



SOCIETE GENERALE : SUCCESS OF THE INAUGURAL POSITIVE IMPACT COVERED BOND ISSUANCE

Press release

Paris, 10 July 2019

Societe Generale announces the successful issuance of its fifth Positive Impact bond contributing to the financing of a carbon-efficient economy.

The bond was issued by Societe Generale SFH, a subsidiary of Societe Generale dedicated to the refinancing of home loans portfolios provided by the Group's retail banking networks in France. This is a EUR 1 billion 10-year fixed-rate covered bond. This operation highlights the Bank's ongoing commitment to the energy transition. The operation received very strong interest from investors, with the final order book exceeding EUR 2.5 billion.

The funds raised will be used to refinance home loans granted for carbon-efficient buildings. The eligible home loans have been selected under a methodology developed in partnership with Wild Trees, an independent consultancy firm. This covered bond issuance framework complies with both the "[Principles for Positive Impact Finance](#)" and the "[Green Bond Principles](#)" requirements. This double alignment is independently assessed by Vigeo Eiris, an extra financial agency. In parallel, the annual reporting on allocation and impact will be reviewed by an external auditor.

The Group has made strong commitments to align the Group's activities by 2020 with the International Energy Agency's (IEA) trajectory to limit global warming and has played a pioneering role in Positive Impact Finance¹. The housing sector and the transition towards more sustainable cities are also part of one of the working areas of the Group's CSR policy. Societe Generale reaffirms with this issuance its determination to commit to Positive Impact projects and participate to the financing of two objectives among the 17 Sustainable Development Goals set by the UN in 2015.

Philippe Aymerich, Deputy Chief Executive Officer in charge of French Retail Banking activities and Group Resources commented: "*Conscious of the environmental issues that society faces, the Group is committed to the energy transition and the support of Positive Impact projects. We continue to pursue a voluntary and responsible policy to the financing of a carbon-efficient and sustainable economy. Societe Generale is a key actor in real estate financing in France and this project is in line with our vision for sustainable cities supported by the Group.*"

This Positive Impact covered bond issuance sets a standard for the market. It relies on the Bank's financial structuring expertise and on the specialist competences of Wild Trees in the areas of real estate and sustainable development. With this innovative framework, Societe Generale and Wild Trees ensure an eligibility standard for carbon-efficient home loans in France by allowing their refinancing on the bond market. This standard has been recognised by the Climate Bonds Initiative (CBI), which has certified the bond issuance and has also retained the methodology as [Standard CBI](#) for residential property in metropolitan France.

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*¹Societe Generale has been a pioneer in developing **Positive Impact Finance**, in which the financing of any activity has a positive impact on one of the three pillars of sustainable development (economy, society, environment) while ensuring that potential negative impacts have been identified and efficiently mitigated. The Principles for Positive Impact Finance were launched in Paris with UNEP in early 2017.*

Note to editors:**Actions and achievements of Societe Generale for the Sustainable and Positive Impact Finance**

Press release – 18th November 2015 – [Societe Generale : success of the first positive impact bond issuance contributing to the financing of a low-carbon economy](#)

Press release – 29th September 2016 - [Success of the second positive impact bond issuance of Societe Generale contributing to the fight against climate change](#)

Press release – 5th October 2018 – [ALD successfully issues first ever positive impact bond to finance green fleet](#)

Press release – 23rd April 2019 – [Societe Generale issued the first covered bond as a security token on a public blockchain](#)

Press release – 13th November 2017 – [Societe Generale launches a “Sustainable and Positive Impact Finance” offering within the global banking & investor solutions’ activities](#)

Press release – 5th June 2019 – [Societe Generale continues to expand its “Sustainable and Positive Impact Finance” offering](#)

Press release – 7th June 2018 – [Climate Bonds Partner Programme welcomes Societe Generale, the first French bank to become a Climate Bonds Partner](#)

Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformations of society and the economy.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 149,000 members of staff in 67 countries and supports on a daily basis 31 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking** which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

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