pillars of sustainable development and by basing themselves on an appraisal of both positive and negative impacts, they propose a holistic approach to sustainability issues. In doing so the PPIF build on and complement valuable existing frameworks such as the Green Bond Principles3 (instrument-specific), the Principles for Responsible Investment4 (sector-specific), the Equator Principles5 (risk focused), among others, to provide a broad and common framework to achieve the financing of sustainable development.

In 2019, the Principles for Responsible Banking6 were launched by 130 banks from 49 countries convened by UNEP FI. They provide an overarching framework for a sustainable banking system with the objective of accelerating the banking industry’s contribution to achieving society’s goals as expressed in the SDGs and the Paris Agreement7. The Principles for Responsible Banking intend to help the industry demonstrate how it makes a positive contribution to society. They fully integrate the approach and tools of positive impact finance.

1.1.3 Societe Generale: a consolidated sustainable and positive impact finance offering

With the conviction that this concept reflects the reality of economic life and that, far from counteracting other initiatives launched in the market under different names, it aims to be all-encompassing, Societe Generale is a founding member of the UNEP “Positive Impact Finance Initiative”, since 2001, and has also been in the core group of founding banks of the Principles for Responsible Banking.

Societe Generale has decided to promote its efforts under the development of a consolidated “Sustainable and Positive Impact Finance” proposition, with the objective of developing and diversifying a range of products and services through the introduction of more structuring expertise and advice on impact analysis and measurement, whilst incorporating the United Nations’s 17 SDGs.

At the forefront of sustainable and positive impact finance, Societe Generale was the first French bank to issue a green bond benchmark as well as the first one to issue a green covered bond aligned with both the Green Bond Principles and the PPIF.

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1 https://www.unepfi.org/positive-impact-manifesto/
4 https://www.unpri.org/pri/an-introduction-to-responsible-investment/what-are-the-principles-for-responsible-investment
5 https://equator-principles.com/about/
6 https://www.unepfi.org/banking/bankingprinciples/
As part of its sustainable strategy, Societe Generale has set up this Sustainable and Positive Impact Bond Framework (the “Framework”) with the view of encouraging investors to favour activities that have a positive impact on the environment and society, supporting the Group’s effort in financing green and social activities and contributing to the achievement of the SDGs.

1.2. Societe Generale’s Corporate and Social Responsibility strategy

1.2.1 Overview

Societe Generale is committed to a fair, environmental and inclusive transition, whose corporate purpose is defined as: “Building together, with our clients, a better and sustainable future through responsible and innovative solutions”. Committed to support its customers with positive transformations around the world, Societe Generale’s Corporate Social Responsibility strategy concerns all businesses, for which it represents both an opportunity for innovation and a factor of sustainability.

A materiality matrix was established in 2017 which defined six core axes, approved by the Board of directors and integrated into the Group strategic plan ‘Transform to Grow’:

- three cross-business components that form the foundation of a responsible bank: customer satisfaction and protection, ethics and governance, and responsible employment; and
- three components that drive the positive actions of Societe Generale as a responsible bank: the fight against climate change, social trends and innovations, and the contribution to sustainable development in Africa.

This strategy is underpinned by both individual commitments of Societe Generale and through voluntary collective commitments, supporting a robust international coalition of partners.

1.2.2 Positive environmental and social action

Climate strategy

Societe Generale’s climate strategy is articulated around three strategic priorities, which are fully detailed in its Taskforce on Climate-Related Financial Disclosures report published online:

- Managing climate-related risks;
- Seizing climate-related opportunities and supporting its clients; and
- Managing the bank’s impact on climate (via its own activities and those of the clients it finances).

To deliver this strategy, the Group has developed in-depth environmental expertise across the whole value chain: from research to advisory, financing and capital markets, investor solutions and services. Societe Generale has started shifting its capital allocation towards greener sources of energy and away from the most emissions-intensive ones.

From 2015, Societe Generale made a commitment to develop methodologies to align its activities with the objectives of the Paris Agreement, in line with the goal of limiting global warming to no more than 2°C above pre-industrial levels. The Group’s first Paris Agreement-alignment methodology, developed in 2016, focused on the coal sector. Societe Generale is currently developing methodologies for other sectors with the Katowice Banks and the 2°C Investing Initiative think-tank.

Commitment to reducing activities related to fossil fuels

In 2016, Societe Generale set an example as one of the first banks to reduce its exposure to the coal sector by stopping any further financing of coal mining and coal-fired power plant projects. In 2019, Societe Generale strengthened its commitment, pledging to reduce to zero its exposure to the thermal coal sector by 2030 in EU or OECD countries, and 2040 elsewhere. In addition, Societe Generale has committed to cease offering new services and products to

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For more information please visit: https://www.societegenerale.com/en/measuring-our-performance/csr
corporate customers whose activity in thermal coal represents 50% or more of their turnover, and for those where thermal coal represents 30-50% if they do not have a reduction strategy in place by 2025.

In 2018, Societe Generale ended financing the production of oil from oil sands around the world and for all types of oil production in the Arctic.

In 2019, Societe Generale contributed to the methodology and signed the Poseidon Principles⁹, to promote the decarbonisation of international shipping in line with the International Maritime Organisation’s goal to reduce greenhouse gas emissions from the shipping sector by at least 50% by 2050. Societe Generale also joined the Getting to Zero Coalition¹⁰, supporting commercially-viable deep sea zero emissions vessels by 2030.

**Commitment to promoting the energy transition**

Having surpassed a commitment of raising EUR 100 billion to support the energy transition between 2016 and 2020 a year ahead of schedule, Societe Generale set a new objective of mobilizing EUR 120 billion between 2019 and 2023. This is broken down as EUR 20 billion for renewable energy financing and advisory and EUR 100 billion for sustainable bond issues led or co-led by Societe Generale. As at 31 December 2019 a total amount of EUR 41.3 billion had been achieved.

**Managing climate risks**

The Group does not view the risk associated with climate change as a new risk category, but rather an aggravating factor for the categories already covered by the Group’s risk management system (credit risks, operational risks, market risks etc). Accordingly, the existing risk management governance framework and processes have been updated to include climate risk factors.

The impact of transition risk on Societe Generale's corporate clients’ credit risk has been identified as the main climate change related risk for the Group. In order to measure this impact, the Group is gradually implementing a vulnerability indicator which aims to reinforce the credit analysis on the most exposed counterparties. The methodology is applicable to sectors identified as most sensitive to transition risk: in 2019 these included oil and gas, power generation, transport, metals and mining and commercial real estate. The indicator enables the Group to engage a dialogue with the most exposed clients.

**Reducing the environmental impact of energy activities financed by the Group**

Societe Generale is conscious of the fact that the projects it finances can have negative impacts on the environment and has defined rules to limit these impacts. As part of its corporate financing activity, the Group has for the past three years been evaluating the carbon footprint (indirect emissions) of its balance sheet commitments and will use the methodologies currently developed to set targets for the fossil fuel sectors. In the oil and gas sector, Societe Generale requires its clients to apply the best practices in order to limit greenhouse gas emissions (methane and carbon dioxide) and other environmental and social impacts associated with production activities.

**Limiting our direct carbon footprint**

Like any company, Societe Generale generates an environmental impact through its activities. Conscious of its responsibility, it has made two major commitments to better manage its environmental impacts: reduce its greenhouse gas emissions by 25% per occupant and improve the energy performance per occupant of the Group’s buildings by 20% by 2020 as compared to 2014 levels. At the end of 2019, these two targets were achieved: greenhouse gas emissions per occupant were down 25% and energy performance per occupant had improved by 25%. In 2019, the carbon footprint per employee was 1.91 tCO2 per occupant.

An innovative “Internal Carbon Tax and Environmental Efficiency Awards Programme” was launched in 2012. Each year, a carbon tax is levied on each of the Group’s entities, based on their greenhouse gas emissions and the sums collected are redistributed in the form of rewards for the best initiatives limiting the Group’s direct environmental impact.

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⁹ [https://www.poseidonprinciples.org/](https://www.poseidonprinciples.org/)
¹⁰ [https://www.globalmaritimeforum.org/getting-to-zero-coalition](https://www.globalmaritimeforum.org/getting-to-zero-coalition)
Supporting business and entrepreneurs

As a local bank present across regions, the Group is committed to working alongside artisans, entrepreneurs and businesses of all sizes, throughout their professional lives and business cycles. Societe Generale is a key player in the French business and entrepreneurial world, supporting independent professionals, start-ups, SMEs and VSBs. In Russia, Rosbank offers training for entrepreneurs within the social sector, to help them in developing services for or recruiting people with disabilities. In Africa, the Group is committed to support SMEs and the growth of micro finance.

Social trends and innovations

As the Bank’s customers – whether investors, companies or individuals – seek solutions to new environmental and social challenges, Societe Generale is particularly attentive to emerging social trends to properly address these issues. Support for the social and solidarity economy, support for entrepreneurship, the development of towns and cities and sustainable mobility, and inclusion: the Group is helping to shape a sustainable and solidarity-based future.

Societe Generale is a founding partner of Netexplo Smart Cities Accelerator, which provides analyses of the challenges posed by the development of inclusive, connected and sustainable cities. The Group also launched LaVilleE+, a wholly owned subsidiary which assists public and private customers worldwide in the creation of urban development aligned with the SDGs, circular economy and sustainability.

Sustainable development of Africa

Present in Africa for more than 100 years, and in 19 countries, the Group has made the continent’s sustainable, low carbon and inclusive development a key priority, fully embedded in its strategy through the Grow with Africa initiative. Societe Generale focuses in particular on multi-dimensional support for African SMEs, infrastructure financing, the development of innovative financing solutions and financial inclusion.

2. APPLICATION OF THE PRINCIPLES FOR POSITIVE IMPACT FINANCE 2017

In alignment with the UNEP FI’s Principles for Positive Impact Finance (2017), the ICMA’s Green Bond Principles\(^1\) (2018), Social Bond Principles\(^2\) (2020) and Sustainability Bond Guidelines\(^3\) (2018) hereafter referred to as the “ICMA Principles”, this Framework is presented through the following key principles:

1. Definition
2. Framework
3. Assessment
4. Transparency

The Framework has been designed to be consistent with the Technical Expert Group’s (the “TEG”) proposal for an EU Green Bond Standard\(^4\) (the “EU GBS”), when relevant and feasible.

2.1. Definition

Positive Impact Finance serves to deliver a positive contribution to one or more of the three pillars of sustainable development (economic, environmental and social), once any potential negative impacts to any of the pillars have been duly identified and mitigated. By virtue of this holistic appraisal of sustainability issues, Positive Impact Finance constitutes a direct response to the challenges of financing the SDGs.

**Positive contribution**

Eligible Activities, as defined in this Framework, are aiming at generating environmental and/or social benefits as outlined in the eligibility criteria for each category defined below.

The eligibility criteria of green categories are intended to comply with the recommendation of the TEG technical report on the EU classification system for environmentally sustainable economic activities Taxonomy (the “EU Taxonomy”) published in March 2020\(^5\).

Sustainable and positive impact bonds issued in compliance with this Framework (the “Positive Impact Bonds”) will primarily contribute to the EU’s Climate Change Mitigation Objective via the reduction of greenhouse gas (“GHG”) emissions.

**Direct response to SDGs**

Societe Generale’s Positive Impact Bonds will support achieving one or several of the United Nations Sustainable Development Goals, such as “Good Health and Well-Being” (SDG 3), “Quality education” (SDG 4), “Clean Water and Sanitation” (SDG 6), “Affordable and Clean Energy” (SDG 7), “Decent work and economic growth” (SDG 8), “Reduced Inequalities” (SDG 10), “Sustainable Cities and Communities” (SDG 11), “Responsible Consumption & Production” (SDG 12) and “Climate Action” (SDG 13), contributing in particular to the specific targets mentioned below.

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\(^{1}\) https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/
2.2. Framework

To promote the delivery of Positive Impact Finance, entities (financial or non-financial) need adequate processes, methodologies, and tools, to identify and monitor the positive impact of the activities, projects, programs, and/or entities to be financed or invested in.

Identification

Positive Impact Bonds are any debt security (such as senior preferred bonds, senior non-preferred bonds, subordinated bonds, covered bonds, structured bonds, or commercial papers and medium-term notes) issued by any issuance entities of Societe Generale in compliance with this Framework (hereafter the “Positive Impact Bonds”).

An amount equivalent to the net proceeds of the Positive Impact Bonds issuance will be applied to finance or refinance (via direct expenditures, via direct investments or via loans), in part or in full, activities in one or several categories listed and defined below (the “Eligible Activities”).

Positive Impact Bonds can be either green, social or sustainability bonds if an amount equivalent to the net proceeds will be applied to (re)finance new or existing Eligible Activities in the green categories, in the social categories or in both categories respectively, as further defined below.

<table>
<thead>
<tr>
<th>“Green Categories”</th>
<th>“Social Categories”</th>
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</thead>
<tbody>
<tr>
<td>• Renewable energy</td>
<td>• Employment generation and preservation through SME financing</td>
</tr>
<tr>
<td>• Green buildings</td>
<td>• Socioeconomic advancement and empowerment</td>
</tr>
<tr>
<td>• Low carbon transport</td>
<td>• Affordable housing</td>
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<tr>
<td>• Water management and water treatment</td>
<td>• Access to education and professional training</td>
</tr>
<tr>
<td>• Pollution prevention and control</td>
<td>• Access to healthcare</td>
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<tr>
<td>• Circular economy</td>
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Eligible Activities will be selected based on the eligibility criteria defined below for each category and according to the qualification process for positive impact.

Eligible Activities will exclude:

(i) Enterprises operating in the business sectors listed in appendix, such as, but not limited to, tobacco, gambling, weapons and munitions, alcohol (excluding beer and wine);

(ii) Projects fully financed by any other type of funding16.

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16 when Eligible Activities partially benefit from a specific funding scheme, the associated amount eligible will only include the share financed by the Issuer.
Eligibility criteria for Green Categories:

<table>
<thead>
<tr>
<th>Eligible category</th>
<th>Eligibility criteria</th>
<th>Objectives and contribution to the SDGs</th>
</tr>
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<tbody>
<tr>
<td>“Renewable energy”</td>
<td>Acquisition, conception, construction, development and installation of renewable energy production units; as well as the connection of renewable energy production units to the electricity grid and the transportation through the network. Renewable energy sources include: <strong>On- and offshore wind energy</strong>: facilities operating at life cycle emissions lower than 100gCO2e/kWh, declining to 0gCO2e/kWh by 2050(^\text{17}) <strong>Solar photovoltaic and Concentrated Solar Power</strong>: facilities operating at life cycle emissions lower than 100gCO2e/kWh, declining to 0gCO2e/kWh by 2050(^\text{18}) <strong>Geothermal energy</strong>: facilities operating at life cycle emissions lower than 100gCO2e/kWh, declining to 0gCO2e/kWh by 2050 <strong>Bioenergy</strong>: facilities operating above 80% of GHG emissions-reduction in relation to the relative fossil fuel comparator set out in RED II increasing to 100% by 2050 and using feedstocks from anaerobic digestion of biowaste or sewage sludge or advanced feedstocks as defined by EU Directive 2018/2001 <strong>Hydropower</strong>: facilities operating at life cycle emissions lower than 100gCO2e/kWh, declining to 0gCO2e/kWh by 2050**</td>
<td>EU environmental objective: climate change mitigation Environmental benefits: GHG emissions reduction Contribution to SDGs: 7 (Affordable &amp; Clean energy) and 13 (Climate Action) 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix SDG 13 consists in taking urgent action to combat climate change and its impacts. Financing renewable energy projects, can contribute to this goal, as it contributes to the reduction of GHG emissions compared to energy production based on fossil fuels</td>
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\(^{17}\) Wind Power is currently exempt from performing a PCF or GHG lifecycle assessment, subject to regular review in accordance with the declining threshold.

\(^{18}\) Solar PV and CSP are currently exempt from performing a PCF or GHG lifecycle assessment subject to regular review in accordance with the declining threshold.

\(^{19}\) Hydropower facilities with a power density above 5 W/m\(^2\) are currently exempt from conducting the PCF or GHG Lifecycle Assessment (subject to regular review in accordance with the declining threshold)
| “Green buildings” | **Green commercial and residential buildings**, meeting the applicable following criteria depending on the building usage and construction date:  
(i) For both commercial and residential buildings:  
- Buildings built before 31 December 2020: buildings belonging to the top 15% of the existing local stock in terms of operational primary energy demand, expressed as kWh/m² per annum.  
- Buildings built after 31 December 2020: buildings with a primary energy demand at least 20% lower than the one resulting from the European Nearly-Zero-Energy Building ("NZEB") requirements.  
(ii) For commercial buildings only: in addition to the above applicable primary energy demand criteria, efficient building operations must be ensured through dedicated energy management.

**Refurbished buildings** with an improved energy efficiency, meeting at least one of the two following criteria:  
(i) Major renovation: the renovation is compliant with the requirements set in the applicable building regulations for ‘major renovation’ transposing the Energy Performance of Buildings Directive ("EPBD")

The energy performance of the building or the renovated part upgraded must meet cost-optimal minimum energy performance requirements in accordance with the EPBD.

(ii) Renovations for relative improvement: individual or set of renovations delivering within a maximum of 3 years a reduction of primary energy demand of at least 30% in comparison to the energy performance of the building before the renovation(s).

<table>
<thead>
<tr>
<th><strong>EU environmental objective</strong>: climate change mitigation</th>
<th><strong>Environmental benefits</strong>: Energy savings</th>
</tr>
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<tbody>
<tr>
<td>Contribution to SDGs: 7 (Affordable &amp; Clean energy) and 11 (Sustainable Cities &amp; Communities)</td>
<td>7.3 By 2030, double the global rate of improvement in energy efficiency</td>
</tr>
<tr>
<td>11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums 11.C Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials</td>
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21 This can be demonstrated, for example, through the presence of an Energy Performance Contract or an energy management programme supported by a building management system.

22 ‘major renovation’ means the renovation of a building where either:  
(a) the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25 % of the value of the building, excluding the value of the land upon which the building is situated; or  
(b) more than 25 % of the surface of the building envelope undergoes renovation;


24 The initial energy performance and the estimated improvement shall be based on a specialised building survey and validated by an Energy Performance Certificate, an energy audit conducted by an accredited independent expert or any other transparent and proportionate method.
**“Low carbon transport”**

Conception, development, construction, acquisition and maintenance of low-carbon transport infrastructure and assets including:

**Infrastructure for low carbon transport** meeting the applicable following criteria:

(i) Land transport: infrastructure in line with the EU Taxonomy technical criteria for Infrastructure for low carbon transport (land transport):
- Infrastructure that is required for zero direct emissions transport (e.g. electric charging points, electricity grid connection upgrades, hydrogen fueling stations or electric highways).
- Infrastructure and equipment (including fleets) for active mobility (walking, cycling, e-bikes and e-scooters)
- Infrastructure that is predominantly used for low-carbon transport if the fleet that uses the infrastructure meets the thresholds for direct emissions as defined in the relevant activity.
- Non-electrified rail infrastructure with an existing plan for electrification or use of alternatively powered trains

(ii) Water transport: infrastructure in line with the EU Taxonomy technical criteria for Infrastructure for low carbon transport (water transport):
- Infrastructure that is required for zero direct emissions water transport (e.g. batteries or hydrogen fuelling facilities)
- Infrastructure dedicated to supporting the renewable energy sector
- Infrastructure that is predominantly used for low-carbon transport if the fleet that uses the infrastructure meets the thresholds for direct emissions as defined in the relevant activity
- Infrastructure that is fundamental to the operation of the transport service

**Low-carbon vehicles, rolling stock and vessels** including:

(i) Low-carbon passenger cars and commercial vehicles meeting the EU Taxonomy technical criteria for passenger cars and commercial vehicles

(ii) Low-carbon rolling stock (e.g. light rail transit, metro, tram, trolleybus, bus and wagons) meeting the applicable EU Taxonomy technical criteria for transportation (i.e. passenger rail

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**EU environmental objective: climate change mitigation**

**Environmental benefits:** GHG emissions reduction, pollutant emission reduction

**Contribution to SDGs:** 11 (Sustainable Cities & Communities)

11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality.
| “Water Management and Water Treatment” | Development, construction, operation and upgrade of water management and water treatment projects including but not limited to: **Water collection, treatment and supply projects** meeting one of the following criteria:  
(i) The front-to-end water supply system has a high degree of energy efficiency characterized by an average energy consumption of the system (including abstraction, treatment and distribution) of 0.5 kWh per cubic meter billed/unbilled authorized water supply or less  
(ii) The energy efficiency of the front-to-end water supply system is increased substantially by decreasing the average energy consumption of the system by at least 20% (including abstraction, treatment and distribution) or by closing the gap between the actual leakage of the water supply network and a given target value of low leakage by at least 20%.  
**Centralized wastewater treatment systems** (including collection and treatment) provided that the new wastewater treatment substitutes more GHG emission intensive wastewater treatment systems. |
| | EU environmental objective: sustainable use and protection of water and marine resources  
Environmental benefits: improve water quality and water recycling  
**Contribution to SDGs: 6 (Clean Water & Sanitation)**  
6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all  
6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity |
| “Pollution prevention and control” | Development, construction, operation and maintenance of waste management projects including but not limited to:  
(i) Separate collection and transport of non-hazardous waste in segregated fractions where source segregated waste is separately collected with the aim of preparing for reuse and/or recycling  
(ii) Composting of bio-waste when all the following criteria are met:  
- the bio-waste is source segregated and collected separately  
- anaerobic digestion is not a technically and economically viable alternative |
| | EU environmental objective: pollution prevention and control  
Environmental benefits: Reduction of air pollution, Reduction of waste  
**Contribution to SDGs: 11 (Sustainable cities & communities) and 12 (Responsible Consumption & Production)**  
11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality |
- the compost produced is used as fertilizer/soil improver

Development, construction, operation and maintenance of **air emissions reduction projects** including but not limited to:
(i) Direct air capture of CO2 lowering global atmospheric CO2 concentration levels
(ii) Capture of anthropogenic emissions meeting all the following criteria:
- enabling the economic activity to operate under its respective EU taxonomy threshold
- showing that the captured CO2 will be offloaded to an EU Taxonomy eligible CO2 transportation operation and permanent sequestration facility

<table>
<thead>
<tr>
<th>“Circular economy”</th>
<th>EU environmental objective: circular economy</th>
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<tbody>
<tr>
<td>Development, construction, operation and maintenance of projects fostering the transition to a circular economy, including but not limited to:</td>
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<tr>
<td>(i) Circular products: design, production or use-related projects meeting one of the following criteria:</td>
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<tr>
<td>- reduce waste and improve materials recycling at the beginning of a product’s lifecycle (e.g. design for modularity, easy disassembly and improved recyclability)</td>
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<td>- substitute virgin raw materials with secondary (recycled) materials originating from materials and resources recovery</td>
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<tr>
<td>- increase the value and use of a product during an extended life (e.g. through reuse/refurbishment/repair/remanufacture)</td>
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<tr>
<td>(ii) Circular process: projects that significantly improve effectiveness and efficiency of resources consumption, within a company’s operations or along its supply chain</td>
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<tr>
<td>(iii) Circular Value recovery: projects that aim to maximise recovery and recycling of a product after its end-of-life stage (e.g. material recovery from separately collected waste producing secondary raw materials suitable for substitution of virgin materials in production processes)</td>
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</tr>
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</table>

| 12.2 By 2030, achieve sustainable management and efficient use of natural resources |
| 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse |

**Environmental benefits:** Reduction of waste and resource use

**Contribution to SDGs:** 12 (Responsible Consumption & Production)
## Eligibility criteria for Social Categories

<table>
<thead>
<tr>
<th>Eligible category</th>
<th>Eligibility criteria</th>
<th>Objectives and contribution to the SDGs</th>
</tr>
</thead>
</table>
| “Employment generation and preservation through SME financing” | - Small, medium, and micro-sized enterprises (SMEs), as defined under EU recommendation 2003/361[^25] and the decree n° 2008-1354 of December 18, 2008[^26], meeting one of the following criteria:  
  (i) SMEs located in areas of France where the unemployment rate is above the national average  
  (ii) SMEs impacted by the consequences of extreme events (e.g. natural disaster, extreme weather events, public health disaster….) | Target population:  
  - SMEs located in underperforming economic area  
  - SMEs impacted by the consequences of extreme events  
  **Objective:** support to employment generation and preservation in underperforming economic area or in the case of extreme events.  
  **Social benefits:** reduce social exclusions and inequalities  
  **Contribution to SDGs:** 8 (Decent Work & Economic Growth)  
  8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services  
  8.10: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all |
| “Socioeconomic advancement and empowerment” | Companies aiming at contributing to socioeconomic advancement and empowerment, including:  
  (i) Social and Solidarity Economy (SSE) enterprises pursuing a social utility as defined under the article 2 of the law of July 31, 2014[^27], i.e. enterprises whose corporate object satisfies at least one of the following 3 conditions:  
    1. Their objective is to provide, through their activity, support to vulnerable populations groups | **Target population:**  
  - SSE companies  
  - Purpose-driven companies  
  **Objective:** support to socioeconomic advancement and empowerment  
  **Social benefits:** reduce social exclusions and inequalities  
  **Contribution to SDGs:** 8 (Decent Work & Economic Growth)|

[^26]: https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000019961059  
[^27]: https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000029313296&categorieLien=id
2. Their objective is to contribute to (a) the fight against health, social, economic and cultural exclusions and inequalities, (b) to education for citizenship, in particular through education for all, (c) to the preservation and development of local community ties or (d) maintaining and strengthening territorial cohesion;

3. They contribute to sustainable development in its economic, social, environmental and participative dimensions, to the energy transition or to international solidarity, provided that their activity is linked to one of the objectives mentioned in 1 and 2.

(ii) Purpose-driven companies as defined under the article 176 of the law of May 22, 2019.

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services.

8.10: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.

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**“Affordable housing”**

(i) Development and construction of social housing projects;
(ii) Renovation, maintenance and improvements of social housing projects
(iii) Prêt à l’Accession sociale (PAS) or social home ownership loan

**Target population:**
- Social housing organisations
- Disadvantaged populations at risk of housing exclusion (low-income population, young people, elderly people, people with disabilities)

**Objective:** increase the accessibility to affordable housing for the target population

**Social benefits:** reduce social exclusions and inequalities

**Contribution to SDGs:** 1 (No Poverty) and 11 (Sustainable Cities & Communities)

1.4 Ensuring that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

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https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT00003849610&categorieLien=id#JORFARTI000038496249
### “Access to education and professional training”

Fostering the development, provision and access to education to all, notably through the following:

(i) Financial support to access education (e.g. student loans)

(ii) Construction, extension or refurbishment of infrastructures and equipment for public primary and secondary schools and universities

(iii) Financial support to professional training organizations including adult learning and continuing education

**Target population:**
- All pupils and students,
- Public education facilities (open to all population)
- Professional training organizations

**Objective:** increase the accessibility to education to all

**Social benefits:** reduce social exclusions and inequalities and support the accessibility to employment for all

**Contribution to SDGs:** 4 (Quality Education)

#### 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

#### 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

#### 4.A Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all

### “Access to healthcare”

Fostering the development, provision and access to healthcare to all, notably through the following:

(i) Construction, extension or refurbishment of infrastructures and equipment for public health facilities and centres

(ii) Provision of loans to health professionals to support the purchase of medical equipment

(iii) Construction, extension or refurbishment of infrastructures and equipment for elderly care facilities

**Target population:**
- All people needing an access to healthcare, including the most vulnerable
- Public hospitals and healthcare facilities (open to all population); elderly care facilities
- Health professionals

**Objective:** increase the accessibility to healthcare to all

**Social benefits:** reduce social exclusions and inequalities regarding healthcare

---

1.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
<table>
<thead>
<tr>
<th>Contribution to SDGs: 3 (Good Health and well-being)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</td>
</tr>
</tbody>
</table>
Selection of the Eligible Activities qualifying to Positive Impact

A Positive Impact Bond Committee (the “Committee”), chaired by Société Générale Head of Group Treasury and meeting on at least a semi-annual basis, has been created to ensure the compliance with the Framework and oversee the entire issuance process.

The Committee is composed of Société Générale’s representatives from the following departments:

- Société Générale Group treasury;
- Société Générale Group corporate and social responsibility department;
- Société Générale environmental and social internal experts from the relevant business line;
- Société Générale Group data providers.

The role of the Committee is:

- To validate the portfolio of Eligible Activities identified by Société Générale Group;
- To discuss and validate changes required to the Framework (if any);
- To foster transparency by ensuring adequate disclosures to third parties;
- To address any issues arising from the review by the Second Party Opinion.

Qualification for positive impact

The qualification process for positive impact consists in a 3-steps approach:

Identification

A first level of the ‘a priori’ positive impact of an investment or of the activities of a client through an identification of potential negative impacts on the three sustainable development pillars and of positive impacts at least on climate.

Evaluation

The positive impact evaluation confirms or invalidates the qualification of a priori “positive impact” finance Activities.

The evaluation consists in:

1. Assessing positive and negative environmental and social (“E&S”) impacts;
2. Assessing how negative impacts are addressed, or mitigated, in particular regarding the Group’s E&S risk management framework (see Appendix 3.1).

Only activities with well managed negative impacts combined with positive ones are at the end “positive impact”.

The E&S risks analysis performed as part of the positive impact evaluation hence encompasses the “do no significant harm” and the “compliance with minimum social safeguards” required by the EU Taxonomy for the selection of green categories Eligible Activities.

Action

For Eligible Activities relating to Green Categories, the positive impact on climate change is estimated based on methodologies defined for each Green Category according to the level of available information.

For Eligible Activities relating to Social Categories, the positive impact on society is estimated according to the level of available information based on the number of beneficiaries.

Any potential negative impacts associated with transactions are monitored through specific provisions if deemed necessary (conditions precedent, conditions subsequent, representations and warranties, covenants).
**Management of Proceeds**

Societe Generale’s Treasury department will manage the net proceeds of the Positive Impact Bonds in accordance with this Framework.

Subsequent changes to the Framework will not apply to outstanding Positive Impact Bonds (grandfathering). As such, Eligible Activities must meet the eligibility criteria at the time they are flagged as Eligible Activities, it being understood that if Societe Generale decides to enhance eligibility criteria, then these new criteria will not apply retroactively\(^{29}\) to the existing Eligible Activities. For the avoidance of doubt, new Positive Impact Bonds shall be aligned with the most recent version of the Framework.

During the life of the Positive Impact Bonds, Eligible Activities will be added to or removed from the pool of Eligible Activities to the extent required (e.g. in case of projects divestment or cancellation, in case of amortized or redeemed loans, or if an activity ceases to meet the eligibility criteria). In case of removal of Eligible Activities, Societe Generale commits, on a best effort basis, to reallocate immediately the equivalent amount of proceeds to other Eligible Activities.

Eligible Activities will be tracked through Societe Generale’s internal IT systems.

Pending the full allocation of an amount equivalent to the net proceeds, the unallocated amount will be managed within Societe Generale’s regular cash management operations.

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\(^{29}\) *Existing Eligible Activities do not lose their status if they do not meet the new eligibility criteria.*
2.3. Assessment

The assessment of Positive Impact Finance delivered by entities should be based on the actual impacts achieved.

Societe Generale will endeavor to report, at Eligible Activity level when applicable and per eligible category otherwise, on relevant impact metrics, which may include for each defined category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Relevant Impact Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renewable energy</strong></td>
<td>▪ Renewable energy capacity (in MW)</td>
</tr>
<tr>
<td></td>
<td>▪ Annual GHG emissions in tons of CO2 equivalent saved</td>
</tr>
<tr>
<td><strong>Green buildings</strong></td>
<td>▪ Estimated ex-ante annual energy savings (in MWh)</td>
</tr>
<tr>
<td></td>
<td>▪ Annual GHG emissions in tons of CO2 equivalent saved</td>
</tr>
<tr>
<td><strong>Low carbon transport</strong></td>
<td>▪ Annual GHG emissions in tons of CO2 equivalent saved</td>
</tr>
<tr>
<td></td>
<td>▪ Other relevant indicators depending on the considered projects, such as the number of low carbon vehicles, rolling stock or vessels as applicable</td>
</tr>
<tr>
<td><strong>Water management and water treatment</strong></td>
<td>▪ Volume of water collected and disposed or treated (m$^3$)</td>
</tr>
<tr>
<td></td>
<td>▪ Other relevant indicators depending on the considered projects</td>
</tr>
<tr>
<td><strong>Pollution prevention and control</strong></td>
<td>▪ Volume of waste collected and disposed or treated (tons)</td>
</tr>
<tr>
<td></td>
<td>▪ Annual GHG emissions in tons of CO2 equivalent saved/captured</td>
</tr>
<tr>
<td></td>
<td>▪ Other relevant indicators depending on the considered projects</td>
</tr>
<tr>
<td><strong>Circular economy</strong></td>
<td>Depending on the Eligible Activities, relevant impact metrics may include:</td>
</tr>
<tr>
<td></td>
<td>▪ Recycling rate</td>
</tr>
<tr>
<td></td>
<td>▪ Volume of waste recycled (in tons)</td>
</tr>
<tr>
<td></td>
<td>▪ % of secondary (recycled) materials used</td>
</tr>
<tr>
<td></td>
<td>▪ Resource reuse rate / volume (in tons)</td>
</tr>
<tr>
<td><strong>Employment generation and preservation through SME financing</strong></td>
<td>▪ Breakdown of the outstanding amount of loans by region and by level of unemployment rate</td>
</tr>
<tr>
<td></td>
<td>▪ Number of SMEs benefiting from the loans, including a breakdown by type of company (micro, small and medium-sized)</td>
</tr>
</tbody>
</table>
2.4. Transparency

Entities providing Positive Impact Finance should provide transparency and disclosure on:
- The activities, projects, programs, and/or entities financed considered positive impact, the intended positive impacts thereof;
- The processes they have in place to determine eligibility, and to monitor and to verify impacts;
- The impacts achieved by the activities, projects, programs, and/or entities financed

Publication of the reporting

Societe Generale, will publish annually and until the maturity of the Positive Impact Bonds a reporting on the allocation of the net proceeds and expected positive impact of the Eligible Activities.

Societe Generale commits to disclose calculation methodologies and assumptions used to estimate eligibility criteria or the positive impact of the Eligible Activities when applicable.

Societe Generale will strive to follow market practices such as the Harmonized Framework for Impact Reporting.30

External review of the reporting

Societe Generale will make public a limited or reasonable assurance report provided by its external auditors or any other appointed independent third party. For each reporting, the auditors will verify:

✓ the allocated and unallocated net proceeds
✓ the compliance of the Eligible Activities with the defined eligibility criteria of the relevant categories
✓ the review of the positive impact reporting

Second Party Opinion on the Framework

Societe Generale has commissioned ISS ESG to conduct an external review of its Framework and issue a second party opinion ("Second Party Opinion") on the Framework’s environmental and social credentials and its alignment with:

✓ The PPIF
✓ The ICMA Principles
✓ The EU GBS on a best effort basis

The Second Party Opinion is available on the “Positive Impact Bond” section of Societe Generale’s investor relations webpage.

Publication of the Framework and future updates

The Framework and its previous versions are available on Societe Generale website. Should Societe Generale choose to modify the scope of the Framework for future issuances, the changes made will be documented in an updated Sustainable and Positive Impact Bond Framework and published accordingly on its website.

Disclosure

All disclosure according to section 2.4 of this Framework will be made on Societe Generale’s website: https://www.societegenerale.com/en/measuring-our-performance/investors/debt-investors.

### Correspondence table between PPIF, ICMA Principles and the Annex 2 of the EU GBS, the draft “EU Green Bond Framework Template”

<table>
<thead>
<tr>
<th>EU Green Bond Framework Template</th>
<th>ICMA Principles</th>
<th>Item in document</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy and rationale</td>
<td>-</td>
<td>2.1. Definition 2.2. Framework</td>
</tr>
<tr>
<td>Process for selection of green projects</td>
<td>Process for selection of green projects</td>
<td>2.2. Framework</td>
</tr>
<tr>
<td>Green projects</td>
<td>Use of proceeds</td>
<td>2.2. Framework</td>
</tr>
<tr>
<td>Tracking of amounts of use of proceeds</td>
<td>Management of proceeds</td>
<td>2.2. Framework</td>
</tr>
<tr>
<td>Reporting</td>
<td>Reporting</td>
<td>2.3. Assessment</td>
</tr>
<tr>
<td></td>
<td>External Review</td>
<td>2.4. Transparency</td>
</tr>
</tbody>
</table>

### Correspondence table between the Eligible Green categories and the Related EU Taxonomy eligible activities

<table>
<thead>
<tr>
<th>Eligible Green Categories</th>
<th>Related EU Taxonomy eligible activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable Energy</td>
<td>Production of Electricity from Wind Power</td>
</tr>
<tr>
<td></td>
<td>Production of Electricity from Solar PV</td>
</tr>
<tr>
<td></td>
<td>Production of Electricity from Concentrated Solar Power</td>
</tr>
<tr>
<td></td>
<td>Production of Electricity from Hydropower</td>
</tr>
<tr>
<td></td>
<td>Production of Electricity from Geothermal</td>
</tr>
<tr>
<td></td>
<td>Manufacture of Low carbon technologies</td>
</tr>
<tr>
<td>Green buildings</td>
<td>Construction of buildings</td>
</tr>
<tr>
<td></td>
<td>Renovation of existing buildings</td>
</tr>
<tr>
<td></td>
<td>Acquisition of buildings</td>
</tr>
<tr>
<td>Low Carbon Transport</td>
<td>Infrastructure for low carbon transport (land Transport)</td>
</tr>
<tr>
<td></td>
<td>Passenger cars and commercial vehicles</td>
</tr>
<tr>
<td></td>
<td>Passenger rail transport</td>
</tr>
<tr>
<td></td>
<td>Freight rail transport</td>
</tr>
<tr>
<td></td>
<td>Public transport</td>
</tr>
<tr>
<td></td>
<td>Freight transport services by road</td>
</tr>
<tr>
<td></td>
<td>Interurban scheduled road transport</td>
</tr>
<tr>
<td></td>
<td>Inland passenger water transport</td>
</tr>
<tr>
<td></td>
<td>Inland freight water transport</td>
</tr>
<tr>
<td></td>
<td>Infrastructure for low carbon transport (water transport)</td>
</tr>
<tr>
<td>Water Management and Water Treatment</td>
<td>Water collection, treatment and supply</td>
</tr>
<tr>
<td></td>
<td>Centralized wastewater treatment</td>
</tr>
<tr>
<td>Pollution Prevention and Control</td>
<td>Separate collection and transport of non-hazardous waste in source segregated fractions</td>
</tr>
<tr>
<td></td>
<td>Composting of bio-waste</td>
</tr>
<tr>
<td></td>
<td>Direct air capture of CO2</td>
</tr>
<tr>
<td></td>
<td>Capture of anthropogenic emissions</td>
</tr>
<tr>
<td>Circular economy</td>
<td>Material recovery from non-hazardous waste</td>
</tr>
</tbody>
</table>
3. APPENDIX

3.1. Société Générale's approach for managing environmental and social risks

Société Générale conducts its business with the utmost respect for the values and principles under:

- the Universal Declaration of Human Rights and its additional commitments;
- the fundamental conventions of the International Labour Organization (ILO);
- the UNESCO World Heritage Convention;
- the Guidelines for Multinational Enterprises of the OECD (Organisation for Economic Co-operation and Development);

In addition, the Group has shown its proactive commitment to the following public and private initiatives:

- 2019: Signature of the Principles For Responsible Banking and member of the Collective Commitment On Climate;
- 2019: Signature of the French Business Climate Pledge;
- 2019: Société Générale signs the Poseidon Principles promoting shipping industry decarbonisation;
- 2018: Société Générale becomes the first French bank to join the Climate Bonds Partner Programme, an international network of financial actors working with Climate Bonds to shift investment towards a low-carbon and climate resilient economy;
- 2017: Adoption of the Principles For Positive Impact Finance (UNEP-FI);
- 2017: Supporting the recommendations of the Task Force On Climate-Related Financial Disclosure (TCFD);
- 2016: Signature of the International Labour Organisation’s Global Business Charter on Disability;
- 2015: Subscription to the “Principles for Mainstreaming Climate Actions within Financial Institutions”, launched during COP 21;
- 2015: Joining the “Soft Commodities Compact” of the Banking Environment Initiative (with the Consumer Goods Forum) to fight tropical deforestation;
- 2015: Launching of the “Positive Impact Manifesto” of the UNEP-FI;
- 2015: Signature of the French Business Climate Pledge;
- 2015: Signature of a Global Agreement On Fundamental Rights with UNI Global Union;
- 2014: Lyxor signed the Principles For Responsible Investment (PRI), developed by an international group of institutional investors reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices;
- 2014: Supporting the Green Bond Principles, which aims at establishing a reference framework for green bonds;
- 2014: Signature of the Joint Declaration organised by Transparency International France for the promotion of transparent, honest lobbying;
- 2010: Signature of the “Responsible Supplier Relations” Charter (France);
- 2007: Signature of SME Pact (France);
- 2007: Adoption of the Equator Principles, a set of guidelines adopted by financial institutions for determining, assessing and managing social and environmental risk when financing projects;
- 2004: Signature of the Diversity Charter (France) and compliance with the environmental obligations stipulated by the Grenelle 2 law;
- 2003: Joining the United Nations Global Compact, which encourages companies to integrate principles relating to human rights, working conditions and the fight against corruption;
• 2001: Joining the United Nations Environment Programme Finance Initiative (UNEP-FI). This public-private partnership between the UN and the global financial sector promotes the adoption of best sustainable development practice at all operational levels of financial institutions;

• 2000: Societe Generale is a founding member and the only French back to participate in the Wolfsberg Group, an association of 13 international banks committed to fight money laundering and corruption.

The Group’s environmental and social (E&S) risk management framework is integrated into business activities, promoting fair and responsible growth and client accompaniment. It reflects both regulatory requirements (such as the French Duty of Care Act\textsuperscript{31}) and the various voluntary commitments relating to these subjects. It is achieved through the integration of E&S aspects into existing processes and is based on the E&S general guidelines and the cross-sector and sector-specific E&S policies, as well as on the internal procedures enabling their operational implementation. The E&S policies are public and available on the Group’s website\textsuperscript{32} and the E&S risk framework has been formally integrated into the Societe Generale normative documentation.

Sector-specific E&S policies identify the relevant E&S risk factors, lists sector-specific standards that serve as a reference, explains the scope of the activities concerned (sub-sectors, financial products and services) and defines, for each sector, the criteria relating to the Group’s corporate customers (excluding financial institutions and sovereigns) and the transactions and services for which the use of proceeds is known.

In addition to specific climate policies, other cross-sector approaches include:

- the Group has a biodiversity policy. Moreover, since 2018, the Group has joined the Act4Nature initiative launched by Entreprises pour l’Environnement (EpE), which aims to attach greater importance to biodiversity challenges in companies and organisations, considering the rapid deterioration of ecosystems worldwide.

- In 2019, the Group published a Statement on Human Rights reflecting its commitment to respect human rights within the scope of its business. This declaration complements the commitments made in the context of the various sector-specific policies, particularly through sector-specific initiatives integrating these issues\textsuperscript{33}.

The Equator Principles (EP) are one of the underlying initiatives of the Group’s E&S general guidelines. The Group has special internal procedures and tools to ensure they are implemented. The EP serve as a common framework for the financial sector to identify, assess and manage the E&S risks of projects for which the 100+ international financial institutions that have joined the initiative provide financing and advice. Every year, Societe Generale publishes a report describing how the EP are implemented and providing a list of the projects that fall within the scope of the EP and in which the Group has been involved\textsuperscript{34}.

\textbf{A bank committed to sustainable and responsible finance}

Societe Generale aims to gradually guide all commercial actions with its customers (financing, advisory, structuring and third-party management) towards activities that generate a positive impact in terms of sustainable development for the economy and society. This approach is based on the same principles as the SDGs.

For more information on E&S policies please visit: \url{https://www.societegenerale.com/en/measuring-our-performance/csr/responsible-finance}

\begin{itemize}
\item Law No. 2017-399 of March 27, 2017 on the “Duty of Care of Parent Companies and Ordering Companies” \url{https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000034290626&categorieLien=id}
\item \url{https://www.societegenerale.com/en/measuring-our-performance/csr/responsible-finance}
\item \url{https://www.societegenerale.com/sites/default/files/sq-statement-droits-humains-25-03-2019.pdf}
\item \url{https://wholesale.banking.societegenerale.com/en/about/equator-principles-report/}
\end{itemize}
3.2. SME definition

In line with the EU recommendation 2003/361 and the decree n° 2008-1354 of December 18, 2008, the factors determining whether an enterprise is an SME are:

- staff headcount
- either turnover or balance sheet total

<table>
<thead>
<tr>
<th>Company category</th>
<th>Staff headcount</th>
<th>and</th>
<th>Turnover</th>
<th>Or</th>
<th>Balance sheet total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>&lt; 10</td>
<td>≤ 2m</td>
<td>≤ 2m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small and medium-sized</td>
<td>&lt; 250</td>
<td>≤ 50m</td>
<td>≤ 43m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.3. Exclusion List

- Fossil fuels exploration, production, trade and transformation.
- Power production from fossil fuels and nuclear power.
- Activities entailing destruction of high conservation value areas or with a negative impact on the outstanding universal value of a World Heritage site.
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB’s (Polychlorinated Biphenyls), wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES).
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises.
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- Production or activities involving harmful or exploitative forms of forced labor/harmful child labor.
- Commercial logging operations for use in primary tropical moist forest.
- Production or trade in wood or other forestry products other than from sustainably managed forests.

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28 https://www.legifrance.gouv.fr/affichTexte.do?idTexte=JORFTEXT00000019961059
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The final terms, pricing supplement, prospectus or information circular (the Offering Documents), as applicable, relating to any specific tranche of bonds, notes, NEU CP (Negotiable EUropean Commercial Paper), NEU MTN (Negotiable EUropean Medium Term Note) or other debt securities (the Securities) may provide that it will be Societe Generale’s intention to apply the net proceeds of the subscription of the Securities to Eligible Activities. For the avoidance of doubt, references to Positive Impact Bonds or Securities herein should be construed as any Securities to be issued by Societe Generale or other entities within the Societe Generale’s Group in line and in accordance with the Framework.

Prospective investors should have regard to the information set out in the applicable Offering Documents regarding use of the net proceeds and must determine for themselves the relevance of such information for the purpose of any investment in Positive Impact Bonds together with any other investigation such investors deem necessary.

In particular, no assurance is given by Societe Generale that the use of such net proceeds for any Eligible Activities will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws, investment policy or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Activities.

While it is the intention of Societe Generale to apply the net proceeds of any Positive Impact Bonds to Eligible Activities in, or substantially in, the manner described in the applicable Offering Documents and in the Framework, there can be no assurance that the relevant activity(ies) or use(s) which are the subject of, or related to, any Eligible Activities will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly there can be no assurance that such proceeds will be totally or partially disbursed for such Eligible Activities. There can be no assurance that such Eligible Activities will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by Societe Generale’s Group. Any such event or failure by Societe Generale to do so will not constitute an event of default (however defined) under the Positive Impact Bonds. Any:

i) failure to apply the net proceeds of any issue of Positive Impact Bonds to any Eligible Activities;

ii) withdrawal of any second party opinion or certification or any opinion or certification being superseded by an opinion or certification stating that Societe Generale has not complied, in whole or in part, with any matters on which the original opinion or certification had opined or certified; and/or
iii) event or circumstances resulting in the Positive Impact Bonds no longer being listed or admitted to trading on any stock exchange or securities market,

may have a material adverse effect on the value of Positive Impact Bonds and the value of any other securities which are intended to finance Eligible Activities and could also result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose and as a result, may have to dispose of the Positive Impact Notes at their prevailing market value.

In the event that any Positive Impact Bonds are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable”, “social” or other similarly labelled segment of any stock exchange or securities market (whether or not a regulated market for the purpose of the Markets in Financial Instruments Directive 2014/65/EU), or are included in any dedicated “green”, “environmental”, “sustainable”, “social” or other equivalently-labelled index, no representation or assurance is given by Societe Generale or any other person that such listing or admission, or inclusion in such index, satisfies whether, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any activities or uses, the subject of or related to, any climate activities. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another and that the criteria for inclusion in such index may vary from one index to another. No representation or assurance given or made by Societe Generale or any other person that any such listing or admission to trading, or inclusion in any such index, will be obtained in respect of Positive Impact Bonds or, if obtained, will be maintained during the life of Positive Impact Bonds.

No assurance or representation is given by Societe Generale as to the suitability or reliability for any purpose whatsoever of any second party opinion or certification of any third parties (whether or not solicited by Societe Generale) which may be made available in connection with the issue and offering of any Positive Impact Bonds and in particular to the extent to which Eligible Activities may fulfil any environmental, sustainability, social and/or other criteria. Currently, the providers of such second party opinions and certifications are not subject to any specific regulatory or other regime or oversight. Any such second party opinion or certification is only valid during a limited amount of time since the date that second party opinion was initially issued and is not, nor should be deemed to be, a recommendation by Societe Generale and its affiliates or any other person to buy, sell or hold any Positive Impact Bonds. Prospective investors must determine for themselves the relevance of any such second party opinion or certification and/or the information contained therein and/or the provider of such second party opinion or certification for the purpose of any investment in such Positive Impact Bonds. For the avoidance of doubt, any such second party opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of the Framework.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green”, “sustainable”, “social” or an equivalently-labelled project or as to what precise attributes are required for a particular project to be considered “green” or “sustainable” or “social” or falling under such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time. Initiatives have been taken including by the European Commission to define a “taxonomy” for green bonds i.e. a systematic classification and definition of qualifying items. These initiatives are still on-going, and no date can be given as to when they would adopt a guidance or rule which will apply across the green bonds market and users. Accordingly, no assurance is or can be given to investors that any projects or uses which are the subject of, or related to, any Eligible Activities will meet any or all investor expectations regarding such “green”, “sustainable”, “social” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses, which are the subject of, or related to, any Eligible Activities.