

5

CORPORATE SOCIAL RESPONSIBILITY

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Our planet's resources are not infinite – a fact thrown into sharp relief by the energy crisis sparked by the war in Ukraine. And so we find ourselves forced to face up to the need for far-reaching change in society and how we do things. As a result, efficiency is now the watchword in economic circles. Due to the role banks play in financing the economy, public perception of them is evolving and their stakeholders' demands of them expanding.

Societe Generale is well positioned to adapt its activities to this new environment. With its corporate purpose - "Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions" - and its materiality matrix (see page 336) squarely in mind, the Group has reaffirmed its Corporate Social Responsibility (CSR) Ambition. Details of this CSR Ambition and how it infuses the Group's business model are given in Chapter 1 (see page 8). To learn about how the Group translates its CSR Ambition into actions and results, see Chapter 2 (page 46).

Driven by its core values of Innovation, Team Spirit, Commitment and Responsibility, the Group is pursuing a fair and inclusive environmental transition, in keeping with the highest standards of governance (see Chapter 3, page 69), ensuring rigorous risk assessment and management systems for both financial and non-financial risks (see Chapter 4, page 161) and regularly reviewing the impact of its activities (see "Duty of Care Plan", page 361).

As a signatory of the UN Principles for Responsible Banking, the Group believes it has a duty to conduct its activities responsibly and to do its utmost to help its clients towards a fairer and more inclusive economy.

This requires Societe Generale to be exemplary in everything it does. The first part of this chapter therefore looks at the transformation projects undertaken by the Group in its role as a responsible employer, a responsible purchaser and a company that cares about the environment (see Part 1, "Being an exemplary financial company", page 293).

The Group wants to be a force for change for its clients. To help it achieve this, it draws on its technical expertise and capacity for innovation, as well as its international reach. The second part of this chapter looks at how Societe Generale is promoting dialogue with its stakeholders (see 2.2 "A mindful bank", page 335) and supporting its clients (see 2.1.3 "Supporting positive transformation", page 325), as well as adapting its own governance (see 2.3 "A respectful and transparent bank", page 343).

Words followed by an asterisk have a specific definition and appear in the Glossary on page 682.

Quantified indicators can be found here: <https://www.societegenerale.com/sites/default/files/documents/2022-04/Corporate-social-responsibility-Group-key-figures.xlsx>.

5.1 BEING AN EXEMPLARY FINANCIAL COMPANY

5.1.1 BEING A RESPONSIBLE EMPLOYER

	2020	2021	2022
Group headcount (at end of period, excluding temporary staff)	133,251	131,293	117,576
Full-Time Equivalents (FTEs)	126,391	124,089	115,466
Number of countries	61	66 ⁽¹⁾	66

(1) Including the new ALD entities in Belarus, Bulgaria, Chile, Colombia and Peru.

Societe Generale makes its social impact and its responsibility as an employer towards the Group's 117,500 employees in 66 countries a top priority.

Monitoring quality of working life and the diversity and professional development of its teams is crucial to encouraging employee engagement within the Group and optimising performances.

And so, as part of its commitment to being a responsible employer and respecting human rights, the Group takes active steps to stay on top of the social and operational risks related to its human resources management. This ensures that its operations comply with regulations (labour law, health and safety standards, social legislation, etc.) and with the internal rules it has established, while also securing business continuity and decent working conditions for its employees.

Details on the Group's commitments, the main human resources indicators it monitors and the associated policies and initiatives it deploys can be found in five reports, each covering one of the Group's five priority areas in human resources (see <https://www.societegenerale.com/en/news/all-news/2021-responsible-employer-reports>).

Key human resources (HR) risks

GOVERNANCE OF KEY HR RISKS

The risks related to human resources management are covered by the Group's general risk management system, which is organised into three lines of defence and applies to all sites (see Chapter 4, "Organisation of permanent control/Operational risk management system", page 258).

The HR Department and its teams draw on:

- **global policies** in the various HR areas, governing human resources management in each of the Group's BUs, SUs and subsidiaries;
- **processes covering the five key missions for an employer:** (i) ensuring administrative management of human resources and payroll, (ii) managing employees' careers, (iii) defining and managing compensation and benefits, (iv) managing jobs and skills, and (v) defining and managing social policies;
- **operational procedures and user guides** aimed at securing operations and ensuring satisfactory knowledge management within the Group;
- **indicators** to inform internal oversight.

The HR Department and its teams are also covered by the Group's risk management and permanent control systems, including:

- **a set of controls on key HR processes** deployed throughout the Group;
- **risk identification and prevention** exercises;
- **business continuity plans** and crisis exercises.

The Audit and Inspection teams also carry out **periodic checks** on HR activities.

DETAILS OF KEY HR RISKS AND HOW THEY AFFECT SOCIETE GENERALE

In line with the Group-level risk mapping detailed in Chapter 4.1 (see "Risk factors", page 163), the HR Department has carried out its own risk assessment and identified three chief HR risks for Societe Generale and its subsidiaries.

Economic conditions and structural factors affecting the Group's activity and HR management

As an international group, Societe Generale operates within a competitive and changing environment, in which:

- new players and new technologies are disrupting the banking sector's make-up and revolutionising how it handles labour relations and conducts business with clients;
- traditional ideas surrounding how we work and how businesses operate have been shaken up by the climate and social crises, leading to greater individual and collective awareness of what is at stake with digitalisation and working conditions in particular;
- the economic, social and environmental fall-out from the pandemic weighs heavily on individuals, in both their professional and their personal lives.

In light of these structural and economic factors, the Group is stepping up its transformation efforts in a bid to address the new challenges arising for its businesses, such as:

- intensifying market competition, particularly for candidates with IT and data expertise;
- evolving working arrangements and aspirations and demands from employees in terms of how they relate to their work and their employer;
- emerging needs in response to environmental, social and governance issues.

The Group recognises the impact of this accelerating pace of change and the HR risks that come with it.

Key HR risks

The Group has identified the following HR risks that could affect its business continuity and its ability to implement its strategy and transformation plans:

1. **lack of qualified staff** and the resulting risks of high staff turnover and loss of skills and expertise;
2. **poor working conditions** and the resulting risks of reduced employer appeal, increased absenteeism and lack of motivation among employees, as well as the associated health and safety risks, particularly **psychosocial risks**. The risk of occupational accidents and illnesses for the Group's employees is relatively limited given that they work in the banking sector rather than in an industrial setting, for example;
3. **non-compliance with labour regulations and the Group's own labour rules**, and the resulting legal, reputation and conduct risks.

POLICIES AND MEASURES IMPLEMENTED TO IDENTIFY AND MITIGATE HR RISKS

Societe Generale's people are one of its greatest assets and a key component of its business model and value proposition. Its employees' commitment and motivation are vital to the Group's success in its endeavours to transform its business, establishing a sustainable and responsible model to satisfy its clients.

With this in mind, and to address the various structural and economic challenges faced by the banking sector as a whole, the Group has introduced a range of policies and measures in response to its key HR risks.

Risks relating to a lack of qualified staff

Poor management of careers, skills and talent and a dip in the Group's employer appeal could lead to staff shortages and less engaged employees. This in turn would have a direct impact on individual and collective performance, hampering the Group's ability to attract and retain employees and, ultimately, to implement its strategy.

To address this risk, the Group has introduced a series of policies and initiatives, including due diligence, to address the following challenges.

ATTRACTING, RECRUITING AND RETAINING STAFF

Adapting the Group's recruitment strategy to the new environment

A fair recruitment policy

Societe Generale's recruitment policy is tailored to the specific needs of its businesses and activities, as well as to the local context. Its hiring processes are nonetheless uniform across the Group and always include an HR interview to assess the candidate's affinity with the Group's values (see "Rolling out a Code of Conduct underpinned by shared values (and human rights)", page 345).

Hiring decisions are based solely on skills, to avoid any risk of discrimination. The Group takes concrete steps to ensure this (raising awareness of non-discriminatory hiring practices, developing a recruitment tool designed to prevent discrimination, etc.).

A recruitment strategy aligned with candidates' needs

Societe Generale is progressively diversifying its hiring methods, making use of new technological and digital tools. The Group continues to enhance and modernise its Careers site – its main way of reaching prospective candidates – showcasing new fields of work and responding to changing candidate aspirations. It is also present on

other platforms, such as My Job Glasses, Talent.io, etc., with a view to providing better visibility for the Group's businesses, digitalising talent recruitment and strengthening Societe Generale's employer brand.

Promoting the employer brand

Societe Generale strives to create sustainable appeal, seeking to promote its employer brand at every opportunity.

To help achieve this, and in line with the Group's transformation and new commitments, Societe Generale is working together with its employees to come up with a new employer promise. The aim is to address two major trends: the Group's expanding hiring needs (particularly in IT) within a tight labour market and employees' evolving aspirations and demands in terms of how they relate to their work and their employer.

Establishing a loyal, long-term relationship

In order to build a long-term relationship based on trust and foster a sense of belonging, Societe Generale's induction programme focuses on the Group's values. The induction period is a chance for new employees to learn about the Group's culture, methods and values, but also for the Group to start building loyalty and laying the foundations for deep-rooted engagement. A revised induction policy was introduced in 2019 and is applicable Group-wide. All employees therefore follow the same basic programme before embarking on training specific to their entity. Various tools, adapted to the Group's different entities and businesses, are available for new hires: welcome packs, induction handbooks, guides for managers, etc.

IMPLEMENTING TAILORED CAREER AND SKILLS MANAGEMENT

Societe Generale views developing its employees' skills as a way of optimising the Bank's performance and advancing its transformation, as well as mitigating the risk of a mismatch between its needs and the employee profiles available within the Group.

Planning ahead for future business developments and skills requirements

Robust strategic workforce planning

Societe Generale aims to ensure it has the right skills to reach its goals in the medium and long term. To prevent risks associated with a talent shortage or mismatch, **qualitative and quantitative Strategic Workforce Planning (SWP) is in place in all the Group's locations worldwide**. The aim is to match HR policies, particularly in terms of training and filling positions, to the skills required to meet the Group's strategic challenges. SWP provides employees with the means to boost their employability.

The SWP initiative is organised into three stages:

1. defining a qualitative and quantitative target for the skills the Group needs in the medium to long term to deliver on its strategic goals;
2. assessing and mapping the skills available to the Group;
3. identifying the gap between the current situation and the target in order to apply the right levers (training, internal mobility, recruitment, etc.) and action plans to bridge it. This must be a regular process so that the corresponding action plans can be updated as needed.

SWP is in place for all of the Group's key businesses and in 2022 covered virtually all BUs and SUs, representing the foundation of an effective strategy for acquiring new skills and guiding the development of those already existing within the Group. In France, SWP is governed by a labour agreement that was signed in 2013, renewed in 2016 and again in 2019.

A dynamic global skills base

Societe Generale's approach to skills mapping is based on the principle of self-empowerment: it gives employees a key role in developing their own careers and employability, using two tools through which they can record their skills. The first of these is ACE (for *Appétences, Compétences, Expériences* – or Aspirations, Skills & Experience). This tool relies on a dynamic skills base and machine learning technology⁽¹⁾ and is available to 80,000 employees spread across 80 entities and 30 countries, representing more than half of the Group's workforce. The second, MonDiag, is specific to the French Retail Banking businesses. Employees can use this tool to craft a personalised development plan to support them in upskilling. MonDiag is available to nearly 18,000 employees.

Enhancing each employee's employability throughout their career

Training is of vital importance to the Group: it is how employees develop their skills and boost their employability throughout their careers at Societe Generale. The Bank promises its employees the chance to shape their own career path, taking advantage of the multiple opportunities on offer.

A range of training opportunities adapted to the Group's business priorities and the key skill sets it will need in the future

The training courses offered by various players (cross-business teams or academies specific to BUs, SUs or subsidiaries) come in a variety of formats (e-learning, face-to-face, MOOC, videos, etc.) and cover:

- business skills;
- the risk, responsibility and compliance culture. Compulsory training for all Group employees covers the following subjects: information security, anti-corruption measures, Code of Conduct, the General Data Protection Regulation, international sanctions, anti-money laundering and counter-terrorism financing, conflicts of interest and harassment;
- soft skills (agile working, collaborative working, people management, change management, etc.);
- managerial culture, and social and environmental responsibility.

As the Group moves ahead with its transformation, its existing businesses are evolving, creating needs for new skills in all functions.

The training offer is thus tailored to Societe Generale's strategy and centres on the key businesses identified through SWP and in the annual report from the Group's Professions Observatory. It focuses primarily on innovation and digital transformation, with a view to improving customer experience and satisfaction, training all employees on CSR so that they can play a pivotal role in integrating ESG concerns, and building operational efficiency into the Group's transformation plans as regards both its organisational structure (especially with the Vision 2025 project and ALD's acquisition of LeasePlan) and its digitalisation.

Group-wide policies on mobility

Societe Generale has expertise across a broad range of sectors and offers employees a host of career opportunities. Twelve principles underpin the Group's policies on internal mobility and filling positions, and they apply to all entities. They focus on:

- ensuring transparency as regards vacancies, by systematically posting offers on the internal job exchange (Job@SG) available in 34 countries;
- filling positions from within the Group where possible; and
- strictly adhering to the recruitment process defined by the Human Resources Department to avoid any potential risk of corruption or conflict of interest, or any form of discrimination or favouritism.

Specific programmes to develop employability

In 2021, the Group rounded off its internal mobility policies with initiatives to ensure its BUs and SUs have the talent they need and to help employees build and constantly upgrade their skill sets so that they can be sufficiently agile to respond to rapid change and seize career opportunities. In addition to being able to apply for vacancies advertised internally, employees can now be contacted by managers looking to fill a position. Employees' skills are matched with those sought by hiring managers thanks to the ACE skills self-reporting platform, which enables managers to quickly identify employees whose profile meets their needs. This feature has proven extremely popular with managers and employees alike.

The Group also offers reskilling programmes. These programmes, initiated by the Group in 2020 and developed with business experts, aim to offer employees the opportunity to reskill and retrain in growth areas or hard-to-fill jobs within the Group. They combine theoretical training from academic partners (most often leading to a certificate or diploma) with apprenticeship within the employee's new team. Over 200 employees (up 35% on 2021) signed up for 30 different reskilling programmes in 2022. The programme thus forms part of the response to the need to match skills to the Group's requirements in the context of its business transformations, as well as offering employees the chance to take a new direction in their careers. New programmes are in the pipeline for 2023, primarily focused on data and ESG issues, reflecting employees' aspirations as well as skills gaps within the Group.

(1) Machine learning computers are not explicitly programmed for AI technology.

GROUP-WIDE CSR TRAINING PLAN

Corporate Social Responsibility (CSR) goes to the very core of Societe Generale's purpose and is a strategic priority for the Group.

Accordingly, the Group wants to get all its employees up to speed on the associated issues so that they can drive the Bank's ESG transformation and help its clients every step of the way in their own transitions.

Societe Generale is rolling out an ambitious training and communications plan, with the strategic goals of:

- developing a Group CSR culture based on a shared foundation of core knowledge;
- ensuring the businesses have the requisite technical expertise available to them among their employees.

The Group's CSR training offer comprises:

- **around 100 training and awareness-raising modules available to all employees.** These modules take a variety of forms (e-learning, masterclasses, conferences, workshops, etc.) and are all available on the Group's dedicated training platform. They are organised under six separate headings, between them covering all aspects of CSR:
 - the basics of ESG,
 - ESG risks and assessment,
 - the environmental transition and ESG,
 - sustainable IT,
 - sustainable finance,
 - sustainable investment;
- **five different training tracks for skills development:**
 - a foundational training track for all employees,
 - specific training tracks for certain groups (ambassadors, Executive Committee members, new hires, junior staff);
- **training on Climate Fresk – the Group is keen to get its employees to use this tool and has set itself the target of training 30% of them on it by the end of 2024;**
- **specific programmes** such as the CSR graduate programme and a CSR reskilling programme.

What was achieved over 2022

Societe Generale was particularly active in CSR training and awareness-raising campaigns over 2022. It:

- **conducted communications and awareness-raising campaigns reaching employees Group-wide:**
 - communications on the Group's CSR Ambition and, in particular, on how it is stepping up its commitments in energy transition,
 - webcasts and discussions on how best to support the Group's clients in their own energy transition projects,
 - conferences with experts on diversity and from The Shift Project (a French think tank advocating the shift to a post-carbon economy) among others;
- **new training opportunities in its CSR catalogue:**
 - courses leading to qualifications in sustainable investment (with the EDHEC and ESSEC business schools),
 - e-learning modules on environmentally responsible habits, digital accessibility, and what responsible consumers expect from their bank,
 - workshops and talks, including the biodiversity fresk, 2 tonnes and MyCO₂;
- **made sustainable investment training compulsory for internal targets, notably staff in financial advisory businesses tasked with marketing investment products;**
- **trained all Group Management Committee members on Climate Fresk;**
- **trained all Ambassadors⁽¹⁾ on the energy transition;**
- **took part in the Positive Impact Week;**
- **developed business-specific platforms for CSR training and awareness programmes.**

(1) Ambassadors represent the Group's top 1,400 individuals who occupy key positions across the Business Units and Service Units in the different geographical regions. As spokesperson for General Management among their teams, they play a decisive role in implementing and communicating Group strategy.

Key figures**Since 2021, the Group has dispensed:**

- more than **100,000 training sessions** on CSR;
- more than **65% of employees** on CSR issues, *via* modules available on MyLearning,⁽¹⁾ including:
 - training on E&S risk management for **38,000 employees**,
 - training on Societe Generale's CSR strategy for **20,000 employees**,
 - training on sustainable IT for **10,000 employees**,
 - training on sustainable investment for **10,000 employees**;
- helped more than **60 employees** get their CESGA⁽²⁾ certification;
- **training for 10,000 employees** on the energy transition and what it means for the Bank's clients (ENEA module).

Identifying and supporting talent

Built around its Leadership Model and designed to optimise and develop the potential of its employees, while deepening engagement to the Group, Societe Generale's talent management policy applies across all entities, businesses and regions. The aim of the policy is not only to identify, develop and retain high-potential employees and the leaders of tomorrow, but also to ensure the Group has the right managers for its key positions through succession planning.

In 2022, the Group further strengthened its policy of identifying, managing and developing high-potential talents. It:

- reviewed succession plans for key positions in the Group;
- continued its efforts on diversity (see the Diversity and Inclusion Report), introducing two new professional development programmes designed to help women progress in their careers;
- continued to support talent development, making widespread use of personalised development tools such as 360° assessments, coaching, and leadership development centres;
- supported its HR teams and fostered a community of talent managers.

GIVING EMPLOYEES MORE REASONS TO STAY**Offering fair and competitive pay****A balanced compensation policy that meets regulatory requirements**

Societe Generale has a balanced compensation policy that meets regulatory requirements. Whilst it is adapted to the specific economic, social, legal and competitive environment in each of the markets in which the Group operates, its core tenets of non-discrimination and equal treatment are nevertheless shared by all entities, as are the principles underpinning the policy, namely:

- rewarding individual and collective performance;
- promoting healthy and effective risk management and ensuring employees are not encouraged to take inappropriate risks;
- attracting, retaining and motivating strategic talents and key resources;

- aligning the interests of employees with those of the Group and its shareholders;
- checking that employees comply with the applicable internal rules and regulations while ensuring equal treatment of customers.

The principles governing Societe Generale's compensation policy, in particular for the categories of staff whose professional activities are liable to have a significant impact on the Group's risk profile, as per CRD 5, are detailed in the Compensation Policies and Practices Report. This report will be published ahead of the General Meeting, as is the case each year, and submitted to the French oversight body for banks and prudential supervision (Autorité de contrôle prudentiel et de résolution – ACPR) in accordance with the provisions of EU Regulation No. 575/2013⁽³⁾ (see the Performance and Compensation Report).

Individual performance reviews to boost collective results

To ensure equal treatment of its employees, the Group monitors their performance throughout their careers, particularly through development plans and 360° assessments. Development plans assess the employee's professional competence and to what extent they have met their operational targets, as well as how they have done so. Individual employee development is also discussed during annual appraisals and regular meetings between the employee and their line manager or HR manager. In France, the topic is likewise covered in the employee reviews that take place between employees and their line managers or HR managers each year.

Collective benefit schemes

In addition to variable remuneration determined according to the Company's overall performance, Societe Generale offers its employees a number of collective benefits: profit-sharing and incentives, employee savings plans and employee share ownership.

At the end of 2022, Societe Generale employees and former employees (between them numbering over 88,000) held 7.93% of the Bank's share capital and 13.2% of its voting rights, through Company or Group savings plans.

Profit-sharing and incentives paid out in 2022 in respect of 2021 amounted to EUR 175.4 million in total, of which EUR 10 million related to the Group's CSR objective.

And lastly, the 29th edition of the Global Employee Share Ownership Programme saw more than 46,000 employees subscribe to a capital increase in 2022 amounting to EUR 235.7 million.

(1) The Group's digital training platform.

(2) Certified Environmental Social and Governance Analyst.

(3) The 2021 report on compensation policies and practices was lodged with the ACPR in April 2022 and is on the Societe Generale website.

Adapting employee retention strategies to fit the local context

Alongside its attractive compensation policy, Societe Generale also works to give its employees other reasons to stay, including:

- **the ability to shape their own career paths**, with special schemes for employees approaching retirement, careers in transition management, etc. (see the Professions and Skills Report);
- **the opportunity to take part in civic-minded initiatives** through skills sponsorship programmes (see the Corporate Culture and Ethics Principles Report);
- **subsidised lunches, sports activities and commuting costs**, such as through the French government's green commuter scheme,

adopted by certain Group entities including CGI France and ALD Automotive France (see the Occupational Health and Safety Report);

- **benefits to promote a better work-life balance** and thus improve both quality-of-life and working conditions (see "Risks relating to poor working conditions" below).

Societe Generale takes a proactive approach to preventing physical and mental health risks in the workplace and to ensuring decent working conditions. Accordingly, in addition to the induction programmes, training, compensation and benefits it offers its employees, it also seeks to foster engagement and loyalty by promoting well-being in the workplace.

KEY INDICATORS ON THE RISKS RELATING TO A LACK OF QUALIFIED STAFF AND THE POTENTIAL IMPACT ON THE BANK'S EMPLOYER BRAND, PERFORMANCE AND ATTRITION

At Group level	2020	2021	2022
% of positions filled through internal mobility	63%	56%	53%
% of employees on permanent contracts who change jobs per year	15%	14%	14%
Number of training hours taken by Group employees (in millions)	3.0	3.7	4
Average number of training hours per employee	20.3 ⁽¹⁾	26	2
% of employees having completed at least one training course during the year	85%	88%	89%
Number of employees on permanent contracts who had an appraisal	108,947	106,687	97,969
% of the workforce on permanent contracts	93%	94%	94%
The Group's payroll expenses (in EUR billions)	9,289	9,764	10,052
Voluntary turnover rate for the workforce on permanent contracts	6.2%	9.4%	8.6%

(1) The number of training hours dispensed and the training budget were impacted when the pandemic hit at the start of 2020. Face-to-face training sessions were suspended early on in the pandemic. The Group adapted and transformed its programmes, offering new remote learning alternatives to maintain training opportunities for its employees.

To tackle high staff turnover at certain sites (partly attributable to local employment patterns or the Group's transformation projects), some of the Group's subsidiaries have launched targeted HR actions to improve employee engagement and retention. These actions focus on benefit packages, working conditions and career progression.

Risks relating to poor working conditions

The Covid-19 pandemic and its consequences prompted the Bank to step up its transformation efforts, particularly in terms of how it operates and how its employees work. Poor working conditions and pressures on physical and mental health can have knock-on effects on employee well-being and engagement. Not only can poor management of working conditions be harmful to the Group's performance, it can also result in a loss of business and a deterioration in quality of service (harming customer satisfaction), and in workplace well-being and the Group's employer appeal (weakening the employee experience).

To address these risks, the Group has introduced a series of policies and initiatives, including due diligence, in the following areas.

LISTENING TO AND SUPPORTING EMPLOYEES IN A CHANGING WORK ENVIRONMENT

Considering and addressing employees' needs, as individuals and as a group

The pandemic brought about a sea change in employee expectations. It also prompted many employees to reassess their work priorities and how they relate to colleagues and others in their professional lives. As a responsible bank, Societe Generale has taken its employees' new aspirations on board, especially in terms of their well-being at work and the need to feel heard and to find meaning in what they do.

A new agreement on workplace well-being

In November 2022, the Human Resources Department signed an agreement with the French trade unions on workplace well-being (WW). The aim was to galvanise efforts to improve working conditions and prevent occupational risks within the Group. This agreement entered into effect on 1 January 2023 for a three-year term and centres on five areas: work-life balance, new ways of working (remote/hybrid working), individual and collective freedom of expression, workload and preventing psychosocial risks (PSRs) (see "How the Group is stepping up its efforts on psychosocial risk prevention", page 301).

FOCUS ON THE EMPLOYEE SATISFACTION SURVEY

Societe Generale measures employee engagement through its Employee Satisfaction Survey, an annual, anonymous internal survey conducted throughout the Group. Employees are asked to freely give their opinion and impressions on a range of topics related to life at work. All answers are strictly confidential. The results are shared with employees and serve as the basis for drawing up action plans and putting together working groups in each of the BUs and SUs, with a view to continuous improvement. The action plans are then submitted to the Board of Directors.

In 2022, 73% of the Group's employees took part in the survey. This latest survey covered the following topics:

■ **engagement:**

The employee engagement score remained stable (63% in 2022 as opposed to 64% in 2021 – on a like-for-like basis, excluding Russia). The percentage of employees that would recommend the Group as an employer was up 2 points on 2021, at 64%, and pride in belonging to the Group remained high (74%, compared to 75% in 2021).

■ **relationship to management:**

As always, team spirit was highlighted as one of the Group's core values, resulting in strong team cohesion (92%) and cooperation (80%) scores. Moreover, 85% of employees said that they could count on their manager being there for them and supporting them.

■ **perception of the Group's long-term programmes (CSR, Culture & Conduct, Inclusion):**

- CSR: 52% of employees wanted more information on best practices (in terms of reducing the Group's carbon footprint, how to uphold its responsible employer ethos, etc.),
- Culture & Conduct: 85% of employees said they felt able to give their opinion or express new ideas or concerns within their team, a sign that the "speak-up culture" has taken root,
- Inclusion: employees considered their working environment to be inclusive;

■ **workplace organisation and efficiency; Well-being at work:**

Employees particularly highlighted flexibility and greater autonomy as things they appreciated about the new working arrangements that have been put in place (61% were satisfied with the new working arrangements within their entity). For the first time, the survey asked employees outside of France to rate their level of stress: the score was 6.7/10.

Since 2018, the collective targets set for members of the Group's Management Committee each year have included a target employee engagement score, as measured through the Employee Satisfaction Survey (see the Performance and Compensation Report).

Group and local consultations

In view of evolving attitudes and practices in terms of how we work, Societe Generale launched a massive in-house consultation in May 2020, asking 6,000 employees in France and around the world how they saw the future of work. Their responses helped form a snapshot of how remote working is being used within the Group and gave insight into how they felt it should be developed.

The findings were then compiled in a white paper and presented to General Management.

The outcome was a Remote Working Agreement signed between General Management and the French trade unions in January 2021.

A number of Group entities have also conducted their own local surveys to take the pulse of their employees' well-being and health. SG Stockholm, for example, asks external provider Feelgood to survey its employees' health and workplace environment each year so that management can take action based on the findings.

Making hybrid work and the associated managerial practices standard procedure

Introducing remote working Group-wide

Societe Generale was an early endorser of remote working – employees have been allowed to work from home since 2016 – and the

Group has been proactive in adapting how it operates to make this possible. The Covid-19 pandemic accelerated the trend, and the Group successfully implemented Group-wide remote working for all compatible positions.

In January 2021, General Management signed a Remote Working Agreement with the French trade unions. The agreement entered into force on 4 October 2021 and makes remote working available to all employees (i.e., whether on permanent or temporary contracts and including interns, work-study participants and new hires). The agreement establishes the principle of regular remote working, setting two days' remote working per week as the standard. Each BU/SU remains free to decide how many days a week its employees can work from home, and can deviate from this standard number of days when justified by its business activity. In implementing this agreement, the Group's entities adhere to all principles of equality, rules on working hours, the right to disconnect, and health and safety requirements for staff working from home.

On that score, more than 83,000 employees working in the Group at end-2022 had the resources and tools suited to their local context to be able to work remotely, reflecting how hybrid working is becoming the new norm in a post-pandemic backdrop.

Supporting the associated adaptations in managerial practices

Local managers play an essential role in the context of remote working, being as they are in daily contact with employees. Special steps have been taken over the past year to make sure they are alert to the risks of isolation, the importance of communication and how to spot symptoms of psychosocial distress. This involved a review of the Connect Manager platform during the year, pooling a wide array of resources for managers to help their teams with remote working. It now includes a Remote Management module, for example, with a host of tools to help them learn how to support a hybrid-working team, such as guidelines, how-to guides and online training.

Providing a good working environment

Working in a safe and secure environment

As the hybrid work model becomes more widespread, Societe Generale is rethinking how its physical and digital workspaces are organised: redesigning office space and upgrading facilities and equipment.

The interior revamp of the Group's Corporate Centre buildings in the Paris region, initiated by the Real Estate Division in 2021, continues apace. The idea is to adapt workspaces to new practices and to reduce the Group's building footprint.

The Sakura complex in Fontenay-sous-Bois, just east of Paris, epitomises this transformation. This brand-new building has been designed to operate as a "flex office" and offers users a range of services to enhance their day-to-day lives (a business centre, wellness areas, shops, a concierge service and sustainable cafeterias).

Societe Generale has also rethought its digital workspaces to make sure its employees can work from home securely and seamlessly, just as easily as when they are at the office. To this end, it has designed a new virtual workspace, with specific features to optimise mobility and remote working. By the end of 2022, some 23,000 employees were already using it. In addition, the Group is upgrading its tools to make remote teamwork easier and revisiting the network infrastructure at its French branches to speed up their Internet connections. Rounding off its actions, it has developed an online platform offering access to team schedules as well as HR, logistics and compliance services and information. Employees can also submit IT requests and expense claims and manage their professional purchases via this platform.

Promoting work-life balance

In 2022, 91% of the Group's workforce benefited from initiatives designed to promote a healthy work-life balance.

Working hours represent a key element in these initiatives:

- flexitime arrangements are in place in 62 entities, covering 67% of the Group's workforce;
- Societe Generale's top management in France signed a 15 Work-Life Balance Commitments Charter in 2014;
- employees in France discuss their workload with their line manager or HR manager as part of their annual appraisal;
- the Group is pushing further ahead with communications campaigns and offers training and support to help managers and employees work out how to achieve optimal efficiency.

Societe Generale also considers each entity's local context when implementing measures to promote a healthy work-life balance, such as:

- maternity leave that exceeds the regulatory minimum in 95 entities covering 89% of the Group's workforce;
- benefits to help with childcare in 77 entities covering 85% of the Group's workforce;

- support for employees who are caregivers and schemes through which their colleagues can donate leave;
- and in France more specifically, the Group:
 - has expanded eligibility for parental leave to take into account all family configurations,
 - supports employees suffering from chronic illness and/or returning to work after a lengthy period of sick leave,
 - has signed a new Corporate Parenthood Charter.

ENSURING HEALTH AND SAFETY AT WORK

Making health and safety a priority

Societe Generale's occupational health and safety policy, applicable Group-wide, aims to provide each employee with a safe working environment – taking into consideration both the physical workplace and working practices – that guarantees their safety and their physical and psychological well-being. The Group complies with all local labour laws and legal obligations for occupational health and safety in all of its entities worldwide. Each local entity adapts the Group's occupational health and safety policy to their local environment and legislation, but without undermining its main thrust.

Societe Generale is developing positive momentum in respect of workplace well-being (WW) at all levels throughout the Group. Everyone has a role to play in improving WW:

- the **Human Resources Department** sponsors the occupational health and safety policy, bringing it to the attention of the highest echelons within the Group;
- the **Group Security Division**, reporting to the General Secretary, keeps people and property safe while on Societe Generale premises;
- all **HR teams** are involved in advising and offering support to managers and employees, working hand-in-hand with local healthcare professionals specialised in preventive action;
- **managers** help implement initiatives designed to improve workplace health and safety, and discuss the subject with their employees on a regular basis;
- **occupational health practitioners** offer the Group's employees further protection and support.

In France (48% of the Group's workforce), Societe Generale is committed to getting everyone involved in WW issues under the new workplace well-being agreement. This includes, in particular:

- **WW and PSR correspondents** in each BU and SU, to coordinate actions on WW and PSR;
- **staff representatives** and representative bodies, to monitor the indicators provided by the Group each quarter;
- the **WW observatory**, to follow up on the agreement's implementation and review reports on what has been done each year;
- the **WW team** within the Group Human Resources Department, to raise awareness within the Group of the various different factors involved.

Each employee has a key role to play in implementing initiatives designed to improve workplace well-being.

Ensuring continuous improvement in health and safety matters

The Group's long-standing commitment to offering the best possible working conditions means:

- **working towards providing all its employees worldwide with basic social, health and welfare protection.** Nine out of ten employees currently benefit from a supplementary company health or personal protection plan and the Group has set itself the target of providing each employee with coverage amounting to two years' salary in the event of death;
- **implementing a safety and security master plan**, prepared by the Security Division for France and shared with the international entities and subsidiaries as best practice, to be applied in addition to all local safety and security rules;
- **continuously monitoring risks** that may have an impact on health and safety, as well as social risks (see "How the Group is stepping up its efforts on psychosocial risk prevention", below), and implementing targeted prevention actions and information campaigns to reinforce the safety and security culture within the Group. The management of health, safety and security risks forms part of the Group's Duty of Care Plan on human rights and the environment (see "Duty of Care Plan", page 361).

Deploying prevention and awareness-raising campaigns on employee health and safety

The Group puts prevention programmes in place to tackle the main health and safety risks its employees may face in the course of their work:

Protecting staff from aggressive behaviour

Employees in the banking sector may encounter violence in their work (such as during a bank robbery). Societe Generale does everything it can to keep its staff safe. For example, all employees in French branches (including trainees, and employees on temporary contracts or providing holiday cover) receive safety training on how to manage flows of people on the premises, how to use the emergency equipment and protective devices provided, how to perform their day-to-day work (operating procedures, etc.), how to react to offensive or aggressive behaviour and what to do in the event of an accident or attack. All employees must also complete a mandatory online training module specifically dealing with attacks at the workplace. The Group partners with *France Victime* to offer anonymous psychological support for any employees who are victims of offensive or aggressive behaviour or armed robbery.

Protecting staff from harassment

As part of its drive to stamp out inappropriate conduct, Societe Generale has adopted a zero-tolerance stance on bullying, sexual

harassment and sexism at the workplace. It organises information campaigns and encourages employees to speak up to their managers and/or to HR if they become aware of or experience any form of harassment. Workplace harassment training is mandatory for all Group employees. The Group has also introduced an awareness and training plan, with specific workshops for HR, managers and employees to explain to them what they can do to prevent harassment, as well as information campaigns for HR surrounding the Group's policy on preventing inappropriate conduct and the associated procedures it has put in place.

Preventing isolation and loss of employability

To keep up team spirit and employee motivation in the new world of hybrid working, the Group encourages its managers to take training on the risks associated with such working arrangements, in terms of isolation and feelings of exclusion. For their part, employees are made aware of their right to disconnect and how they can maintain social contact. Moreover, in 98% employees get regular health check-ups in 132 entities with medical facilities. In France, the 2021 Healthcare Act requires employers to take steps to address the risk of loss of employability, working together with occupational health doctors to offer check-ups to ensure that employees returning to work after maternity leave, extended sick leave (more than 30 days) or an occupational illness are indeed fit to do so. All employees aged 43-45 likewise get a medical check-up to ascertain whether their health calls for adjustments to their duties and to explain what they themselves can do to ward off occupational risks.

Preventing data theft and cyberattacks

As part of its day-to-day operations, Societe Generale gathers, processes and disseminates information. As a trusted third party, it is essential that it protects that information. Data protection is therefore a priority, to keep all information the Bank receives secure and confidential.

To make its employees aware of the importance of data security, Societe Generale has drafted a Charter for the Protection of Information and IT Resources as well as a Group Information Security Policy. It has also made online training on the matter mandatory for all employees and organises communications campaigns and in-house events on the issue, such as its "security hours", timed to coincide with European Cybersecurity Month.

To keep employees on their toes and alert to the risks of cyberattacks (especially ransomware attacks), the Group conducts its own phishing campaigns as well as targeted actions to reinforce the message, help employees identify suspicious e-mails and make sure they know how to flag them up.

HOW THE GROUP IS STEPPING UP ITS EFFORTS ON PSYCHOSOCIAL RISK PREVENTION

Societe Generale takes the necessary measures to ensure the security of its staff and protect the physical and mental health of its employees.

As a responsible employer, the Group established its comprehensive policy on psychosocial risk prevention several years ago as part of its goal of providing a safe and healthy working environment for all employees.

This policy is applicable to:

1. all Business Units and Service Units, which are tasked with raising awareness and ensuring employees have good working conditions. BUs and SUs can draw on the tools available from the Group's Human Resources Department;
2. managers, who receive tailored support when they and their teams are affected by reorganisation plans and who are trained to detect and respond to warning signals;
3. employees identified as vulnerable, who are pointed towards the right resources and given support when returning to work.

In 2022, psychosocial risk prevention initiatives were organised for 96% of the Group's workforce. The aim is to inform, train and support employees who may encounter situations that pose psychosocial risks. Initiatives include programmes offering free assistance from healthcare or insurance partners, training and/or awareness-raising on psychosocial risks, surveys and evaluations to measure stress, as well as various leisure and relaxation activities. For example, in Belgium, ALD has set up a 24-hour Employee Assistance helpline *via* which employees can get psychological and/or legal advice over the phone. It also has designated zen rooms and chill zones where employees can take a quiet moment for themselves during their workday if they feel the need.

In France, a number of initiatives are in the pipeline further to the workplace well-being agreement:

- a methodology to help identify and assess PSRs;
- campaigns to inform, communicate and raise awareness, with a new intranet page covering everything to do with WW, with a particular emphasis on PSR prevention;
- development of further training on PSRs, with one session set to be made mandatory for managers;
- consideration of PSRs in connection with ongoing and future transformation projects. For example, specific measures were taken to address the PSRs inherent to the Vision 2025 project. A national PSR Correspondent was appointed, together with a number of regional counterparts, and various campaigns were conducted over 2021 and 2022 to raise awareness of and communicate on the PSRs associated with the project and to train and support the teams impacted.

UPHOLDING FAIR AND EQUAL TREATMENT

Beyond providing a safe and healthy working environment, being a responsible employer also means ensuring fair and equal treatment of all employees – an essential factor in fostering innovation and boosting the Group's performance.

Promoting equal opportunities and diversity in the Group and taking steps to counter discrimination

Societe Generale has a range of policies, actions and processes in place to counter the risk of discrimination, including in particular:

- **a Diversity and Inclusion policy**, reflecting the Group's determination to recognise and promote all promising employees, regardless of their beliefs, age, disability, parental status, nationality, gender identity, sexual orientation, membership of a political, religious or trade union organisation, or any other factors on the basis of which they could be discriminated against. This policy aims to create the conditions for an inclusive organisation offering equal treatment to all and does so by requiring action on various fronts:
 - fighting against all forms of discrimination,
 - communicating, raising awareness, training,
 - creating a work environment and management that is conducive to inclusion,
 - championing diversity and inclusion at governance level within the Group;
- **sponsorship of non-discrimination at the highest level of the organisation**, led by Diony Lebot (Deputy Chief Executive Officer);
- **a Diversity and Inclusion Committee**, with members drawn from the BUs' and SUs' Management Committees. This Committee's main task is to define the Group's diversity and inclusion approach and aims, and to set annual or multi-annual priorities;
- **a special team responsible for promoting diversity and inclusion** through a network of sponsors tasked with rolling out the Group's commitments in the BUs and SUs, both in France and in the Group's international entities;
- **ambitious targets**, including a gender equality target of increasing the percentage of women in senior management positions to 30% by 2023;
- **a raft of new public commitments over the past two years:**
 - signing of the OneInThreeWomen Charter to raise awareness of violence against women,

- renewal of Societe Generale's three-year agreement promoting the employment and professional integration of people with disabilities in France (the 2023-2025 agreement marks its sixth renewal),
- signing of three charters to foster gender diversity: *#JamaisSansElles*, *Financi'Elles* and Towards the Zero Gender Gap,
- signing of the *Autre Cercle* Charter promoting an inclusive workplace for LGBTQ+ individuals,
- signing of a new Corporate Parenthood Charter, to support parents in all family configurations (single parents, same-sex parents, etc.),
- participation in the first diversity survey conducted by *Club 21^e siècle* (an organisation formed to promote diversity at all levels of society) to measure social and cultural diversity at the top echelons of France's large corporates;
- **as well as the Group's long-standing public commitments:**
 - to the Women's Empowerment Principles, signed in 2016,
 - to the ILO's Global Business & Disability Charter, signed in 2016,
 - to the UN's Guiding Principles on tackling discrimination against the LGBTQ+ community, supported since 2018,
 - to the Global Agreement on Fundamental Rights signed with UNI Global Union, renewed in 2019 and extended for a further year in 2022,
 - to the collective agreement on gender equality in the workplace, signed with trade unions in France.

Measures to counter the risk of discrimination at work also form part of the Group's Duty of Care Plan. The Group assesses the extent to which there is a risk of discrimination at its various sites, so as to identify and better understand local issues and how to address them (see "Duty of Care Plan", page 361).

Implementing practical management, awareness and training actions

With more than 117,500 employees of 154 nationalities working in 66 different countries, and with 52% of its workforce based outside of France, Societe Generale reiterates its commitment to making equality, diversity and inclusion a reality for all employees and a managerial priority for the Group.

Diversity is a matter of both ethical responsibility and performance, and the Group has thus maintained its objective of promoting women and international candidates to positions of responsibility and seats on Societe Generale's management bodies. To achieve this, it relies on certain key measures, including:

- monitoring indicators in respect of women and international employees, *i.e.*, their representation within high-potential pools and succession plans, their promotions, pay rises, grades and classes, etc.;
- introducing a more collective approach to decision-making when appointing senior executives (see Chapter 3, “Diversity policy within Societe Generale”, page 111);
- reviewing the inclusiveness of certain social policies (to ensure, for example, that they take into account different family configurations).

As part of its commitment to implementing a strong diversity policy, the Group has also rolled out a range of awareness-raising and training initiatives around diversity, including:

- a Diversity and Inclusion Playlist of courses available to all employees *via* the Group’s e-learning platform;
- an e-learning course on understanding and addressing discrimination in hiring, launched in 2022. This course has been made mandatory training for all managers and HR staff in France every four years and will be made available internationally in 2023;
- campaigns and programmes to raise awareness among employees of diversity and inclusion issues and how our unconscious biases can affect our behaviour. For example, the Group organises a series of talks throughout the year on subjects such as intergenerational relations, non-discrimination in HR processes, LGBTQ+ rights, disability, violence against women, discrimination based on physical appearance or ethnicity, etc.;

- promotion of intergenerational cooperation through dedicated programmes, reverse mentoring, focus groups and a variety of measures to support the Group’s more senior employees (help with managing the transition from employment to retirement, end-of-career leave, patronage, reassignments, reduced working hours, etc.);
- an in-house resource hub (the Diversity & Inclusion SharePoint) available to all Group employees and containing articles, benchmark studies, reports and more.

The Group’s commitment to diversity is also evident in how it:

- regularly surveys its employees on how inclusive they feel their work environment is;
- supports in-house employee networks set up to promote inclusion (women’s networks, WAY, Pride&Allies, Dkrés, etc.).

Staying with diversity and inclusion, 98.5% of the Group’s workforce have local actions in place to strengthen gender equality, 86% of the Group’s workforce have local actions in place to support employees with disabilities, 76% of the Group’s workforce have local actions in place to support employees aged 50+, and 75 entities covering 87% of the Group’s workforce have local actions in place to promote inclusion and professional integration. For more information, see the Diversity and Inclusion Report.

KEY INDICATORS ON THE RISKS RELATING TO POOR WORKING CONDITIONS

	2020	2021	2022
Number of different nationalities within the Group	137	141	154
% of non-French employees	56%	57%	52%
% of women in key positions within the Group (Top 160)	21%	25%	26%
Absenteeism rate ⁽¹⁾	4.6% ⁽²⁾	3.50%	3.9%
Number of occupational accidents	524	570	590
% of the workforce targeted by prevention and information campaigns on health	99%	99%	98%
% of the workforce targeted by prevention and information campaigns on safety	98%	98%	99%
Number of employees able to work remotely ⁽³⁾ worldwide	54,700	77,671	83,051
% of the workforce benefiting from measures to promote work-life balance ⁽⁴⁾	87%	89%	91%
Engagement rate	63%	64%	63%

(1) The absenteeism rate is the ratio of the number of days’ paid leave (sick leave, parental leave and other types of paid leave) to the total number of days paid, expressed as a percentage. It is counted in calendar days and calculated using the total headcount (workforce present multiplied by 365).

(2) The change in the absenteeism rate in 2020 was chiefly linked to the increase in the number of days’ paid leave other than sick leave and parental leave. Owing to the pandemic, the Group introduced specific leave for employees that had to stay at home for health reasons or to look after young children, for example.

(3) Excluding remote working under the Business Continuity Plan.

(4) Any agreement, measure or action designed to foster a better work-life balance for employees, as defined in the 15 Work-Life Balance Commitments Charter signed by Societe Generale.

Risks relating to non-compliance with labour regulations and the Group’s own labour rules

The Group is required to comply with many different regulations around the world in terms of labour law and broader human rights (compensation and social rights, diversity and non-discrimination, dialogue with employees, freedom of association, etc.).

But it has also gone a step further in its commitment to human rights, adopting internal rules for human resources management. Failure to comply would not only be harmful to the Group’s employees, but could also impact Societe Generale’s ability to continue its activities, and expose it to certain legal and reputation risks.

To avoid this, and to ensure that its practices comply with all regulations and internal rules, the Group relies on a range of policies, initiatives and due diligence processes with a view to meeting certain objectives:

- ensuring regulatory compliance of employment relationships;
- ensuring compliance with all regulations concerning human resources management processes (health and safety standards, duty of care, General Data Protection Regulation, MiFID II, etc.);
- maintaining a labour relations climate that is favourable to interactions with the Group's stakeholders (in particular employee representative bodies and employees themselves), by guaranteeing its employees' fundamental rights and freedom to organise;
- fighting against all forms of discrimination at work and promoting workplace equality and diversity;
- guaranteeing health and safety in the workplace.

To ensure compliance in its employment relations and human resources management processes, the Group:

- monitors labour law developments in all countries where it operates;
- gets its Human Resources Department involved in regulatory projects;
- routinely updates its human resources information systems (HRIS) in line with regulatory developments (on a Group-wide or local basis, as appropriate).

PROMOTING THE HIGHEST STANDARDS OF CULTURE & CONDUCT

Societe Generale is extremely vigilant when it comes to complying with legislation, internal rules and procedures, and the ethical principles governing its business activities. These principles are detailed in the Group's Code of Conduct.

Having coordinated the Group's Culture & Conduct programme since 2021 (see page 346), liaising with the Compliance Division, the Human Resources Department is particularly active in promoting ethical and responsible conduct on the part of individuals and teams that will translate into ethical and responsible business for the Group as a whole. To this end, it organises annual campaigns involving training, workshops, videos, articles and the like, designed to foster an environment in which appropriate conduct prevails, in line with the Group's values.

Moreover, the Group is pushing ahead with efforts to align its main human resources management processes with its objectives in terms of Culture & Conduct. This involves updating its guidelines for assessing conduct, and optimising how it manages inappropriate conduct and disciplinary sanctions to ensure its practices are compliant.

A Group policy on inappropriate conduct

Introduced in 2019, the Group's policy on inappropriate conduct in the workplace aims to detect and deter any conduct that contravenes the principles enshrined in its Code of Conduct, especially any form of bullying or sexual harassment. It encourages initiatives to raise awareness of inappropriate conduct, in particular training for

managers and Human Resources teams, and makes it clear that the perpetrators will be subject to disciplinary measures that may even include the termination of their employment contract. Alongside this, the Group has also appointed a specific person responsible for overseeing the proper deployment of this policy in its entities worldwide. She is supported in this role by an international community of more than 60 experts and specialists in conduct matters (see the Corporate Culture and Ethics Principles Report).

Whistleblowing procedure

Set up for the entire Group, the whistleblowing procedure allows employees or external contractors to report any situations of which they are aware that either breach the Group's ethical standards or rules of business or could be illegal or contrary to applicable legislation. This may include situations of inappropriate conduct or anything that could pose a health and safety risk (see "Duty of Care Plan", page 361, and "Rolling out a Code of Conduct underpinned by shared values (and human rights)", page 345).

A global disciplinary policy

Published in 2019, the global disciplinary policy formalises the Group's principles and best practices in relation to sanctions (the right to make a mistake, zero tolerance on misconduct, collective decision-making on sanctions, proportionality, managers' ultimate responsibility in upholding principles and enforcing sanctions, sanctions paired with corrective actions). This global policy translates into operating procedures and a record of disciplinary actions imposed in each Group entity. The key indicators are communicated to General Management.

MAINTAINING A POSITIVE LABOUR ENVIRONMENT

The Group's commitment to labour relations is demonstrated by:

- the global framework agreement on fundamental human rights with UNI Global Union, renewed in February 2019 and extended by a further 12 months in February 2022, which covers all staff (see "Duty of Care Plan", page 361). Following on from the 2015 agreement on fundamental freedoms and the right to organise, this agreement includes additional commitments on:
 - preventing misconduct,
 - countering discrimination and promoting diversity in all human resources management processes (a subject already introduced in the initial agreement),
 - maintaining a working environment conducive to health, safety and decent working conditions for all employees.

Under this agreement, the Group regularly communicates with UNI Global Union on how it is implementing its commitments. In addition, an annual follow-up meeting is held between UNI Global Union representatives, the Bank's Human Resources Departments, and representatives from the Group's trade unions. Several meetings were held over the year, and most recently in December 2022;

- the numerous collective agreements signed with social partners. These agreements cover compensation and employee benefits, working conditions (working hours, employment conditions, remote working, etc.), strategic projects within the entity, labour relations practices and equality in the workplace.

KEY PERFORMANCE INDICATORS ON RISKS RELATING TO NON-COMPLIANCE WITH LABOUR REGULATIONS AND THE GROUP'S OWN LABOUR RULES

	2020	2021	2022
Number of collective agreements signed with social partners	161	157	195
% of workforce covered	64%	62%	68%
<i>o.w. focused specifically on health and safety</i>	13	27	30

COMPREHENSIVE HR SUPPORT DURING MAJOR TRANSFORMATIONS

Major transformations within the Bank can heighten risk, due to the associated recruitment needs, revised organisation and new operating procedures. They can also heighten employees' exposure to psychosocial risks.

Societe Generale promises to uphold its commitments as a responsible employer in the context of its transformation projects, providing all employees impacted with the support they need. The Group's major transformation in 2022 was the Vision 2025 project.

With the merger of Societe Generale's and Cr dit du Nord's branch networks, head offices and back offices on 1 January 2023 and the associated new business models, the Group's HR teams have been fully alert to the potential issues concerning:

- **finding a place for each and every employee**, with management giving a firm undertaking not to force anyone out during the project phase, instead preferring to rely on natural attrition and internal reassignments;
- **providing the necessary HR and skills development support** throughout the process. The Group has offered all employees a skills assessment, allowing them to review where their strengths lie and what aspects of their work they most enjoy. It has also drawn up job descriptions and set up forums where employees can learn about the opportunities available within the new bank. It has furthermore earmarked an unprecedented EUR 100 million for training (three times the usual budget) and set up a Skills Academy with a view to encouraging employees to upskill;
- **addressing psychosocial risks**. A comprehensive framework is in place to help the Group identify and understand the PSRs inherent to the merger and to address them at the earliest possible opportunity;
- **developing a shared culture**. This is essential to the merger's success. Teams from each bank gathered input from employees on their entity's existing culture as well as the culture and values they hope to see the new bank espouse. The findings showed employees at both Societe Generale and Cr dit du Nord to be deeply committed to professionalism and customer satisfaction. Employees at both banks also rated teamwork highly and pointed to the importance of receiving recognition from their superiors;
- **maintaining and even boosting employer appeal** over the course of the merger. This has meant reviewing HR policies and revamping the employer brand. Hiring has kept pace with needs throughout the merger process, ensuring business as usual – with the same high standards of customer care – at both banks.

All measures implemented to support employees will remain in place through to full completion of all stages of the project.

5.1.2 BEING A RESPONSIBLE PURCHASER: THE POSITIVE SOURCING PROGRAMME

The Sourcing Function, led by the Group Head of Sourcing, handles the commercial and contractual aspects of all of the Group's external spending other than payroll expenses.

It plays an important role in implementing the Group's CSR strategy, by helping give tangible form to the Group's values and striving to ensure its social and environmental commitments are met.

First launched in 2006, Societe Generale's sustainable sourcing policy is translated into action plans (Positive Sourcing Programmes, or PSPs), each covering several years and involving the entire value chain, from partner vendors to buyers and suppliers.

The 2021-2023 PSP is the Sourcing Division's sixth PSP. Following on from its predecessors, it consolidates what has been gained thus far and focuses on two main priorities:

- upholding the CSR Duty of Care Plan (for more information, see "Duty of Care Plan", page 361);
- promoting positive-impact sourcing strategies.

The PSP is backed up by the Group's normative documentation on sustainable sourcing (the Societe Generale Code), which sets out how E&S risks are managed within the Group.

Societe Generale strives to continually improve its sourcing practices, in line with the rules of conduct and ethical standards applicable to procurement annexed to the Global Agreement on Fundamental Rights signed with UNI Global Union (see "Being a responsible employer", page 293). As a result, its practices have evolved in recent years to systematically take environmental and social issues into account in the sourcing process.

Early in 2022, the French National Ombudsman (*Médiation des entreprises*) and National Procurement Council (*Conseil national des achats*) unanimously approved the renewal of Societe Generale's Responsible Sourcing and Supplier Relations certification for a further three years. This certification, underpinned by ISO 20400, attests to the Bank's commitment to the sustainable sourcing policy it has pursued with its suppliers for over 10 years. The Group has been awarded "exemplary" status in managing risk, seeking out CSR opportunities and adding CSR considerations to its expressions of requirements when preparing calls for tender. Societe Generale was the very first bank to be awarded this certification back in 2012, further to its signature of the Responsible Supplier Relations Charter.

5.1.2.1 Improving E&S risk management during the sourcing process

5.1.2.1.1 POLICIES ON SUSTAINABLE SOURCING AND SUPPLIER RELATIONS

Sustainable Sourcing Charter and CSR clauses in contracts

Since April 2017, the Sourcing Function has routinely sent all its suppliers a copy of the Sustainable Sourcing Charter (https://www.societegenerale.com/sites/default/files/construire-demain/12112018_sustainable_sourcing_charter_vf_eng.pdf). This charter is the result of a joint initiative between French banking and insurance operators looking to involve their suppliers in the due diligence process. It sets out the Group's CSR commitments, obligations and expectations with respect to its suppliers, and has been translated into six different languages.

The reciprocal commitments set out in the charter are based on the fundamental principles of the United Nations Global Compact as regards human rights, working conditions, the environment and countering corruption.

A CSR clause is included in all standard contracts used by the Sourcing Division in France, as well as in those used by the Sourcing Function abroad. It refers to the Group's Code of Conduct, the Sustainable Sourcing Charter and the right for the Group to conduct on-site CSR audits, as well as the requirement for extra-financial assessments of certain suppliers (see below). This clause aims to involve suppliers in the due diligence process with respect to human rights, working conditions (health and safety), the environment and the fight against corruption (see Chapter 4, "Compliance risk – Anti-corruption measures", page 267).

On-site supplier audits

Under its CSR clause, the Group has the right to conduct CSR audits at suppliers' sites. Societe Generale has approved two external audit firms to assist it in this respect. Each year, the Group draws up an audit plan and performs an E&S risk analysis to identify which suppliers it will cover. In 2022, the Group continued with follow-up on the action plans approved further to the four supplier audits conducted in partnership with peers from the banking sector in 2020. It also performed two further supplier audits with another banking operator; follow-up on the associated remedial action plans begins in January 2023.

5.1.2.1.2 E&S RISK IDENTIFICATION

This step consists in identifying whether a supplier's practices and/or a product or service purchased presents a potential E&S risk.

Identifying E&S risks related to products and services: risk mapping

For details on this, see "Duty of Care Plan – Sourcing Pillar", page 364.

Identifying E&S risks related to suppliers: Know Your Supplier (KYS)

For details on this, see "Duty of Care Plan – Sourcing Pillar", page 364.

E&S assessment (of suppliers or products/services identified as presenting E&S risks)

For details on this, see "Duty of Care Plan – Sourcing Pillar", page 364.

Risk mitigation policies

The Group's policies on E&S risk mitigation are to a certain extent included in its policies on sustainable sourcing and supplier relations (see above). In addition, the Group also adopts the following strategies.

TRAINING ON E&S RISKS

Within the Sourcing Division, contributing to CSR performance by implementing the Positive Sourcing Programme is part of the job description for buyers and their managers. Individual operational objectives are set for categories involving high CSR risks. When they are first hired, all buyers are trained on sustainable sourcing as part of the in-house induction programme.

The Group's short motion-design video presenting its sustainable sourcing programme has been available to all employees on the Group intranet since 2020, so that those employees who are occasionally involved in purchasing but are not actually buyers can also be made aware of it. Certain adaptations have been made to the Sustainable Sourcing training module too, to take into account procurement that does not go through the Sourcing Division. All Group entities are given training on E&S risk management and entities can request training from the Sourcing Division if they so wish. The first of these training sessions took place in December 2022. All employees also take training on environmental and social risks.

E&S RISK MONITORING

In addition, the Sourcing Division monitors E&S risk indicators in relation to its calls for tender and suppliers on a quarterly basis. For information on this process, see the section on monitoring of duty of care measures on page 365 and the report on effective implementation of the duty of care measures and details of the outlook and planned developments, on pages 368 and 370, respectively.

5.1.2.2 Developing positive-impact sourcing

Three priorities have been defined for the 2021-2023 Positive Sourcing Programme, in line with the Group's CSR Ambition:

- quality of supplier relations: the Sourcing Division aims to set an example in its relations with its suppliers and to increasingly make CSR considerations a factor in those relations. In addition, Societe Generale prefers to resolve any disputes between buyers and suppliers through mediation if they cannot be resolved directly between the parties concerned. Societe Generale was the first bank to sign the SME Pact in December 2007 and continues to support SMEs, remaining attentive to their concerns and conducting regular satisfaction surveys. In the survey launched towards the end of 2021, SMEs reported an overall satisfaction score of 73% – an excellent result. At the SME Pact seminar held on 30 September 2022, Societe Generale was awarded the CSR Trophy for the environmental and social policy it pursues with its suppliers;
- the Social and Solidarity Economy (SSE): in France, Societe Generale resolved to earmark increasing direct expenditure for SSE structures, setting itself the target of spending EUR 14 million a year with them by the end of the 2021-2023 PSP. The PSP has boosted the Group's contribution to the supported and sheltered employment (SSE) sector, extending the reach of its partnerships with organisations that help people with physical or mental disabilities get work, as well as with other SSE structures;

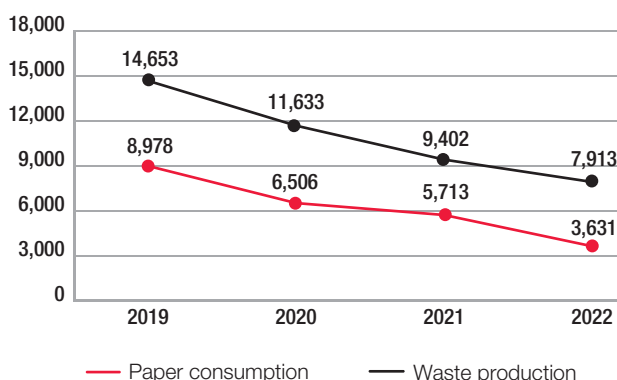
- climate action: the Sourcing Division advises the Group's various entities on how they can cut down on emissions from air and car travel, and helps them do it, with a view to meeting the Group's overall target of a 50% reduction in its emissions between 2019 and 2030. It also plays an active role in the Group's efforts to promote

biodiversity. More specifically, it is working with its suppliers to come up with alternatives to petroleum-based single-use plastics, in light of the Group's stated aim of banning them in the workplace by 2025.

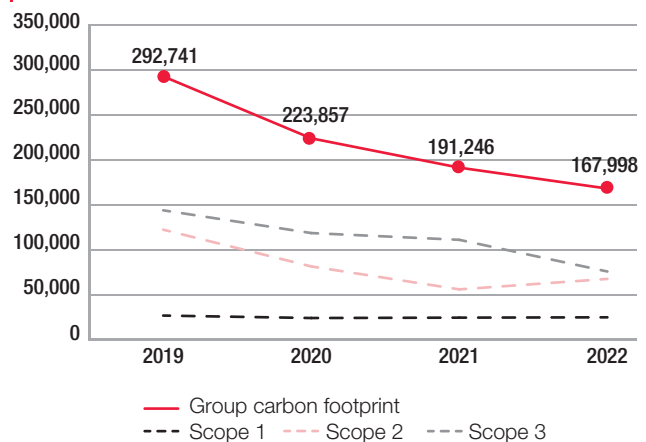
	2020	2021	2022	Target
Total Group purchasing	EUR 5.5bn	EUR 5.8bn	EUR 6.5bn	N/A
Average invoice payment time (weighted by amount)	31 days	27 days	32 days	< 30 days
Average weighting of CSR criteria in calls for tender	14%	14%	14.5% in France 9.2% for international businesses	N/A
Expenditure directed to SSE structures	EUR 10.1m	EUR 12.4m		EUR 14m
Proportion of suppliers under contract within the target scope assessed by an independent third party on extra-financial issues	80%	89%	87%	90%
Proportion of calls for tender in high-risk purchasing categories that included CSR criteria	100%	99%	99%	100%
Proportion of buyers trained in sustainable sourcing	100%	100%	100%	100%

5.1.3 BEING A COMPANY THAT CARES ABOUT THE ENVIRONMENT

WASTE PRODUCTION AND PAPER CONSUMPTION (IN TONNES)



GROUP CARBON FOOTPRINT (T OF CO₂ E)



Historical data are presented on a reported basis.

5.1.3.1 Managing the Group's carbon footprint

As part of its CSR approach, Societe Generale has been working on reducing its carbon footprint for a number of years.

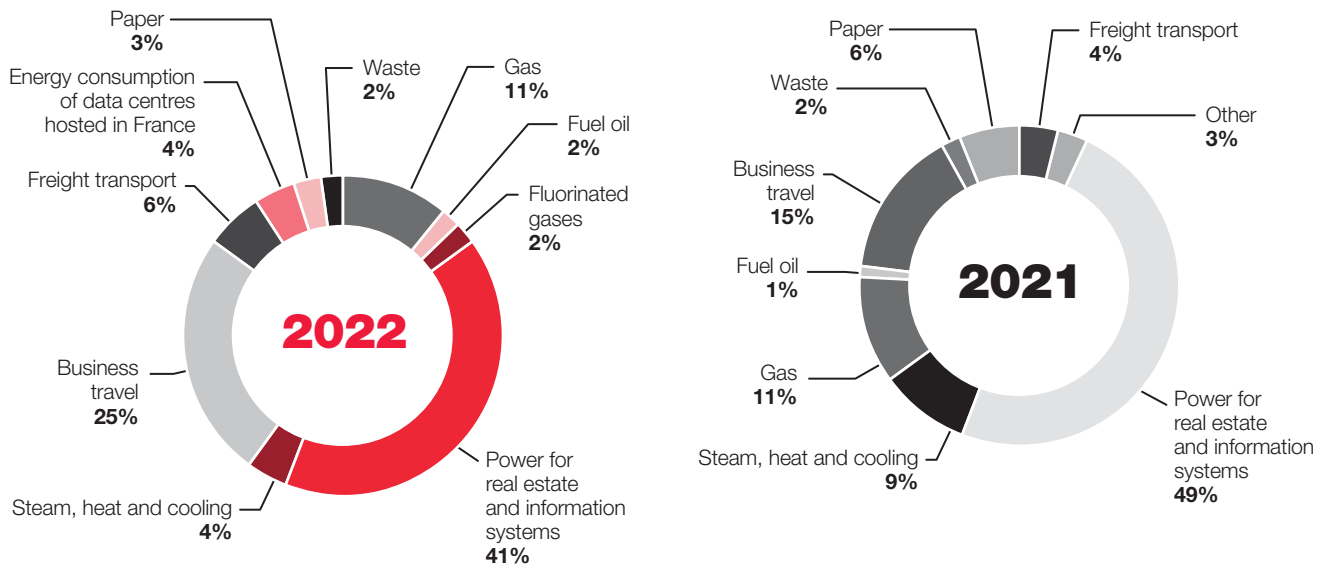
In 2021, the Group ramped up its goals up a notch, announcing a target of a 50% reduction in its operational carbon emissions between 2019 and 2030, through measures focused on energy use relating to its premises, IT, air travel and car fleet. By the end of 2022, the Group had achieved a 35% reduction as compared to its 2019 carbon footprint and was thus on track to meet this target.

Over the year, responsibility for reaching this target was shared with the BUs and SUs, now tasked with implementing operational measures within their respective remits to build on the progress achieved Group-wide thus far.

The main areas identified in 2021 as offering potential for emissions reductions were as follows:

- air transport and car fleet: by reducing business travel (*i.e.*, travelling less) and making it greener (*i.e.*, travelling cleaner, for example by switching to electric vehicles for the car fleet or opting for more efficient routes/airlines);
- IT: the Group keeps a very sharp eye on its IT carbon footprint and has a special programme in place to reduce it – CSR by IT (see “Sustainable IT Charter”, page 319 and “Information Systems and IT infrastructure”, page 310);
- real estate: by using more renewable energies and benefiting from the reduction in consumption made possible by new ways of working post-pandemic (more remote working, smaller building footprint for the Group).

BREAKDOWN OF THE GROUP'S DIRECT CO₂ EMISSIONS IN 2022 AND 2021



* Transport of goods, including transport of funds.

NB: Data published in 2021.

		2019 Location-based ⁽⁴⁾	2019 Recalculated location-based ⁽¹⁾	2020 Location-based	2021 Location-based	2021 Recalculated location-based ⁽¹⁾	2022 Location-based	2022 Market-based ⁽⁴⁾
Overall Group carbon footprint	tCO ₂ eq.	292,741	257,353	223,857	191,246	164,880	167,998	152,405
Carbon footprint per occupant	tCO ₂ eq./occ.	2.38	2.11	1.81	1.55	1.39	1.43	1.30
Scope 1⁽²⁾	tCO ₂ eq.	26,722	26,824	23,999	24,415	24,531	24,777	24,336
Scope 2⁽³⁾	tCO ₂ eq.	143,791	113,792	118,495	110,981	87,546	75,743	60,591
Scope 3⁽⁴⁾	tCO ₂ eq.	122,228	116,737	81,363	55,849	52,804	67,478	67,478

(1) Change in scope due to the disposal of Rosbank, LLC Rusfinance bank, BRD Asigurari de Viata/BRD Pensii, and the addition of newly consolidated ALD Automotive subsidiaries (Limitada in Chile, Peru SAC, and SAS in Colombia).

(2) Scope 1 covers direct emissions related to energy consumption and fugitive emissions of fluorinated gases.

(3) Scope 2 covers indirect emissions related to energy consumption (external electricity, steam and chilled water).

(4) Scope 3 covers GHG emissions from all office paper consumption, business travel, waste, transport of goods and energy consumption of data centres hosted since 2017. In addition to satisfying a clear and firm demand from its stakeholders, the Group's consideration of its direct environmental impact is also a key factor in employee engagement and a source of innovative solutions.

NB: Location-based: method for calculating a company's CO₂ emissions from electricity consumption based on emission factors relating to the average electricity mix in the country in question.

Market-based: method for calculating a company's CO₂ emissions from electricity consumption based on emission factors relating to the suppliers from which it buys its electricity.

After consistently shrinking in recent years, the Group's carbon footprint remained relatively unchanged in 2022. Business travel (scope 3) started to tick up again post-Covid, although this was partially offset by further reductions in the Group's own electricity consumption (scope 2).

Note: there is some data uncertainty in the indicators reported for the Group's direct CO₂ emissions. The limits of the associated data collection, verification and reporting methods suggest that there is room for improvement in terms of data quality (for more information, see the Methodology note on page 354).

5.1.3.1.1 INTERNAL CARBON TAX AND THE ENERGY & ENVIRONMENTAL EFFICIENCY AWARDS

Through its Energy & Environmental Efficiency Awards, Societe Generale encourages its employees to come up with innovative environmental initiatives, awarding the best of them grants funded by the Group's internal carbon tax. These grants are spent on initiatives that have not only reduced the Group's environmental impact but also generated financial savings.

In taxing its entities' carbon emissions (at EUR 25/tCO₂eq. since 2022), the Group hopes to encourage greener habits and efforts to make its buildings more efficient, stimulate low-carbon investment, identify and seize low-carbon opportunities and reduce the environmental impact of its sourcing.

The 2022 awards recognised initiatives representing efficiency gains for the Group of EUR 1 million and 4,300 tons of CO₂.

5.1.3.1.2 GREEN IT – CODINGAME

Societe Generale has been talking to its employees and stakeholders about Green IT for a number of years. Following on from its signature of the Sustainable IT Charter and a series of masterclasses run by experts in the field, it has now turned to gaming as a way of communicating on sustainable IT and helping the Group towards its goal of a 50% reduction in its digital carbon footprint by 2025.

Developers are invited to take part in the international Green Circle* challenge: a serious game* developed by Societe Generale together with CodinGame. The idea behind the game is to get participants thinking about how they can adapt the way they code to reduce their environmental impact. Some 7,300 people representing around a hundred different nationalities took part, with the final leaderboard featuring 61 company teams and 67 university teams.

5.1.3.1.3 AN ECO-SCORE INTRODUCED IN FRANCE TO HELP WITH DECISION-MAKING WHEN PURCHASING PROMOTIONAL ITEMS

The catalogue of promotional items available to French entities now includes an “eco-score” to help buyers when deciding which suppliers to work with. This score, assigned to each item by a team of experts and representing its environmental and social impact, is an additional aid on top of the Group’s rigorous supplier quality and sustainability requirements. It is calculated based on seven criteria: provenance of the products, raw materials used, type of marking and ink used, recyclability, durability, packaging, and the regulatory standards met/certifications awarded.

5.1.3.2 Responsible use of resources

ENERGY CONSUMPTION

To address the energy challenges facing Europe today, the French government has launched an energy savings plan and relies on the widespread commitment of players in the public and private sectors.

Societe Generale participates in the national effort requested by the French government through an energy savings plan targeting a 10% reduction in its energy consumption (gas, electricity and fuel) within two years compared with 2019. Furthermore, it has signed the EcoWatt Commitment Charter drawn up by RTE* and ADEME*, which aims to improve electricity consumption and reduce the risk of power cuts in France. Societe Generale has implemented the following energy-saving measures:

- reducing the temperature of heating to 19°C and reducing the use of air conditioning in premises where the temperature exceeds 26°C. These measures will be managed internally for the Group’s main buildings in France, and locally across the 3,000 sites of the Societe Generale and Crédit du Nord networks;
- changing the level of lighting in our premises by modernising technical solutions, accelerating the installation of LEDs, and turning off lights in unoccupied offices as well as unnecessary light displays;
- moderating energy consumption by continuing efforts to reduce standby times for electrical appliances, screens and photocopiers.

These energy-saving efforts, together with measures implementing other legislative requirements (those of the French Decree on reducing energy consumption in service sector buildings, for example) will help achieve the overall, more ambitious CO₂ emissions target set by the Group for 2030.

RENEWABLE ENERGIES

Societe Generale is committed to the environmental transition and strives to reduce its carbon footprint by using renewable electricity and renewable biomethane gas.

For several years, the Group has been increasing the share of renewable electricity in its total energy consumption through Guarantees of Origin and the Power Purchase Agreement (PPA), which cover:

- since 2015, in France, all the Group’s corporate centre buildings;
- and since 2019, all Societe Generale and Crédit du Nord branch networks in France.

Societe Generale and Crédit du Nord also signed their first guarantee of origin agreement in 2021 to supply renewable French biomethane

gas to power all branches equipped with gas boilers. This three-year contract will reduce the French branch network’s gas carbon footprint by 80% per kWh, which equates to 4,341 fewer tonnes of CO₂ emitted per year. The agreement will support the renewable energy sector in France and help to develop the biomethane sector in France and Europe.

ALD Automotive announced that all of its French-based sites have been powered by French-sourced renewable electricity since 1 January 2021 (guaranteed by an independent third party), under its Move 2025 strategy to put sustainability at the heart of what it does.

Several entities have also embarked on the process of obtaining energy efficiency certificates for some of their buildings, such as in Romania, India and the Czech Republic. Others, mainly those of the AFMO (Africa and overseas France) BU, generate a portion of their own energy through solar panels installed on their buildings. Studies are conducted during real estate projects to expand this self-generation across various types of buildings (corporate centre buildings, bank branches, independent branches, car parks, etc.).

REAL ESTATE (OPTIMISING THE BANK’S BUILDINGS: SURFACES, TECHNOLOGIES AND ACCESSIBILITY)

Moving beyond energy supply, and as the Group intensifies its CSR efforts, the Real Estate Division is working with all sites in France and abroad to improve the Group’s building energy efficiency.

The Real Estate Division has set up an energy pilot programme for buildings larger than 1,000 m² to achieve the target of reducing building energy consumption by 40% by 2030, compared with 2019, as set by French regulations (French Decree on reducing energy consumption in service-sector buildings).

Since 2018, all French network branches have software producing a monthly breakdown of water, electricity and gas consumption data, thereby promoting the application of corrective measures, as required.

In addition, the Group’s Real Estate Division is implementing a 2021-2025 programme to manage the changes to corporate buildings and workspaces to keep pace with remote and hybrid forms of working that emerged during the pandemic.

The programme addresses three issues: the need for performance, combined with the challenges of providing clients and staff with a seamless digital experience, and the changes to jobs and how we work. The division also works with international entities interested in developing similar programmes. Key points include:

- responding to changes in the French Retail Banking business and the customer relationship model, digitalisation and automation of operations, and reconfiguring the layout of Bank branches;
- adapting business premises to factor in the needs of people with disabilities;
- in particular, the following real estate programmes were carried out:
 - seven Group entities in Lyons occupy approximately 5,000 m² of office space in the same property complex, chosen partly for its environmental certifications (BREEAM NC 2016: Very Good; HQE *Bâtiment Durable: Excellent*;
 - the new building in London is certified “BREEAM Outstanding”. In particular, the entity has a building management system to monitor heating and ventilation, which is essential to help reduce energy consumption,

- the new Sakura building complex in Fontenay-sous-Bois, just east of Paris, is designed to operate as a flex office. It offers various services (business centre, wellness areas, retail outlets, concierge service and responsible catering areas) to improve the users' everyday routine. Sakura has achieved several environmental certifications (BREEAM NC 2016: Very Good; HQE Bâtiment Durable: Excellent, WELL building standard, Core and Shell: Gold).

INFORMATION SYSTEMS AND IT INFRASTRUCTURES

Societe Generale has a long-standing commitment to responsible digital technology.

In November 2019, Societe Generale was one of the first companies to sign the Sustainable IT Charter to help limit the environmental impact of technology and promote digital inclusion.

For more information on this topic, see Sustainable IT Charter, page 319.

In 2019, Societe Generale launched the CSR by IT programme, which continued to be rolled out in 2022. Led by the Cross-business Information Systems Division, this programme comprises 300 digital experts who worked in 18 working groups in order to disseminate operational deliverables to all IT Departments Group-wide. This launch went hand-in-hand with the introduction of a united governance including the various CSR managers of the IT Departments. This programme's efforts were broken down into seven categories:

- norms and standards: defining and applying CSR criteria to existing Group methodologies (digital project, IS architecture, IT sourcing);
- developing CO₂ calculators: defining assumptions, benchmarks and calculation methods to develop CO₂ measurement tools;
- social responsibility: diversity and inclusiveness targets for developers and digital users;
- the IT foundation: measures to reduce the energy consumption of IT infrastructure and equipment;
- data and AI (artificial intelligence): assessing and reducing the environmental impact of data storage, transfer and processing;
- eco-design and e-accessibility: designing and developing a more energy-efficient and accessible information system;
- CSR transformation by design: disseminating CSR by IT methods, standards and tools within all entities as quickly as possible.

These efforts were effective in implementing the first energy-reduction measures:

- migrating our historical datacentres to more energy-efficient sites in France and abroad;
- optimising the energy consumption of our infrastructure, green energy use in France and abroad, and the recycling and reuse of end-of-life IT equipment;
- rolling out training and tools to support our 25,000 IT experts in practices relating to eco-design, green coding, responsible data, and e-accessibility;

- and lastly, developing a dashboard and calculator in-house to measure the carbon footprint of the Group's IT system;
- waste minimisation is covered in page 311.

In order to effectively monitor the implementation of the Group's Responsible Digital strategy, Societe Generale has developed its first calculator. This tool is used to measure the energy consumption of all infrastructure equipment hosted in the Group's datacentres or by third parties, to identify the energy consumption of all workplace equipment used by employees and external workers, to assess the energy consumption of Cloud suppliers, and to calculate the energy used by the buildings housing the Group's IT teams. The information is used to calculate the CO₂eq emissions generated by equipment, the activity of our IT teams, and that of digital service suppliers, depending on the local energy mix. These measures will be provided to the BUs/SUs, allowing them to track and adapt their trajectories and to contribute to the reduction target set at Group level.

Two further calculators are being developed and will be used first during project scoping and application design, and then at the end of the project or upon delivering the applications. The aim will be to assess the effects of various actions and, accordingly, to measure the emissions avoided through the Responsible Digital approach. These calculators are essential tools for team management and training.

Lastly, on the social front, three additional initiatives were introduced to include people with disabilities:

- integrating and supporting employees with disabilities, with assistance from Mission Handicap;
- sourcing from businesses in the supported and sheltered employment sector. The Group's principal IT Departments set themselves targets in 2018 with a view to increasing the proportion of IT services sourced from the supported and sheltered employment sector;
- making the Group's digital services accessible.

BUSINESS TRAVEL

As part of its commitment to reduce its carbon emissions by 50% by 2030 compared with 2019, the Group has launched special actions to minimise the impact of its business travel. Accordingly, since 2021, the Sustainable Development Department and the Group's Resources and Innovation Division have helped all Group BUs and SUs to identify the different qualitative and quantitative levers applicable – especially with regard to air travel and its fleet of cars.

Accordingly, the BUs and SUs have significantly reduced their air transport in recent years and should maintain this much lower level (compared with 2019) over the next two years. The BUs and SUs are kept informed of the carbon impact of each trip so that they can plan accordingly. By way of example, the BUs and SUs are advised to choose train over air travel, whenever possible, for all journeys of less than 3.5 hours. The proportion of electric vehicles in the Group's fleet of cars is steadily increasing in France and in other countries, where permitted, allowing it to further reduce the overall carbon impact of its business travel.

French Retail Banking launched Mobility Transition in 2020, an initiative to green its fleet of cars, which accounts for 60% of Societe Generale's entire fleet. It has three aims:

- comply with new government regulations designed to push carmakers into producing greener cars. One of the main pieces of legislation is the Mobility Law⁽¹⁾ (LOM);
- fit in with the overall CSR strategy to shrink the Group's impact on the environment;
- optimise costs.

Following this project, a new catalogue of cars has been developed and the lease terms extended from 48 to 60 months. Furthermore, 47 electric vehicles were ordered at the end of 2021, saving Retail Banking's vehicle budget around 9% in operating expenses over the period 2021-2022.

Optimisation of the fleet should be complete by 2023 with all diesel engines phased out.

With more electric vehicles comes the need for more charging points. A three-year contract has been signed with Mobilize Power Solutions, a Renault Group subsidiary, to install 190 electric vehicle charging points in the Societe Generale and Crédit du Nord networks (service for internal use only).

In another pilot to encourage cycling, French Retail Banking installed a shared electric bike station (in Marseilles), using a solution offered by ALD Automotive and its partner GREEN ON.

Electric vehicles will gradually replace the corporate fleet of Komerční banka (KB) in the Czech Republic. In 2022, ALD Automotive supplied 69 electric vehicles.

Lastly, the Group is planning to update its travel and car policies to reflect CSR targets.

RESOURCE MANAGEMENT DATA

	2019	2020	2021	2022
Energy consumption				
2025 target: reduce consumption by 35% compared with 2014 (848,654 MWh)	-19%	-30%	-32%	-41%
Total energy consumption (MWh)	687,590	589,750	580,767	497,692
Total electricity (MWh)	512,122	441,984	421,823	367,365
Share of green energy in Group electricity consumption (%)	48.9	50.5	52	
Real estate				
Group real estate (m ²)	4,000,000	3,250,000	3,170,788	3,091,097
Corporate centre buildings ISO 50001* certified (number)	22	22	21	21
Mobility				
Km travelled by all employees (in millions)	423	272	201	242
Number of electric vehicles in the Group's fleet of cars	n/a	n/a	n/a	680
Portion of electric vehicles in the Group's fleet of cars	n/a	n/a	n/a	30%

NB: Historical data are presented on a reported basis.

5.1.3.3 Waste management and the circular economy*

Societe Generale works on reducing consumption and waste of resources and also takes steps to cut down on food waste.

TACKLING FOOD WASTE

In 2019, Societe Generale signed the Charter against Food Waste and joined the non-profit *La Défense des Aliments* to team up with other companies from the business district to tackle the scourge of food waste.

In line with this commitment, the Group entered into a partnership in 2018 with another non-profit, *Le Chaînon manquant**, for the collection of leftover food from its cafeterias at La Défense and for meal distribution. This partnership was rounded off by several redistribution initiatives to donate leftover food from the Group's corporate events to

local charities. Lastly, Societe Generale uses the Too Good To Go* app to sell unsold products from four cafeterias (at La Défense and Val-de-Fontenay) to employees at a reduced price.

In the majority of cafeterias, the remaining waste is then sorted and methanised. The Group also works with a third non-profit, *Phenix**, to cut food waste and raise awareness about more responsible practices.

In France, the requirement to sort bio-waste at source has been brought forward under new legislation to 31 December 2023. But, without waiting for this deadline, the Group has already acted to introduce measures to process and reuse bio-waste. Since September 2020, all leftovers from the Group's cafeterias at La Défense have been composted by Les Alchimistes⁽²⁾ (specialist in the collection and composting of organic waste). Located close to collection sites, Les Alchimistes teams collect the waste from the Group's canteens in electric vehicles.

(1) Drafted by the Ministry of Transport, the Mobility Law (Loi d'Orientation des Mobilités, "LOM") overhauls France's December 1982 transport laws. It aims to improve transport links and make everyday mobility easier for all. Achieving these aims means new regulations on using different forms of transport: cars, bicycles and mopeds, public transport, etc.

(2) See more information (in French only) on Les Alchimistes here: <https://alchimistes.co/valorisation-biodechets-compostage/>.

PAPER

Societe Generale has reduced paper consumption (the main consumable used by service activities) by a range of measures in place across the Group, including good printing practices, moves towards digital rather than paper resources, and using recycled paper.

A Societe Generale representative sits on the Board of Directors of CITEO, a not-for-profit company formed from the merger between Eco-emballages and Ecofolio that promotes the circular economy*.

Societe Generale is increasingly digitising its product offering to make its services greener, more practical and more economical. French Retail Banking customers with life insurance or individual personal protection policies now have the option to go paperless and receive secure online statements and due date notices on their website for private customers.

In another responsible innovation for its customers, Societe Generale launched its first debit card made from recycled materials in 2021. French Retail Banking features the Smurfs for the card, echoing the United Nations' Small Smurfs Big Goals Campaign to call attention to the 17 Sustainable Development Goals⁽¹⁾.

These exclusive new Visa Evolution, Visa and Visa Premier cards in the Planet Smurfs Collection (made from 85.5% recycled materials and at no extra cost, due to the use of recycled PVC) are offered to individual customers.

The Group's new services reflect its commitment to protecting the environment, and these recycled PVC cards are part of a responsible approach to managing bank cards:

- made in France according to the strictest standards;
- limited quantities to avoid overproduction;
- eliminating the bulk of correspondence, using recycled paper and developing online services;
- waste collection, recycling and recovery system with certified partners:
 - Societe Generale processes dynamic cryptogram bank cards considered electrical and electronic waste as a priority; accordingly, these cards are collected in bank branches, sorted, and sent for recovery to the company *Atelier du Bocage* in the sheltered employment sector;
 - regular bank cards (without a dynamic cryptogram) recovered in the branches are destroyed and mainly sent to an incineration plant to produce energy.

WASTE MANAGEMENT

The Group strives to minimise the direct impact of its waste on the environment through recycling. Selective sorting in five streams (paper and cardboard, metal, plastic, glass and wood) is widespread in all Societe Generale branches and central buildings.

To encourage employees to sort their waste, individual waste bins are no longer provided in the new flexible workspaces in Corporate Centre buildings. Recycling sorted by category in "print corners", kitchens and cafeterias are essential to improving waste management in these buildings. On top of this, waste is further sorted before disposal where possible, resulting in an additional 20% improvement in sorting of ordinary industrial waste (OIW).

All the waste sorted in Corporate Centre buildings since 2021 was recycled, including paper (newspapers, sheets of paper, ads, boxes), plastic bottles, paper cups, cans, glass, wood, bulky equipment and furniture items, and, since September 2020, bio-waste from the cafeterias in Tours Societe Generale at La Défense.

For the most part, non-recycled waste (which includes surgical masks under government recommendations) is converted to energy in incinerators for use in urban heating.

The Group is also spreading the word amongst employees about the importance of steering clear of plastics and using recyclable materials. In November 2021 it committed to banning single-use plastics from the workplace by 2025, and earlier if possible, depending on location.

FURNITURE

The Group Real Estate Division is tasked with transferring occupants and outfitting workspaces in the Paris region, which were affected by changes in working habits due to the rise of remote and hybrid working. It is responsible for the supply and management of furniture (offices, meeting tables, chairs, cupboards, lockers, cloakrooms, etc.) for buildings according to the entities' needs.

When a new furniture bid is selected, the old furniture is stored until it can be used in new office layouts. However, some items do not meet the standards for new layouts and cannot be reused in the Group's buildings.

In keeping with the Group's CSR policy, the Real Estate Division has decided to revive this furniture. In 2022, the Group capitalised on the roll-out of the so-called *Déclic* layout concept to amplify this revival strategy. Furniture with a total volume of 2,515 m³ was resold, including 370 m³ to employees. Furthermore, 3,570 m³ was given to organisations in the *Talents & Partage* network, to public utilities (schools, police, gendarmerie, firemen, army and hospitals) and to ARES, a rehiring firm. Lastly, any obsolete items that could not be sold were collected for recycling by Valdelia.

CIRCULAR ECONOMY AND REDUCTION OF DIGITAL-RELATED WASTE

The effort to reduce digital waste went together with two complementary partnerships:

- giving a second lease of life to IT equipment for which the Bank no longer has any use. In France, end-of-life equipment is sent to Recyclea in the supported and sheltered employment sector, under a 2019 agreement. Where possible, equipment is reconditioned for resale to other companies within France and throughout Europe. Any items that cannot be reconditioned are sent for recycling in France;
- purchasing reconditioned devices. Since 2019, Societe Generale has partnered with a French SME to offer its employees telephones reconditioned in France;
- in October 2021, Societe Generale and Qarnot's partnership took a big step forward with the installation of 1,000 processing cores in a building in Kankaanpää, Finland. These cores are running pricing calculations for the Bank and at the same time, *via* associated digital boilers, contributing to the city's heat network. The setup is able to reuse 91% of the heat produced by the processing cores. This project will help Societe Generale's market activities reduce the carbon footprint of its price calculations by 80% compared to using classic cloud computing solutions;

(1) In 2017, the United Nations kicked off its Small Smurfs Big Goals Campaign to encourage the general public to buy into the 17 Sustainable Development Goals adopted by the 19 UN member states in 2015. For more information, see <https://www.un.org/press/en/2017/envdev1775.doc.htm>.

- in 2022, ahead of Cyber World CleanUp Day, the Group encouraged employees to clean up their data and reminded them that all digital files and data that are no longer needed continue to consume energy. In addition, they reduce the lifespan of digital devices and require additional equipment to be purchased to store the ever-growing volumes of data;

- the Group's Global Technology Services Department is working to develop My Digital Carbon Footprint, a solution that will indicate the carbon footprint of employees' digital activity to help control it.

	2019	2020	2021	2022
Waste management				
Waste production (<i>in tonnes; including methane gas production</i>)	14,653	11,633	9,402	7,913
Total waste recycled (<i>tonnes</i>)	8,432	5,224	3,950	3,434
% of recycled waste	58%	45% ⁽²⁾	42% ⁽²⁾	43% ⁽²⁾
Paper				
Total paper use ⁽¹⁾ (<i>tonnes</i>)	8,978	6,506	5,713	3,631
Proportion of paper recycled	44%	41%	42%	44%
Reduction of digital-related waste				
Items recycled by Recyclea	30,000	47,615	40,488	44,224

(1) Including office paper, documents for customers, envelopes, account statements and other types of paper.

(2) Stability in the proportion of recycled waste is due to the gradual elimination of recyclable single-use products (in particular plastic cups and bottles).

5.2 BEING A RESPONSIBLE BANK

The financial sector has essential resources to advance the current transition to a more responsible economy. At a time when leading global companies are working to achieve a low-carbon economy, financial players need to support them and to set an example. Over and above its conventional role as a financial institution, the Group believes it has a duty to reinvent itself in order to effectively facilitate its clients' ESG transformation by:

- helping them to better understand ESG challenges;
- making experts available to help them get to grips with their new environments;
- playing an active role in alliances to promote new standards and come up with new solutions.

The Group is fully aware of its role in the economy and strives to further its corporate purpose. As such, it has launched the holistic "Building together" initiative to work ESG aspects into all its activities and be able to bring its CRS goals to fruition. This approach is based on three considerations:

- 1. rethinking the banking profession:** revising the business structure to include new responsibilities while seeking to develop a holistic vision of the clients' professions as a way to work together to identify opportunities to ramp up their transition;
- 2. effecting the transformation:** systematically incorporating ESG considerations into all strategic decisions and the Group's processes, and applying them to the business lines;
- 3. fostering awareness by training teams:** providing ESG training to all employees.

These developments support the Group's commitment under the United Nations Principles for Responsible Banking. The present chapter sets out all the progress made in each of the six principles: Alignment (see "Taking action and building a sustainable future together", page 314 and "Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C", page 319),

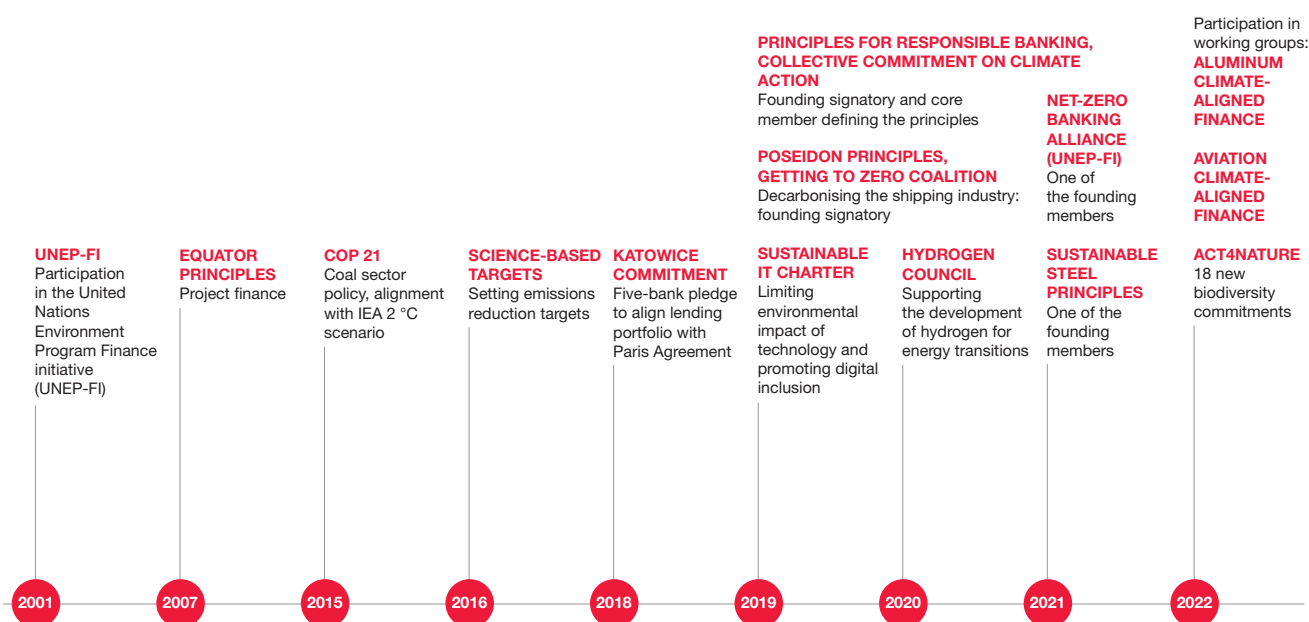
Supporting large corporates in their environmental and social transition", page 327), Clients (see "Client satisfaction at the heart of our dialogue", page 335 and "Protecting clients and their assets under all circumstances", page 338, "Respecting clients' interests and tackling discrimination", page 339), Stakeholders (see "Dialogue with stakeholders", page 335), Governance and culture (see "Incorporating CSR at the highest level of governance", page 343, "Rolling out a Code of Conduct based on shared values", page 345) and Transparency and responsibility (see "Acting in full transparency," page 348).

5.2.1 A COMMITTED BANK

5.2.1.1 Taking action and building a sustainable future together

Conscious that the banking sector has a key role to play in transitioning towards a sustainable future, Societe Generale has voluntarily committed to a number of actions designed to accelerate positive societal transformation. In light of socio-economic challenges, the Group prioritises collective initiatives to strengthen collaboration between financial institutions, private and public economic players, and civil society. **The Group has therefore helped found or participated in various global cross-disciplinary initiatives.** The environmental transition, in particular, calls for significant investment and a redirection of capital flows. Jointly developed methodologies and standards will enhance transparency and boost the impact of the positive changes made.

Societe Generale's resolve to help drive the transition towards a sustainable future prompted its active role in recent years in various partnerships aimed at promoting a common collective framework, and its decision to become a founding signatory of the Principles for Responsible Banking, and more recently a founding member of the Net-Zero Banking Alliance.



5.2.1.1.1 PRINCIPLES FOR RESPONSIBLE BANKING

Officially presented at the UN General Assembly in September 2019, the Principles for Responsible Banking aim to define the role of the banking sector in building a sustainable future, in line with the United Nations Sustainable Development Goals (SDGs) and the 2015 Paris Agreement on climate change. Societe Generale is a founding signatory of the Principles.

The six principles define a common framework that allows each signatory bank to make commitments aimed at increasing its positive impact or reducing its negative impact on society and the environment. The principles include aligning activities with the Paris Agreement goals and the United Nations Sustainable Development

Goals (SDG), setting targets in terms of positive impacts and reduction of negative impacts, providing responsible support to clients, consulting and cooperating with stakeholders, developing a responsible banking culture and governance, and making targeted and public commitments and subsequently reporting transparently on their achievement.

Societe Generale's CSR ambition aims to align the Bank with the Principles for Responsible Banking and to ensure it contributes to positive change for a sustainable future, as reflected in the Group's fourth Integrated Report (<https://www.societegenerale.com/sites/default/files/documents/2021-07/Integrated-Report-2020-2021.pdf>).

2022 UPDATE

- **Principle 1 – “Alignment” and Principle 2 – “Impact & Target Setting”:** see Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C (from page 319) and Supporting large corporates in their environmental and social transition (from page 327).
- **Principle 3 – “Clients & Customers”:** see Dialogue with the client base to ensure satisfaction (from page 337).
- **Principle 4 – “Stakeholders”:** see Dialogue with stakeholders (from page 335).
- **Principle 5 – “Governance & Culture”:** see Chapter 3 - Group governance (from page 70) and Chapter 5 - A respectful, transparent bank (from page 343).
- **Principle 6 – “Transparency and Accountability”:** see Acting with complete transparency (from page 348).

5.2.1.1.2 NET-ZERO BANKING ALLIANCE

As a Founding Member of the UNEP-FI's Net-Zero Banking Alliance in April 2021, alongside 42 other international banks that now total 120, Societe Generale has committed to:

- aligning its portfolios and activities with pathways consistent with a maximum temperature rise of 1.5 °C;
- setting itself targets to be met by 2030 (or sooner) and 2050;
- focusing as a priority on its most emission-intensive sectors that will have a major impact in transitioning towards a low-carbon economy;
- basing its alignment targets on credible climate scenarios published by recognised bodies;
- being transparent, through annual reporting on its progress and action plans.

Societe Generale has committed to setting a series of alignment targets within 36 months of joining the NZBA. Nevertheless, the Group has been combating global warming for many years already. In 2020, it set its first targets in the energy sector by implementing methodologies based on science and applied by all the Katowice Banks. Since joining the NZBA, Societe Generale has continued to set its short-, medium- and long-term alignment targets based on scenarios that don't exceed (or only slightly exceed) a maximum temperature rise of 1.5 °C.

2022 UPDATE

In 2022, Societe Generale ramped up the alignment of its portfolio with the energy sector poised as its top priority. After the target, set in 2019, to reduce our exposure to coal to zero by 2030 in EU and OECD countries, and by 2040 elsewhere, the Group has set new interim targets:

- accelerate the decarbonisation of financing connected to power generation: the Group has already considerably reduced the carbon intensity of its exposure to the power generation sector by improving the energy mix of its portfolio through increased financing of renewable energies together with a reduction in the highest carbon-intensive sectors. Societe Generale has set itself a new carbon emission intensity target for its exposure to the power generation sector of 125g of CO₂ per kWh by 2030 (the previous target was 163g of CO₂ per kWh by 2030). This target is slightly more ambitious than the IEA Net Zero emissions scenario of 138g CO₂ per kWh by 2030;
- accelerate the downward trajectory in the oil and gas sector: Societe Generale was one of the first global banks to commit to a short-term target to reduce its exposure to upstream oil and gas in 2020 (-10% by 2025 vs. 2019). After implementing practical measures, including a withdrawal from reserve-based lending for onshore assets in the United States, the Group has now raised its reduction target to -20% by 2025 (vs. 2019);
- on top of this, in line with the IEA Net Zero scenario, Societe Generale has set itself an additional target to reduce scope 3 absolute emissions linked to the end-use of oil and gas production by 30% by 2030 (vs. 2019).

5.2.1.1.3 COMMITMENTS AND WORKING GROUPS TO ALIGN CREDIT PORTFOLIOS

Poseidon Principles

Societe Generale is one of the founding signatories of the Poseidon Principles, launched in 2019 together with other banks that finance the shipping industry and in collaboration with the Global Maritime Forum. **The Poseidon Principles aim to promote a low-carbon future for the global shipping industry** by integrating climate decision-making into portfolio management and lending decisions in respect of ship financing. The Poseidon Principles are consistent with the goal of the International Maritime Organization (IMO) to reduce emissions from the shipping sector by at least 50% by 2050 compared to 2008 levels. Societe Generale has also announced that it has joined the Getting to Zero coalition, which aims to develop and deploy commercially viable deep-sea zero-emission vessels by 2030.

For more information, see Aligning credit portfolios in various sectors, shipping, page 321.

Sustainable STEEL Principles (SSP)

Following the work carried out by the Steel Climate-Aligned Finance Working Group, of which Societe Generale was a co-leader, and in partnership with the Rocky Mountain Institute's (RMI) Center for Climate-Aligned Finance, a non-profit organisation that started this initiative, the Group and five other major lenders in the global steel sector signed the Sustainable STEEL Principles (SSP, available at <https://steelprinciples.org/>), the first climate-aligned finance agreement for the steel industry. The SSP are a turnkey solution for measuring and disclosing the alignment of steel lending portfolios with trajectories compatible with 1.5°C climate targets. Designed to support the achievement of net-zero carbon emissions in the sector, they will also provide the tools for effective client and stakeholder engagement. They strive to offer a methodology allowing banks to measure and disclose the carbon emissions of their lending portfolios in relation to net-zero emissions trajectories. The agreement will thus inform banks of the carbon intensity of their steel lending portfolios to facilitate their alignment journey toward net zero and 1.5°C climate targets. The NZBA steel sector working group, comprising over 16 financial institutions, plans to consider the SSP methodology as one avenue for achieving a bank's NZBA commitment for the steel sector.

SSP signatories undertake to observe the following five principles:

1. standardised assessment – a methodology to measure the carbon emissions of lending portfolios;
2. transparent reporting – a framework to disclose progress annually;
3. enactment – instructions to obtain credible, high-quality carbon emissions data;
4. engagement – signatories are encouraged to support clients with net-zero transition plans and advise them on available financial products;
5. leadership – signatories are encouraged to use the framework for advocacy, in the interest of the decarbonisation of the steel industry.

The SSP were established by leading lenders to the steel sector and are ready for adoption by banks around the world.

Aluminum Climate-Aligned Finance Working Group

Societe Generale has joined the Aluminum Climate-Aligned Finance Working Group as a founding member, alongside top lenders to the aluminium sector, partnering with RMI's Center for Climate-Aligned Finance to help decarbonise the aluminium sector. The working group will create a collective climate-aligned finance (CAF) framework that defines how lenders can support the decarbonisation of the aluminium sector. By signing up to the CAF framework, participating financial institutions commit to assessing and disclosing the degree to which the emissions associated with their aluminium portfolios are in line with 1.5 °C climate targets.

The working group comprises senior metals and mining leaders from each participating financial institution and will be facilitated by RMI's Center for Climate-Aligned Finance. It aims to create a CAF framework in consultation with leading aluminium and climate organisations, such as the International Aluminium Institute and the Aluminium Stewardship Initiative. The framework will create consistency and transparency in both reporting and measuring progress against climate targets. Financial institutions that adopt the final CAF framework will be able to assess the emissions of their aluminium loan books and work with their clients to report their emissions, fund lower-carbon solutions, and support investments in new technologies.

The working group will establish the measurement methodology, emissions benchmark, data and reporting framework, and governance structure for the CAF framework in collaboration with existing decarbonisation initiatives. The working group will invite other financial institutions to adopt the CAF framework and help set global best practices on climate for aluminium finance.

Aviation Climate-Aligned Finance (CAF) Working Group

Societe Generale has joined the Aviation Climate-Aligned Finance (CAF) Working Group (<https://rmi.org/press-release/banks-chart-flight-path-to-decarbonize-aviation/>) as a founding member, along with five other leading lenders of the aviation industry. They will work together at defining a methodology and common targets to foster the decarbonisation of the sector. This working group will help establish common measurement methodologies and emissions targets related to aviation financing, thus creating a level playing field for the sector's lenders to measure their alignment against climate targets. Financial institutions will be able to further work with their clients to support their transition journey by funding lower-carbon solutions and supporting investments in new technologies.

Consistent with the UN-convened Net-Zero Banking Alliance (NZBA), the participating financial institutions will annually assess and disclose the degree to which emissions from aircraft, airlines and lessors that they finance are in line with 1.5 °C climate targets.

5.2.1.1.4 EQUATOR PRINCIPLES

Adopted by the Group in 2007 and since revised several times, the Equator Principles (EP) are one of the initiatives underpinning Societe Generale's E&S General Principles. In their latest version, dubbed the EP4, which entered into force on 1 October 2020, the

Equator Principles serve as a common framework for the financial sector and are designed to help signatories (136 international financial institutions across 38 countries as at 2 December 2022) identify, assess and manage the E&S risks associated with the major infrastructure projects they advise on and finance.

2022 UPDATE

In 2022, Societe Generale attended the EP Association's General Meeting and actively contributed to discussions regarding changes to the Association's governance rules and the production of guidance notes. Combining the strengthened biodiversity requirements of its sector policies and of the Equator Principles, the Group trained some 400 GBIS and International Retail Banking employees to use a tool for the early identification of biodiversity risks associated with the projects being considered for funding.

As in previous years, the Group published a report on its Wholesale Banking website describing how it had applied the Equator Principles over the year and listed those of its project financing transactions that fell within its scope. This report is available on the Group's website at:

https://wholesale.banking.societegenerale.com/fileadmin/user_upload/SGCIB/pdf/EQUATOR_PRINCIPLES_REPORT_2021.pdf.

5.2.1.1.5 GREEN INVESTMENT PRINCIPLES (GIP)

In Asia, Societe Generale signed the Green Investment Principles in November 2019. Defined by the China Green Finance Committee and the City of London's Green Finance Initiative, the GIP comprise seven principles for green investment, covering matters such as strategy, operations and innovation. They aim to guide financial institutions in adopting responsible practices in environmental and social (E&S) risk management and positive impact financial products in the countries targeted by the Belt and Road* initiative. The GIP Secretariat is also planning to compile a database of green projects to make infrastructure projects within these countries more transparent, while

bridging the information gap between financiers and project developers.

The GIP overlap with and bolster certain other commitments made by Societe Generale, such as the Principles for Responsible Banking, the Equator Principles and the UN-PRI, signed by Societe Generale Private Banking and Societe Generale Assurances.

They come into play mainly with investments in Asia, making the Group's rollout of its E&S risk management framework in the region a key factor when implementing them.

2022 UPDATE

At the fourth plenary meeting of the Green Investment Principles held in Beijing in 2022, Societe Generale was presented with the Best Green Finance Transaction Award. The award recognises the overall performance of signatories with respect to the four main aspects of the GIP: governance and strategy, risk assessment and management, investment and corporate footprint, disclosure and engagement.

Societe Generale contributed to the third GIP annual report, which sets out several best practices implemented by the Group.

5.2.1.1.6 HYDROGEN COUNCIL

In August 2019, the Group became a member of the Hydrogen Council, a global initiative launched in connection with the 2017 World Economic Forum in Davos by major companies operating in the energy, transport and industrial sectors. The Hydrogen Council now boasts more than 120 member companies from across the various industrial and energy sectors involved in the hydrogen value chain: energy, oil and gas, chemicals, commodities, metals and mining, equipment manufacturers, cars and trucks, and other forms of transport (air, rail, shipping). The Council estimates that, by 2050, low-carbon hydrogen solutions could meet 18% of the world's energy

demand and reduce annual CO₂ emissions by 6 Gt, illustrating its enormous potential for the energy transition (see the Hydrogen Council's November 2017 report entitled Hydrogen, Scaling Up). **Societe Generale intends to play an active role in developing these solutions.**

Societe Generale has joined the Hydrogen Council's new Investor Group, thereby reiterating its resolve – to push further ahead with its role in financing renewable energies – to use the Group's robust innovation, advisory, financing, and debt and equity structuring franchises to develop this energy of the future.

2022 UPDATE

Societe Generale helps hydrogen project leaders better understand how to attract investors and secure long-term financing for their large-scale projects. The Hydrogen Council's members work on a wide range of projects; as part of the Investor Group, Societe Generale focuses more specifically on financing for hydrogen transmission infrastructure and large captive fleets of hydrogen trucks. The Group gets involved upstream and discusses issues of financing and fixed assets with project leaders.

The year 2022 saw Societe Generale act as the sole financial advisor on the creation and structuring of the world's largest fund dedicated to clean hydrogen (Hy24) infrastructure, which has reached a total of EUR 2 billion (financed by industrial and financial sponsors). Backed by solid industrial expertise and offering significant investment potential, the fund is uniquely placed to unlock large-scale projects under development and accelerate the scaling-up of hydrogen markets. Societe Generale also acted as sole financial advisor to the Hy24 fund in a ground-breaking large-scale transaction closed in 2022 with an investment of EUR 200 million in HY2gen, alongside Mirova, CDPQ and T.EN. HY2gen develops, finances, builds and operates production facilities for green hydrogen and hydrogen-based e-fuels for land and sea transportation, aviation and industry worldwide.

Societe Generale Group's discussions with public and state bodies are invaluable in this respect, allowing it to offer an expert's perspective on questions surrounding how best to set up public financial support to facilitate the ramp-up of these new low-carbon technologies.

5.2.1.1.7 BIODIVERSITY

Helping to protect biodiversity is a natural part of the Group's actions to foster the environmental transition. It is one of the four key principles of its CSR goals. As a responsible economic player, Societe Generale contributes to the collective effort by way of proactive commitments, by supporting clients with their own actions, and by making its stakeholders aware of the challenges related to preserving and restoring biodiversity.

Societe Generale, a member of the Act4Nature alliance, made 18 new commitments in favour of biodiversity in November 2022. They concern:

- governance and training. The Group has committed to integrating biodiversity issues into its governance to define and implement the Group's ambition on the subject by presenting these issues at least once annually to the Committee in charge of Responsible Commitments, chaired by General Management. In terms of training, Societe Generale has committed to develop Group employees' knowledge on biodiversity issues by informing them of the Group's commitments and of dedicated training sessions on these topics;
- risk management. In addition to the Equator Principles and in application of updated sector policies, Societe Generale has committed not to finance dedicated projects located in IUCN I-IV sites, RAMSAR wetlands, UNESCO World Heritage sites or Alliance for Zero Extinction sites, for the following sensitive sectors: oil and gas exploration and production, mining extraction, upstream industrial agriculture, reservoir dams, thermal power plants, shipyards; projects dedicated to oil exploration and production in the Arctic; and projects dedicated to the exploration, production or trading of oil from the Equatorial Amazon as from 2022;
- client relationships. Since 2022, Societe Generale has furnished two new commercial solutions formed in conjunction with expert partnerships to promote reforestation and help foster biodiversity. To help its large corporate clients assess and reduce their impact on biodiversity, the Group has expanded its E&S assessment by including a point of emphasis on biodiversity to cover 100% of large corporate clients by 2024. As for its SME clients in France, from 2023 the Group will propose an E&S interview guide incorporating a biodiversity component to foster dialogue on environmental issues and will train 100% of its client relationship managers on biodiversity. For the SME clients of its African subsidiaries, the Group will raise awareness of biodiversity through the SME Centres. Societe Generale will provide its individual customers in France with an educational tool on responsible consumption (food, clothing, transport, etc.). Last, with respect to its real estate development activities, Sogeprom is working to obtain certifications such as

Effinature and Biodiversity* for residential projects with a green area larger than 500m, to promote the use of biosourced materials in its real estate projects in France, and to consider the increased use of wood in partnership with REI PROMOTION. This collaboration focuses on co-developing housing projects and managed residences;

- partnerships spanning assessment, dialogue, innovation, active contribution to international initiatives offering a common framework, such as TNFD, the SBTN Corporate Program and the Finance for Biodiversity Pledge.

The Group's 18 commitments are covered in more detail and publicly available here: <https://www.act4nature.com/wp-content/uploads/2022/11/SOCIETE-GENERALE-VA.pdf>.

Societe Generale also partakes in two international alliances that develop economic and financial standards which serve as a benchmark when taking into account biodiversity protection and restoration issues:

- the Taskforce on Nature-related Financial Disclosures (TNFD), an international initiative, is working to develop a framework to manage and report on nature-related risks allowing organisations (such as financial institutions) to identify and assess these risks, and act accordingly;
- the Science-Based Targets Network (SBTN) is a global network that aims to equip companies with the guidance to set science-based targets to manage their impacts and dependencies on nature, across their value chain.

Last, in 2022 the Group began dialogue with client companies operating in the most sensitive deforestation sectors - palm oil, soya and South American cattle - to assess their strategies to combat deforestation. As from 2023, the Group will only supply financial products and services to clients that have committed to:

- eliminate deforestation and land conversion in their activities, in their own operations and across the supply chain;
- implement and systematically require traceability of their value chains, and annually report on the progress made in terms of implementation and/or the proportion of activities that do not involve deforestation or land conversion.

Moreover, the Group has refused since 2022 to get in touch with prospective clients operating in the palm oil, soya and South American cattle sectors, and which have not committed to eliminate deforestation and land conversion in their activities in their own operations and across their supply chain, or to systematically trace their value chains.

5.2.1.1.8 SUSTAINABLE IT CHARTER

In November 2019, Societe Generale was one of the first companies to sign the Sustainable IT Charter to help limit the environmental impact of technology and promote digital inclusion.

The charter is a French initiative developed by the *Institut du Numérique Responsable* (INR, a French think and do tank) in partnership with the General Commission on Sustainable Development (CGDD) of the French Ministry for the Ecological and Solidarity Transition, WWF*, ADEME* (the French Environment and Energy Management Agency) and Fing* (a leading think tank on digital transformation). It was launched in June 2019 and now boasts 82 signatories spanning companies, non-profit associations, VSBs and SMEs, and public entities. For more information on the charter, see <https://charte.institutnr.org/wp-content/uploads/2020/10/english-charter-sustainable-it.pdf>.

2022 UPDATE

A detailed update is provided in the section “Being a company that cares about the environment”, paragraph “Information systems and IT infrastructures”, page 310.

In signing the charter, Societe Generale committed to:

- optimise digital tools to limit their environmental impact and consumption;
- develop accessible, inclusive and sustainable service offerings;
- circulate ethical and responsible digital practices;
- make digital technologies and services measurable, transparent and readable; and
- foster the emergence of new behaviours and values.

5.2.1.2 ALIGNING OUR ACTIVITIES WITH PATHWAYS CONSISTENT WITH A MAXIMUM TEMPERATURE RISE OF 1.5 °C

In keeping with the findings of the materiality survey (see Dialogue with stakeholders, page 333), Societe Generale has made the environmental transition its chief priority in the operational roll-out of its CSR ambition. The Group is keen to play an active part in combating global warming and moving towards a lower-carbon world economy. In terms of climate change, the Group's efforts – presented at the Shareholders' General Meeting of 17 May 2022 – centre on the following three areas:

- having a system to manage climate change risks (physical and transition risks – see Chapter 4, page 280);
- proactively managing the potential impacts of the Group's activities on the climate (through its proprietary activities – see Being a company that cares about the environment, page 307 or *via* its portfolio – see Chapter 4, page 281 and below);
- supporting the Group's clients in their environmental transition, especially by developing appropriate advisory and finance solutions (see Chapter 5, page 325).

The Strategic Oversight Committees and Cross-functional Oversight Committees reporting to General Management monitor proper implementation of the Group's climate strategy and set appropriate CSR targets in the roadmaps for each of the Business and Service Units.

The plan to align Societe Generale's loan portfolios was implemented following a decision by the Responsible Commitments Committee (CORESP) in August 2019. This plan aims to define indicators and identify scenarios to manage the Group's activities in keeping with its commitments to fight climate change. The project is supervised by the Chief Sustainability Officer and jointly governed by the relevant Business Unit heads.

5.2.1.2.1 THE VARIOUS CREDIT PORTFOLIO MEASUREMENT METHODOLOGIES

For Societe Generale, alignment commitments provide long-term guidance on credit exposures to ensure they are compatible with its commitments to fighting climate change, while also taking into account the environmental transition of the Group's clients as part of its credit risk management.

Societe Generale measures both its alignment and its financed carbon emissions to manage the impact of its activities on the climate. These two approaches are complementary. The absolute measurement of financed carbon emissions, which involves allocating the carbon emissions of its clients or financed projects to the Group's credit exposures, makes it possible to rank its priority portfolios. This overview does not currently allow for the appropriate management of loan portfolios. These methods still have many limitations: lack of quality data; the risk of double-counting related to the definition of scope 3; the underlying volatility inherent in the basis for allocating client and project emissions; and a lack of standardisation overall.

To define alignment measures, the Group aims to develop metrics expressed as outstanding loans, as carbon intensity or as absolute financed carbon emissions. These metrics, defined in relation to macroeconomic scenarios aimed at limiting global warming to 1.5°C, make it possible to aggregate an internally monitored measurement to manage alignment.

In 2015, Dutch financial institutions launched the **PCAF initiative** to develop a standard for measuring and reporting the greenhouse gas emissions attributable to their credit portfolios and investments. This initiative was extended to North America in 2018 and taken up globally in 2019. The PCAF standard provides methodological guidance for different asset classes. A company's emissions are assessed based on public disclosures or estimated according to the GHG Protocol*. They are then allocated to the financial institutions based on the proportional share of lending or investment in the borrower or investee (for more information, see the PCAF Standard – <https://carbonaccountingfinancials.com/files/downloads/PCAF-Global-GHG-Standard.pdf>). After an initial assessment carried out in 2021, the Group used this methodology to measure the greenhouse gas emissions of 95% of its loans to major companies in 2022. The calculations are currently based on monetary emission factors in the PCAF database, and when the data are available, the calculations are based on the scope 1, 2 and 3 emissions reported by clients. To implement its climate commitment, the Group developed an initial methodology in 2016 and set alignment targets for the coal sector (see below). In the wake of this initial step, in 2018 Societe Generale signed the Katowice Commitment (see https://www.societegenerale.com/sites/default/files/documents/Document%20RSE/les_engagements_de_katowice.pdf) alongside four other international banks (BBVA, BNP Paribas, ING and Standard Chartered). These signatory banks have been working with the 2°C Investing Initiative (2DII) on adapting the PACTA (Paris Agreement Capital Transition Assessment) methodology, initially developed for equity and bond portfolios, for use on credit

portfolios. This led to the publication of a first report on the application of this methodology in September 2020 (<https://2degrees-investing.org/wp-content/uploads/2020/09/Katowice-Banks-2020-Credit-Portfolio-Alignment.pdf>).

Since April 2021, the Group has made solid progress on setting alignment targets and relies on the principles defined by the NZBA alliance. The chart below summarises the Group's approach regarding the implementation of its pledge to align its lending portfolios.

ALIGNMENT Setting targets to decarbonise the portfolio						CARBON FOOTPRINT Identification of the most carbon-emissive sectors	
Goals	Methodology	PACTA/Katowice	Poseidon Principles	NZ Steel Initiative	French Banking Federation's approach	Under development	PCAF
Portfolio	Coal, oil and gas, power generation, cement, cars	Shipping	Steel	Residential real estate	Other priority sectors, based on the level of absolute emissions	All corporate lending portfolio sectors	

Considerations regarding data transparency and methodology are presented in the methodology note, page 354.

Considerations regarding transparent data and methodology

The indicators set out in this document are calculated based on multiple data and both internal and external information, which are subject to measurement uncertainties.

The data quality is subject to improvements

The current climate data are neither exhaustive nor widely available. They may also show inconsistencies as they are not aligned with global standards. However, as clients are increasingly adopting a framework for climate reporting and disclosure, the Group expects external data on emissions to become more accessible and reliable over time.

The indicators communicated in this document are subject to data uncertainties. The limitations of data collection, checks and communication, as well as the lack of techniques for reliable, standardised measurements across the sector, compromise data consistency, in particular with respect to methane. Although this situation is improving, it is of utmost concern to stakeholders that are working to decarbonise the sector.

The methodologies used are still stabilising

The existing calculation methods present considerable problems in terms of consistency, adoptability by sector players, and cross-sector replication. In a quest for a more consistent and market-accepted method for measuring and reporting on emissions, regulatory requirements and guidelines have been updated in recent years. These guidelines and requirements are still a work in progress and are expected to stabilise over time.

As the methodologies are further fine-tuned and the data improved, the Group will continue to study the impact on the calculation base, which could refine the calculations over time. The opinions and assessments are preliminary and therefore must not be deemed definitive.

5.2.1.2.2 ALIGNING ORIGINATION POLICIES AND CREDIT PORTFOLIOS IN VARIOUS SECTORS

Coal

In 2016, Societe Generale was one of the first banks to reduce its exposure to the coal sector by ruling out any further financing for coal mining or coal-fired power plant projects.

In 2019, the Group took its commitments up a level by announcing its target to reduce exposure to coal to zero by 2030 in EU and OECD countries, and by 2040 elsewhere. To achieve this, Societe Generale published a new sector policy for coal in July 2020. The policy sets out strict guidelines on how to support clients in the transition phase (https://www.societegenerale.com/sites/default/files/documents/Document%20RSE/politiques_sectorielles/politique-sectorielle-charbon-thermique.pdf).

The policy comprises two stages:

1. first, the Group has disengaged from those companies most exposed to the sector (i.e., for which thermal coal accounts for more than 25% of revenue), unless they have themselves already committed to withdraw from the sector. Accordingly, it has tightened its criteria for prospects in the sector;
2. in 2021, Societe Generale reviewed its total portfolio and discussed transition plans and a timeline for phasing out thermal coal with all its corporate clients that have mining or power generation assets.

The end of this section shows an indicator for financing coal extraction and production activities (gross commitment weighted by the share of borrowers' coal revenue – 100 base index at end-2019), calculated according to the Paris Agreement Capital Transition Assessment (PACTA) methodology defined under the Katowice pledge (<https://2degrees-investing.org/resource/credit-portfolio-alignment-katowice-report/>).

Oil and gas

In an economy that is still dependent on oil and gas, the energy transition is especially testing for the industry. Since an overly simplistic approach based solely on exclusions fails to take adequate and responsible account of energy security and the temporary needs of some developing regions, the Group has formulated a lending policy that excludes the riskiest extraction techniques and sets targets that are consistent with its climate commitments.

Since 2018, Societe Generale no longer finances the production of oil from oil sands anywhere in the world, nor does it finance any type of oil production in the Arctic. At COP26 in 2021, the Group announced that it was beefing up its commitments in several hydrocarbon categories and with respect to the safeguard of biodiversity in protected areas. Accordingly, it no longer finances:

- new projects with underlying activities involving the exploration and production of shale oil and gas, oil sands, extra-heavy crude oil, Arctic oil or Ecuadorian Amazon oil;
- pure upstream players for which these categories of hydrocarbons (shale oil and gas, oil sands, extra-heavy crude oil, Arctic oil or Ecuadorian Amazon oil) represent more than 30% of their overall production; and
- diversified players (upstream, midstream, downstream) for which the production of these categories of hydrocarbons contribute more than 30% to their revenues.

Moreover, no new mandates will be accepted for new greenfield projects to produce liquefied natural gas in North America. Lastly, the Group undertakes to increase protection of biodiversity by expanding the categories of protected areas in which no new hydrocarbon exploration and production projects will be financed. These commitments are set out in the Oil and Gas Policy, which was revised in 2022 and is available on the Group's corporate website: <https://www.societegenerale.com/sites/default/files/documents/csr/oil-gas-sector-policy.pdf>.

In 2020, Societe Generale was one of the first global banks to announce a short-term target for reducing its global exposure to the oil and gas production sector. It aimed for a 10% reduction by 2025 compared to 2019, in line with the projected decline in the use of fossil fuels by the economy on a trajectory compatible with the objectives of the Paris Agreement. Accelerating its drive to reduce its exposure to oil and gas production, the Group has raised its reduction target to 20% by 2025 (from 2019). Going even further, it has set a new target for 2030 (vs. 2019) for a 30% reduction in financed absolute carbon emissions related to end use of oil and gas production.

The metric used to check the target exposure is financing of oil and gas extraction (gross commitment to pure upstream players, weighted for diversified players by the share of revenue from extraction, on a 100 base index at end of 2019), as per application of PACTA methodology by Katowice Pledge banks. The metric for financed carbon emissions concerns the same financing scope and aims to reduce emissions from use of the oil and gas produced in the economy as a whole. Both these targets are set against the International Energy Agency's (IEA) Net Zero Emission 2050 scenario and based on the expectation that use of oil and gas will decline at a faster pace after 2025.

Power generation

In 2020, the Group committed to cut back on its financing for power generation projects by 18% by 2025 as compared to end-2019 levels. In 2022, the Group set a stricter target to reduce the CO₂ emissions intensity to 125g of CO₂/kWh by 2030, compared to the previous 2030 target of 163g of CO₂/kWh. The goal will be achieved by adjusting the energy mix it finances, reflecting both its decision to gradually exit the coal sector and positioning itself as a leader in renewable energies.

The indicator is measured applying the PACTA methodology by Katowice Pledge banks with a slightly higher target than the AIE's Net Zero scenario (138g CO₂ per kWh in 2030).

Steel, aluminium and aviation

The Group joined a number of task forces in 2022 to leverage financing as a means to decarbonise the steel, aluminium and aviation industries (see page 316 above). It will draw on the work of these alliances to define the credit portfolio alignment targets for these industries between now and April 2024.

Shipping - Application of the Poseidon Principles (see page 316)

The methodology and benchmark scenarios are set by the International Maritime Organization (IMO) and are available (in English only) here: <https://www.poseidonprinciples.org/finance/resources>.

Ports around the world have become severely congested as ships increase their cruising speed in a bid to meet Europe's considerable energy needs, largely due to geopolitical developments. This, combined with the residual and cumulative effects of the Covid-19 pandemic, has adversely affected the alignment score for the sector. We expect greater volatility in results in the near term, especially if changes in the Poseidon Principles are taken into account to align with a pathway compatible with limiting global warming to +1.5 °C.

Yet, even in this environment, Societe Generale's alignment score – although still not aligned – has improved from +23.7% to +15.4%. The rolling annual alignment score for freight ships dropped from +2.8% to +1.1% and from +68.4% to +45.2% for passenger vessels. During this transition period, the Bank will strive to align its shipping portfolio by pursuing its engagement and awareness-building work with clients.

Automotive (ALD only)

In its 2025 strategy, **ALD Automotive**, the Group's operational vehicle leasing and fleet management subsidiary, set a target to cut emissions from passenger cars delivered in Europe by 40% in the period to 2025 compared to 2019 (gCO₂/km NEDC standard⁽¹⁾), equating to 70 grammes expressed as NEDC correlated value. This is a more ambitious target than the emissions intensity threshold set in Regulation EU 2019/631.

(1) New European Driving Cycle. In 2021, most of the European market publishes data according to the Worldwide Harmonized Light Vehicles Test Procedure (WLTP). Conversion to NEDC will take place when official conversion metrics become available.

CREDIT PORTFOLIO ALIGNMENT: KEY FIGURES

Indicator	Scenario	Baseline	Target	Reduction target	End of 2021	Actual 2021
Thermal coal gross commitments (index 100)	Exit strategy	100 (2019)	0 (2030/40 OECD/RoW)	-100%	72	-28%
Oil and gas extraction gross commitments (index 100)	Oil & gas production 2050 IEA NZE	100 (2019)	80 (2025)	-20%	82	-18%
Power generation emissions intensity (gCO ₂ e/kWh)	Emissions intensity 2050 NZE (gCO ₂ e/kWh)	221 (2019)	125 (2030)	-43%	143	-35%
Shipping industry emissions intensity – alignment disparity target ⁽¹⁾	Emissions intensity, IMO Objective 3 (gCO ₂ /tnm)	+2% (2020)	0% (2050)	N/A	+15%	N/A
Deliveries of passenger cars by ALD Automotive in Europe, emissions intensity expressed in NEDC (gCO ₂ /vkm)	n/a	116 (2019)	70 (2025)	-40%	99	-15%

(1) This target is an alignment score. A positive alignment score means that the shipping portfolio is not aligned (it exceeds the decarbonisation trajectory). Conversely, a negative or zero alignment score means that the shipping portfolio is aligned.

European Taxonomy-eligible exposures

In accordance with the EU Taxonomy Regulation ((EU) 2020/852), the Group discloses its on-balance sheet exposures to eligible sectors since 2021. As required by this regulation, the disclosures are on

taxonomy-eligible economic activities mainly, with issues of alignment being addressed later on, in accordance with the regulatory calendar. The methodology is informed by the full series of European Commission opinions⁽¹⁾ for calculating the exposures presented below:

REQUIREMENTS		MANAGEMENT RULES APPLIED		Amount Q4 2022 (in EURbn)	% Q4 2022	Amount Q4 2021	% Q4 2021
Total Assets Balance Sheet (FINREP)		Total prudential asset corresponding to FINREP balance sheet		1,350.8	100%	1,311.0	100%
EXCLUDED FROM COVERED ASSETS	1 The proportion of trading portfolio	• FINREP Asset Class “Held for Trading” except derivatives		242.4	17.9%	229.8	17.5%
	2 The proportion of exposures to central governments, central banks and supranationals	• FINREP asset exposures related to corresponding portfolio		288.7	21.4%	255.1	19.5%
Total Covered Assets		Total assets accounting for denominator in the KPIs for EU Taxonomy 2022		819.7	100%	826.1	100%
COVERED ASSETS	3 The proportion of derivatives	• FINREP Derivatives Asset Class classified as “Held for Trading” or “Hedge Accounting”		109.1	13.3%	114.0	13.8%
	4 The proportion of on-demand interbank loans	• Loans and advances identified as receivables on demand with credit institutions (FINREP)		33.3	4.1%	27.0	3.3%
	5 The proportion of exposures to undertakings that are not obliged to publish an NFRD	• Financial and Non-Financial corporate exposures NOT subject to NFRD corresponding to the following cases: - Company and parent company outside EU - Company or parent company inside EU but not disclosing eligibility KPI		295.8	36.1%	289.3	35.0%
	6 The proportion of exposures to EU Taxonomy-non-eligible activities	• Financial and non-financial corporate exposures subject to NFRD to the extent of the non-eligible KPI part • Households excluding loans collateralised by residential real property		109.0	13.3%	112.2	13.6%
	7 The proportion of exposures to EU Taxonomy-eligible activities	• Financial and Non-Financial corporate exposures subject to NFRD to the extent of the eligible KPI part • Loans collateralised by residential real property or “Crédit Logement” • Local government exposures		147.0	17.9%	151.6	18.4%

NB: not all covered assets are included in the total sum of the individual items presented above. Items also include cash and cash equivalents, as well as other non-transactional assets that are not subject to a performance indicator.

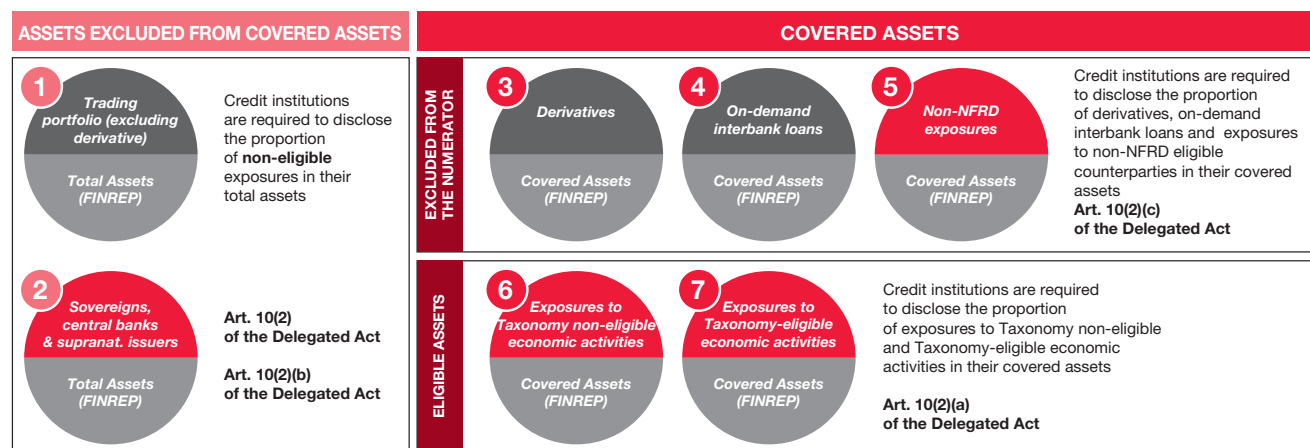
(1) European Commission's FAQs and Commission Notice.

The share of Taxonomy-eligible exposures in 2022 fell with respect to the 2021 level, driven down by the reduction in loans collateralised by residential property because of a more granular analysis of collateral types. The decline was partially offset by the inclusion of key performance indicators of counterparties disclosed in 2022 in respect of the 2021 financial year.

Methodology note

Under the EU's Non-Financial Reporting Directive (NFRD), transposed into French law through the Declaration of Extra-Financial Performance (DEFP), credit institutions are required to report annually

on the alignment of their activities with the EU Taxonomy, based on the scope of their prudential consolidation. Although these comprehensive reporting requirements, which will also comprise the Green Asset Ratio, will not fully enter into effect until 2024, credit institutions **must report on certain indicators from 31 December 2022 onwards**. This includes, in particular, disclosing the proportion of Taxonomy-eligible financing in their portfolios. The following diagram details the regulatory reporting requirements for financial year 2022.



Numerators in grey are based on FINREP aggregates

Numerators in red are either based on new ESG concepts or require a higher level of granularity than that provided in the FINREP statements

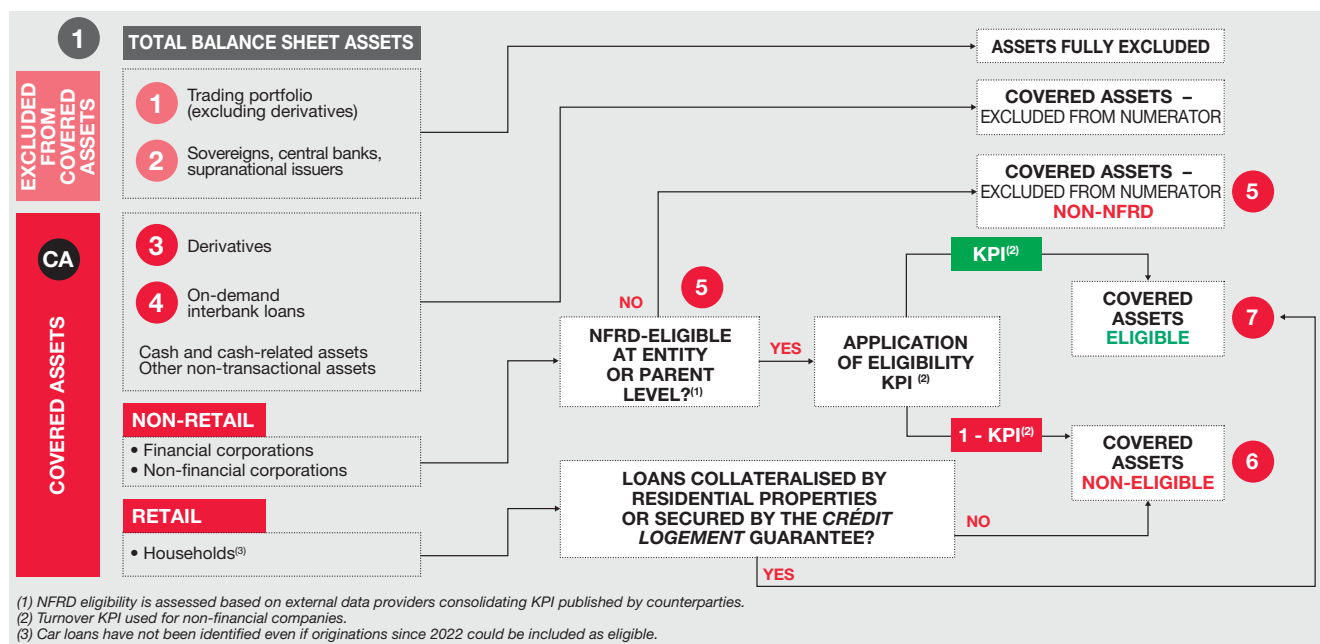
The Group has calculated the data needed for the requisite disclosures using the FINREP reporting format, which is employed when communicating with the banking supervisors, as the starting point for its balance sheet analysis. The difference between the balance sheet used to produce quantitative data required under the Taxonomy Regulation and the prudential balance sheet lies in the different treatment of provisions for the various assets, which are included in the prudential balance sheet but excluded when calculating the Taxonomy Regulation metrics. Following the entry into force in 2021 of the requirement to use the key performance indicators of eligible counterparties to calculate its own key performance indicators, the Group considered exposures for which no reported indicator is available as non-eligible. It deemed non-eligible those exposures for which no reported indicator could be identified. Eligible exposures were assessed at the level of application of key performance indicators, based on revenue for non-financial counterparties. Note that during the prior year, due to insufficient reported data, NFRD eligibility was assessed at the level of both the counterparty itself and its parent company, based on the following criteria: (1) EU residency,

and (2) headcount in excess of 500 at the reporting date, in addition to which the European Commission's FAQs rule out using the main activity (i.e. the NACE Code) as an eligibility criterion, making virtually all of the Group's corporate exposures automatically non-eligible.

Loans to local government were considered eligible in the amount of exposures to public social housing bodies (*Offices Publics de l'Habitat - OPH*). Car loans from 1 January 2022 and home improvement loans were deemed non-eligible as they could not be separately identified on the balance sheet, typically being included as part of the overall financing for the property.

Mortgage loans secured by a guarantee (such as the *Crédit Logement* guarantee, for example) were, however, considered eligible and accounted for most of the Group's Taxonomy-eligible assets.

The following chart sets out the decision-making process used to determine eligibility for the various FINREP balance sheet items, with a view to producing the performance indicators.



Gas and Nuclear

EU Regulation 2022/1214 added gas and nuclear to the list of Taxonomy-eligible and aligned activities (EU Regulation 2020/852). It also imposes specific disclosure obligations for these activities: the first is the reporting model for activities related to nuclear energy and fossil gas, which includes financing (dedicated or not). Concerning

models 4 and 5, which are also subject to publication obligations under the Delegated Act No. 2022/1214, available information is not sufficiently qualitative to produce a precise figure, given that data are dependent on Group clients publishing information which is still not to hand.

ID	NUCLEAR ENERGY-RELATED ACTIVITIES	YES/NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES

ID	FOSSIL GAS-RELATED ACTIVITIES	YES/NO
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using gaseous fossil fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using gaseous fossil fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using gaseous fossil fuels.	YES

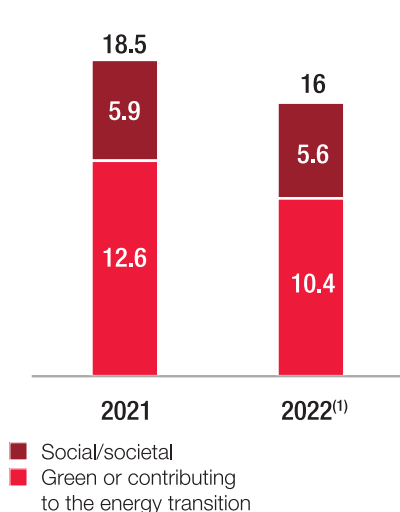
5.2.1.3 Supporting positive change

As a responsible bank, Societe Generale strives to help its clients on their pathway to a just, green and inclusive transition, in line with its own commitments. Sustainability concerns are an integral part of the services offered to all the Group's clients, covering corporate and investment banking as well as financial services. By placing sustainability high on the agenda, the Group aims to meet the increasing demand from the full gamut of stakeholders around the world – clients, corporates, investors and individuals – for banking with a positive impact on the economy and society overall. To achieve our aim of ensuring full client satisfaction and meeting their needs as closely as possible, Societe Generale carefully tailors its service offering by client category. Reflecting this goal, the Group's teams assist **large corporates in their environmental and social transition**. Its **retail bank** puts the expertise of its teams at the service of **local businesses and entrepreneurs** to offer them the right supports, tailored to their environment. The Group is also keenly aware of the

needs of its **individual clients to take action** and has developed a range of **responsible products and services** to promote responsible behaviour. Finally, reflecting its spirit of innovation, Societe Generale seeks to get behind new trends in society and pays special attention to the growing interest in **sustainable mobility and to new housing modes**.

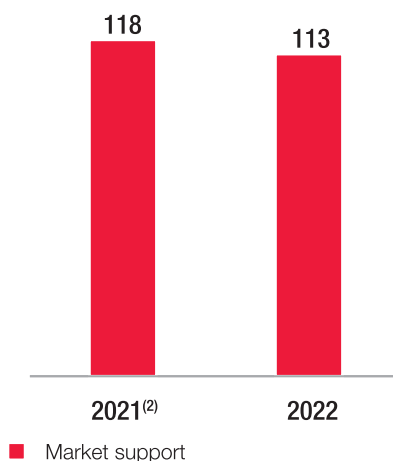
To have the tools to measure and track its positive impact and progress in guiding its customers, the Group developed a standard several years ago to measure the distribution of its Sustainable and Positive Impact Finance offer – SPIF* (see Glossary, page 683) products for lending to the economy and companies, together with a range of Sustainable and Positive Investment (SPI* (see Glossary, page 683) products. We have revised the SPIF and SPI standards and the data collection scope to reflect changes in the Group. Changes in the standard are presented in the Methodology note, page 354. SPIF and SPI data presented for previous years were based on previously published data, unless otherwise specified.

SUSTAINABLE FINANCE PRODUCTION (IN EURBN)



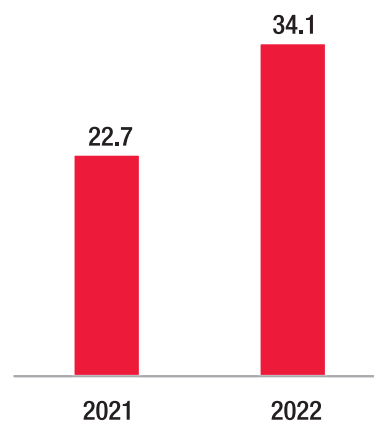
(1) Data including the more stringent criteria in 2022 concerning the scope of products considered.

SUSTAINABLE BOND ISSUES LED BY SOCIETE GENERALE (IN EURBN)



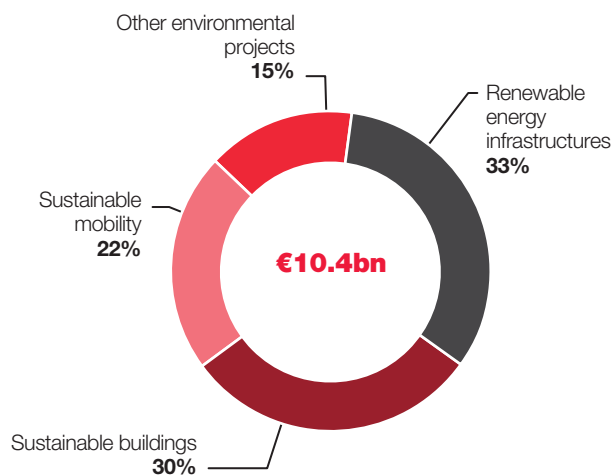
(2) 2021 data revised to include social bond issues.

SUSTAINABLE ASSETS UNDER MANAGEMENT⁽³⁾ (IN EURBN)

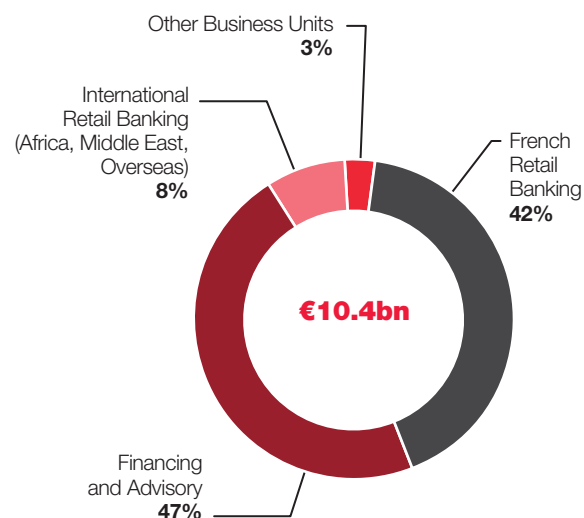


(3) 2022 data including Boursorama.

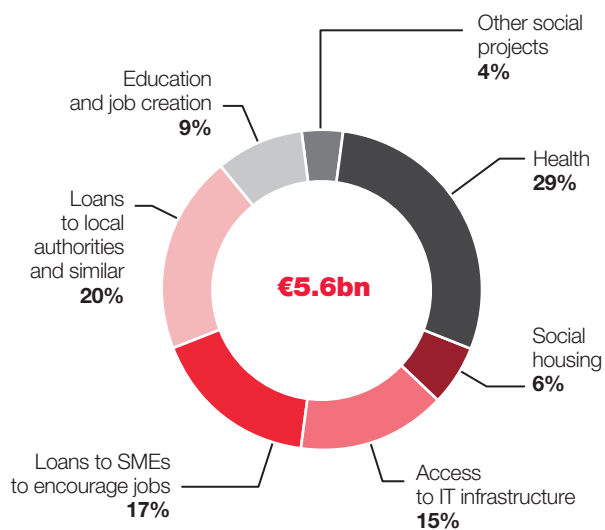
BREAKDOWN OF ENVIRONMENTAL SPIF PRODUCTION (2022)



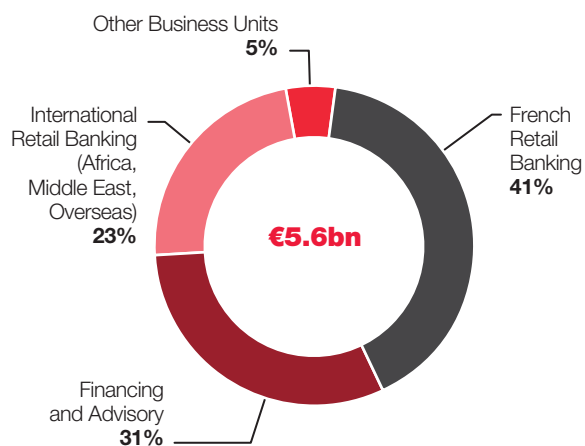
BU CONTRIBUTION TO ENVIRONMENTAL SPIF PRODUCTION (2022)



BREAKDOWN OF SOCIAL SPIF PRODUCTION (2022)

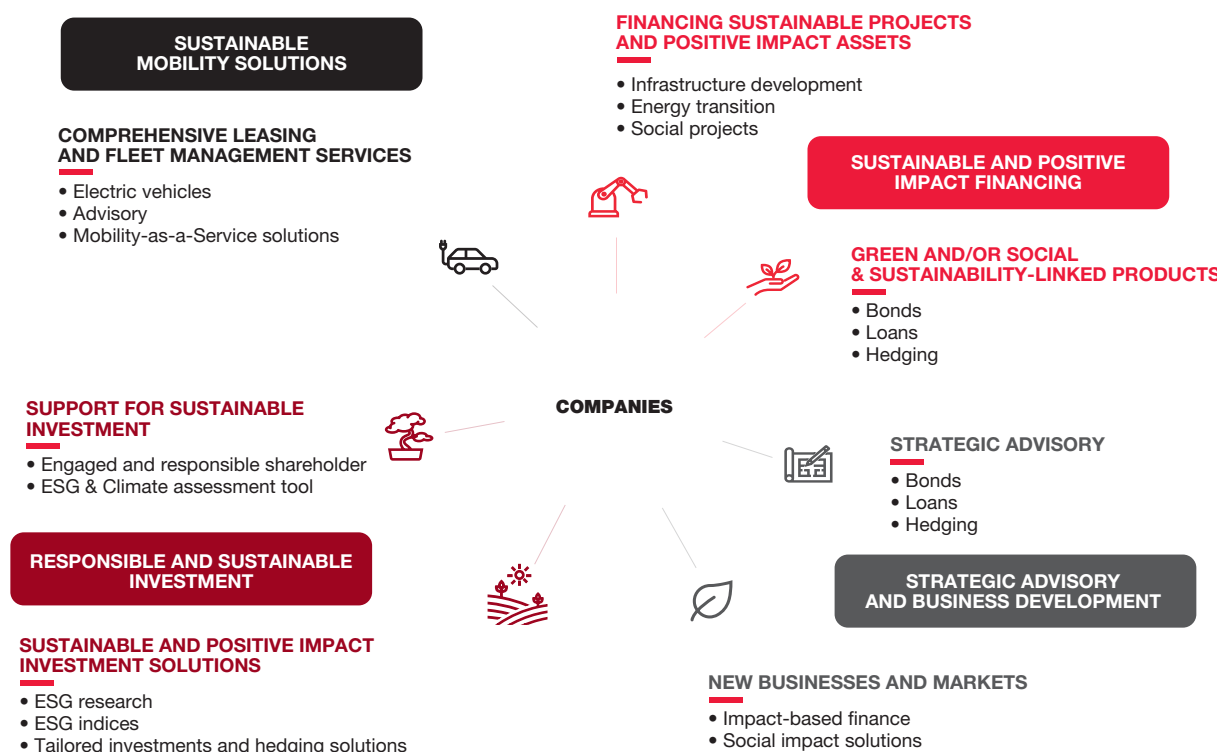


BU CONTRIBUTION TO SOCIAL SPIF PRODUCTION (2022)



5.2.1.3.1 SUPPORTING LARGE CORPORATES IN THEIR ENVIRONMENTAL AND SOCIAL TRANSITION

The Group's businesses worldwide are galvanising their substantial expertise in financial engineering and innovation to develop new sustainable investment and financing solutions to help finance the environmental transition.



Financing solutions and payment methods

Societe Generale constantly seeks to foster dialogue with large corporates on topics involving their ESG strategy. It aims to use its financial innovation capabilities to provide them with the **finance** products they need to expand their **positive impact**. It also contributes to financing the 17 sustainable development goals through its engagement with the UNEP-FI **Positive Impact Finance** initiative. To build in this ESG approach with our clients, the Group has developed a suite of **impact-based finance*** products. In addition to conventional finance, Societe Generale has **responsible solutions** for financing **capital goods, cash management and payment solutions**. To grow its impact-based finance range, the Group reviewed its businesses in 2022 to **align them as tightly as possible with what clients need** as they undertake the changes required to address the challenges ahead.

POSITIVE IMPACT FINANCE AND CONSULTING

The Group offers a wide range of products tailored to its customers' ESG strategies, including:

- **green, social and sustainable loans, bonds and securitisation issues*:** Societe Generale has developed a suite of green and social loans and bonds that generate social benefits and include a sustainability component. The range links the financing structure to the achievement of ESG goals, encouraging customers to step up their sustainability efforts. With this tailor-made structured range of products, which include an incentive component, the Group works hand in hand with its clients to help them formulate their sustainability goals and CSR targets. Over and above its own balance sheet commitments, the Group is very active in **issuing green, social and sustainable bonds, with more than 370 bond issuance mandates managed since 2013 for a total issuance volume of more than EUR 400 billion**. In addition and to tap into an additional source of refinancing its commitments, Societe Generale adopted a framework in 2020 governing its own sustainable bond issues. At 31 December 2022,

the Group had issued a total volume of EUR 8.874 billion in sustainable and positive bonds since 2015 (for more information on the Group's Positive Impact Bond Framework, see https://investors.societegenerale.com/sites/default/files/documents/2020-11/sg_sustainable_and_positive_impact_bond_framework_June_2020.pdf);

- **ESG Advisory:** the Group has developed products and services to guide clients as they step up their extra-financial performance with a view to accessing the financial markets. They are backed by the expertise of our E&S Advisory and Impact Finance Solutions team, whose role is to analyse specific customer needs and assist them in their positive impact* projects by selecting or structuring the right solution for them, in line with the Group's own commitments.

UNEP-FI POSITIVE IMPACT FRAMEWORK

Societe Generale has been at the forefront of the **UNEP-FI's Positive Impact Initiative**, which brings together more than 450 financial institutions (including 300 or more banks) from around the world to work on laying down the principles and methods for the financial community to augment the positive impacts and mitigate the negative impacts working towards the 17 SDDs. Positive Impact Finance means all activities that 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, across all sectors. Within the Corporate and Investment Bank, a methodology has been developed and aligned with the Model Framework: Financial Products for Specified Use of Proceeds, published by the UNEP-FI (click here: <https://www.unepfi.org/positive-impact/unep-fi-impact-analysis-tools/model-frameworks/>), which sets out the major steps and criteria for identification, assessment and monitoring of funding in support of specific Positive Impact projects or assets. During the identification phase, transactions are pre-selected based on the business sector, the geographic location of projects or assets, and their ability to generate a

material positive impact on various impact categories (e.g., improved energy efficiency, the circular economy*). This phase is useful in anticipating the significant positive impacts triggered by eligible transactions. The assessment phase involves evaluating the materiality and demonstrability of the positive impacts generated by the projects or assets in the impact categories selected in the UNEP-FI Impact Radar (<https://www.unepfi.org/positive-impact/impact-radar-mappings/>). The team of E&S experts has developed a series of performance indicators and analysis tools to measure positive impacts while ensuring acceptable identification and management of any negative impacts on the three pillars of sustainable development. The methodology for analysing Positive Impact Finance is updated regularly to factor in market developments and regulatory changes, such as the EU taxonomy.

IMPACT-BASED FINANCE APPROACH

Alongside responsible finance products, the E&S Advisory and Impact Finance Solutions experts are putting together impact-based finance products for global banking clients. The focus is on analysing impacts to advise and guide clients as they shift towards incorporating the United Nations SDGs into their business model, but struggle to finance their investments. We help clients take a detailed look at environmental and social aspects with the ultimate aim of augmenting the positive impact of their projects, facilitating funding and achieving economies of scale. The model is built on three steps:

1. **augment impact:** by providing multiple services and pooling costs, projects can generate more social, environmental and economic impacts, as well as additional revenues. Reducing the “cost-to-impact” increases profitability, strengthens resilience and generates an appetite for financing;
2. **improve credit quality:** Societe Generale provides expert structuring advice to improve credit quality using blended finance* and aggregation vehicles* to reach critical mass for placement in the global private debt and equity markets;
3. **make the most of digital:** throughout the process, we focus on using digital technologies to combine services, create more value, as well as to collect and analyse data on operational performance, payment track record and impacts to demonstrate the project's success and support its scale up.

EQUIPMENT FINANCING

The Group finances sustainable assets in five business segments: Technology, Industrial Equipment, Health, Green Energy, and Transport. In conjunction with manufacturers, energy service suppliers and specialised financial intermediaries, Societe Generale Equipment Finance incorporates circular economy principles into its financing solutions. In so doing, it fosters the transition from a model based on asset ownership to models connected to an asset's life cycle.

A COMPREHENSIVE CASH MANAGEMENT* AND PAYMENT SOLUTIONS RANGE

The Group also aims to offer a full range of sustainable solutions for its clients' cash management and payment solutions needs. ESG offers comprise export financing, cash management and factoring/reverse factoring solutions that incorporate ESG features, such as:

- **green, sustainable export finance*:** the Group's finance offer focuses on five main sectors: renewable energy, hydrogen, clean transport, waste management and sustainable water use. The sustainable export finance offer aims to support the Group's customers who have embarked on a genuine transition to a more sustainable business model. Based on an incentive mechanism, Societe Generale undertakes to adapt its financial terms to the CSR targets set with its customers, lending active support to its clients' transition;
- **payments and cash management*:** the Group has a range of sustainable or sustainability performance-linked guarantee solutions, sustainable loans for working capital and sustainable liquidity support;
- **factoring/reverse factoring*:** Societe Generale has receivables financing programmes with built-in E&S indicators to bring clients closer to their social and environmental goals, as well as reverse factoring products with social criteria to optimise supply chain financing by pre-funding supplier payables. What is more, supply chain financing based on client-specific environmental and social criteria gives them the opportunity to have an even greater impact, while boosting their visibility.

To offer a broader range of sustainable solutions in Transaction Banking, the Group drafted and published a Framework document, which was approved by an independent third party, to scaffold the development of new products and services in the future.

REVIEWING WHAT WE ARE DOING TO HELP CLIENTS IN THEIR TRANSFORMATION

As our clients press on with their transformation, they need a bank to partner closely with them. In 2022, the Group launched a **transformation policy** to face up to these new challenges and seize emerging opportunities in moving to a net-zero economy and developing more sustainable business models. The central aim is to reshape the Group's **lending businesses** by developing a joint model drawing on cross-cutting expertise, an analytic approach to lifecycle analysis, and by applying this across the value chain of a given economic sector. Lastly, an ESG sector package will be provided to the sales teams as a tool to assess clients' ESG strategy challenges and goals and craft action plans to drive their transition programmes.

Offering sustainable and positive investment (SPI/SPIF) products for investors

Societe Generale offers a comprehensive range of products and services, devised by a team of experts, for professional investors and corporates to give access to a wide gamut of issuers – sovereign, supranational, agencies and large corporates – picking from solutions that stretch from vanilla to tailored. It has ESG-indexed products based on internal research or on our partner network of ESG data providers.

The Group also issues structured notes that incorporate ESG criteria. They are issued in five main sustainable and positive impact investment (SPI) formats:

1. positive impact notes*: Societe Generale has created a range of products to give customers the opportunity to invest in tailored products and promote positive impact financing. These products are flexible to adapt to a wide range of investment objectives (maturity, capital guarantee at term, etc.). The Group has undertaken to hold positive impact financial assets on its balance sheet equivalent to the nominal amount of the securities, throughout the entire holding period;
2. repackaging green or social bonds: Societe Generale can issue bond-repacked notes whose funding source is the yield on a third-party green bond and whose coupon is tailored to the investor's request;
3. green, social or sustainable notes issued by a third party: the issuer earmarks the equivalent of the funds raised to finance or refinance sustainable projects, or is a recognised pure player in this type of funding;
4. charity notes: the Group undertakes to sponsor a charitable organisation for a proportion of the amount raised on the notes;
5. positive contribution notes*: the investor contributes by investing in positive-impact initiatives, such as agro-forestry and CO₂ emission reduction, through the voluntary carbon market.

Socially responsible deposits are another element of our Sustainable and Positive Investment offering for corporate clients. Societe Generale matches the funds collected with an equivalent amount in short-term loans to corporates with high ESG ratings (according to an internal methodology), or for commodity finance transactions selected according to ESG criteria.

ESG RESEARCH

At the heart of the Bank's market activities since 2006, Societe Generale's ESG research specialises in providing expert advisory services on environmental, social and governance topics. In 2020, Societe Generale was the first bank to systematically integrate ESG criteria in its fundamental analysis, valuations and recommendations on equities, with the aim of providing a framework to help investors make informed decisions by combining traditional financial metrics with financially relevant and actionable analysis of ESG issues. Such innovations are in addition to the advisory services the ESG research team provides clients, for example covering the plethora of new ESG regulations being deployed by states and regulators.

SECURITIES SERVICES

Societe Generale Securities Services (SGSS), a specialised Group subsidiary, caters to a broad spectrum of professional clients, including investment firms and institutional investors, offering insights to help design and implement their ESG strategies. SGSS's offering ranges from services for asset managers across the entire lifecycle of a fund, helping them achieve their sustainable investment goals:

- our front-to-back "Crosswise" offer provides an integrated solution to manage ESG data. Developed in partnership with SimCorp, a leading provider of integrated investment management solutions, the software helps asset managers to capture ESG and financial data together to optimise portfolio management. As a result:
 - the data is collected directly in the management tool,
 - ESG indicators are factored into each fund's ESG definition and strategy, as described in the prospectus,
 - the management rules are configured directly in the tool, as well as how they are applied to the financial data,
 - ESG data comes into play throughout the operational processing chain, especially for pre-trade and post-trade checks. The aim is to leverage and manage the data for regulatory reporting needs (SFDR, Taxonomy or European ESG Templates (EET) and Management Reports for investors;
- partnering with some private asset specialists, a comprehensive operational solution to produce and administer questionnaires to gather the required ESG data from companies or properties the funds are invested in, including data quality controls, for regulatory reporting or management reporting needs;
- ESG reporting services, based on MSCI data, offering institutional investor clients whose assets are managed by different asset managers the ability to manage their ESG objectives on a consolidated basis;
- a comprehensive order routing service for postal votes in General Meetings that includes access to consulting firms for voting options on the resolutions put forward, according to the strategies defined by clients for their investments;
- integration of ESG criteria stated by asset managers in their prospectus in depository controls.

For its part, **Societe Generale Assurances** also contributes to local communities and infrastructure development in France and in Europe. When making property investments, Societe Generale looks for highly energy-efficient assets and the most respected certifications (for construction, renovation and operating efficiency). The Group's environmentally certified property assets were valued at a total of EUR 4.2 billion at the end of 2022 (vs. EUR 3.4 billion at the end of 2021).

SUPPORTING LARGE CORPORATES AND INVESTORS: KEY FIGURES

	2020	2021	2022
Production of Positive Impact Financing according to the UNEP-FI methodology	EUR 5.2bn	EUR 7.5bn	EUR 4.2bn
Sustainable bond issues led by Societe Generale (annual volume)	EUR 36bn	EUR 118bn ⁽²⁾	EUR 113bn
New credit lines indexed to environmental and social performance	EUR 4.2bn	EUR 11.1bn	EUR 8.8bn
Sustainable and positive investments (SPI)			
Volume of investment products referenced to indices or baskets subject to ESG selection or linked to sustainability themes ⁽¹⁾		EUR 8.1bn	EUR 11.2bn
Positive impact notes* and Positive impact "support" notes*			
Inflows	EUR 300m	EUR 386m	EUR 818m
Total inflows from the start	EUR 1.3bn	EUR 1.7bn	EUR 2.5bn
Socially responsible deposits (production)		EUR 1.3bn	EUR 1.3bn

(1) Including products referencing indices that comply with ESG selection processes or related to sustainable themes.

(2) 2021 data was revised to include social bond issues.

5.2.1.3.2 SUPPORTING LOCAL BUSINESS AND ENTREPRENEURS

Where it has a presence, the Group seeks to work alongside craftspeople, entrepreneurs, start-ups and businesses of all sizes – throughout their professional lives and business cycles – to help create and protect jobs.

Fostering company creation and supporting professionals

FRENCH RETAIL BANKING

To guarantee a long-term partnership, the Group has established a dedicated organisation relying on more than 32 regional business centres, a longer term of office for Business Advisors, and more than 550 Customer Relations Advisors. Moreover, Societe Generale is guided by more than 400 experts to meet specific requirements in terms of cash and cash flow, payroll, employee savings schemes, factoring, international business, long-term lease and investments, and provides its customers with regional Corporate and Investment Banking hubs. Societe Generale devotes more than EUR 20 billion every year to financing the economy.

Through its **"Societe Generale Entrepreneurs" sales strategy**, the French Retail Banking network provides corporate executives and shareholders with a range of services and solutions geared to addressing strategic issues. It combines diverse expertise in financing and investment, wealth and property management, pooled in regional divisions to better support key stages of the development and transfer of ownership of their business.

The French Retail Banking network is also a partner to 84 local branches of the nationwide non-profit organisation Initiative France. These 84 branches supported 20,265 companies in 2021, thus creating or saving 56,095 direct jobs. In addition to Initiative France's own interest-free loans, Societe Generale Retail Banking in France granted 636 loans for a total of EUR 73.4 million to entrepreneurs supported by the organisation (figures disclosed by Initiative France). In partnership with France Active Garantie, the leading solidarity finance provider, the Group has been working to help VSBs and solidarity-based companies secure bank loans. As part of this partnership, Societe Generale funded projects to the tune of EUR 3.6 million as at end-October 2022 (vs. EUR 2.5 million in 2021).

In addition to providing full support to its professional customers with two expert advisors – one for professional and the other for private matters – and a simplified bank with a range of digital solutions, the Group has expanded its product offering for professionals by acquiring the neo-bank Shine. **The offer combines a fully online bank account with support in administrative management for entrepreneurs (billing, calculation of taxes and contributions, simplified accounting, etc.).** Shine has received the international Certified B Corp. label, which recognises its commitment in six areas: environmental performance, social performance, staff, governance, community and customers. The Group markets Shine products to professional customers that prefer all-online management and low-cost services. The Shine acquisition positions the Bank to offer a broader range to business clients as their business and needs change, including expert advisors – without changing banks. As well as their complementarity, the tie-up between Societe Generale and Shine is generating broad synergies across the Group. Services, such as credit, insurance, and payments, can be offered to neobank clients, in accordance with Shine's mission to simplify banking for business. Against this backdrop, in 2021, Shine developed a range of loans designed specifically for self-employed individuals and small businesses. This unprecedented offering has two goals: continuing to simplify entrepreneurs' daily activities through easier access to loans, and promoting a responsible vision of entrepreneurship by supporting businesses committed to an entrepreneurial approach. For the first time, this fully online offering gives the self-employed and small businesses committed to improving society and protecting the environment a special rate based on a list of predetermined social and environmental criteria, such as conducting a carbon assessment, organising training for greater diversity and inclusion, setting up a responsible sourcing policy, and qualifying for labels like B Corp, Lucie or ISO 26000. Entrepreneurs meeting some of these criteria will benefit from preferential terms. This approach aims to reward the most committed businesses and to motivate others to undertake a similar commitment.

In Africa, small- and medium-sized companies are central to economic development. Accounting for 90% of private companies and hiring 70% of the rural population, they are essential in driving the emergence of the African middle class and greater access to jobs. SMEs represent two-thirds of Societe Generale's African corporate client base. The Bank is set on adapting its processes to provide more efficient support and help them succeed, while also playing its part in weaving a dynamic local economic fabric. Take for example the decision to increase its outstanding loans to African SMEs by 60%

between end-2018 and end-2022. Although this target was blown off-course by the effects of the pandemic and economic crisis in 2020 and 2021, Societe Generale maintains its ambition to help and support SMEs with a robust growth target for this market by 2025, drawing on several revitalised systems in the Bank. SMEs are already showing successful results, notably in West Africa – encouraging the Group to continue its efforts.

One of the stand-out features of this initiative is the concept of SME Centres, with the very first one opening its doors in 2018. SME Centres are now serving the needs of SMEs and VSEs in eight African countries: Senegal, Burkina Faso, Côte d'Ivoire, Benin, Ghana, Cameroon, Guinea-Conakry and Madagascar. Societe Generale has teamed up with local partners to set up these SME Centres, which are specifically suited to the needs of sub-Saharan African businesses, to offer financial, legal and accounting advice, training, mentoring programmes and a co-working space, all under one roof.

Alongside other agencies and organisations supporting the development of SMEs, such as AFD-Proparco, Bpifrance, Investisseurs & Partenaires, the Réseau Entreprendre and local players in each country, Societe Generale is eager to launch an initiative to make the most of these combined strengths to boost support for SMEs. Helping SMEs to organise their efforts to obtain funding, giving them access to comprehensive resources, covering all funding channels and helping them to get training to expand their business are all challenges of the multidimensional, coordinated support provided by the players involved. There are already several partnerships in operation, such as AFD-Proparco and the ARIZ guarantee, with Societe Generale being the first to use the AFD risk-sharing mechanism on the continent; Bpifrance Université, which has posted online training sessions dedicated to business managers in Côte d'Ivoire and Senegal; Investisseurs & Partenaires; ADEPME in Senegal; the Upgrade Office in Senegal; and the Réseau Entreprendre (partnership in Morocco, Senegal and Tunisia).

Promoting their environmental and social transformation

2022 saw Societe Generale and Crédit du Nord launch a comprehensive suite of services for corporates, SMEs and mid-caps centred on switching to a more sustainable business model. They include new advice and finance solutions offered in conjunction with leading partners. The initiative is built around:

- **environmental and social loan (PES):** the PES is intended to fund sustainable development projects (improving energy efficiency, renewable energies, low-carbon transport, waste and water treatment and recycling) and projects that benefit society as a whole (funding social and solidarity businesses and non-profits, funding education and training, social housing, etc.). Upon providing documentation on the specific nature and characteristics of the project for financing, clients can take out an environmental and social loan with a term of up to 15 years for a maximum amount of EUR 5 million for companies and non-profit associations, and up to 30 years for an uncapped amount for public economy players. In 2022, PES production totalled EUR 168.6 million for agreements on temporary occupation (*Conventions d'Occupation Temporaire**), compared with EUR 11.5 million in 2021, EUR 111.5 million for non-profits and EUR 163.4 million for corporates (vs. EUR 100 million in 2021);
- **positive impact loans in partnership with EcoVadis and Ethifinance:** for companies, non-profits and local or regional authorities to offer finance solutions that incorporate an ESG indicator and a target for this indicator. The interest rate reduces when the target fixed on origination is reached. Decisions on

strategic actions to improve their environmental and social impact are up to the client. The partnership with EcoVadis concerns corporate and non-profits, while the tie-up with Ethifinance relates to entities in the public economy;

- a dedicated **photovoltaic and wind energy team;**
- **partnership with LUMO,** a SG subsidiary, the crowdfunding platform helping clients secure funding for environmental and social impact projects;
- **connecting clients with leading operators:** Societe Generale and Crédit du Nord teamed up with benchmark CSR partners, EcoVadis and Ethifinance, to provide clients with expertise to analyse and assess their ESG practices. Carbo is a tool to measure GES emissions while *Économie d'Énergie* is used to implement energy efficiency projects;
- **dedicated teams in the regions:** the Group has a tight local support system based on key specialists. Both banks' advisors benefit from a very broad program of CSR training with an emphasis on the energy transition.

To meet Societe Generale's aim of bolstering Sustainable and Positive Impact Financing (SPIF), **SGFI**, the French Retail Banking entity specialised in financing business property, has made corporate social responsibility a strategic feature of its customer journey ever since 2018. Positive impact financing concerns both environmental (frugal consumption habits, bio-sourced materials, respect for biodiversity, etc.) and social aspects (non-profit organisations, regional authorities, health, education, social and affordable housing, disabilities, etc.). More and more of the Group's clients have worked it into their social commitments. SGFI arranged EUR 2 billion in positive impact financing in 2022, accounting for 54% of its annual production.

Safeguarding against cyber risks

Cybersecurity, already a major concern for companies, has been pushed even higher up the agenda by Covid-19. In response, Societe Generale put together a number of initiatives in three areas: consulting, technology and insurance, forming a comprehensive offering for our corporate and non-profit clients.

In addition to the regular talks organised by its experts in regional business centres throughout France, **OPPENS***, the Group's cybersecurity arm, launched regular immersive training for employees against phishing, an innovation that combines simulation and micro-training. The subsidiary coaches SMEs and micro-businesses to grasp the risk and assess their vulnerability through a simple and personalised three-step process:

- self-assessment of cybersecurity preparedness using a free online tool based on five considerations: password, data protection, raising employee awareness, securing devices, and protecting websites;
- free recommendations based on the priority areas identified during the self-assessment;
- support with a catalogue of mainly French and European products and services, selected and tested by Societe Generale experts and distributed via *Oppens.fr*. And Oppens can also provide unique solutions, custom-built with our partners, or exclusive packages that are usually only available to large corporates.

Societe Generale has gone further and set up a Business Advisor/OPPENS Expert team to assess vulnerability and answer questions from managers about the cybersecurity of their IT systems organisation, covering employee training, company audits and recommended technical solutions.

To add to the solutions selected by OPPENS from recognised partners, Societe Generale has joined forces with Trustpair*, the fintech specialising in managing payment data and preventing payment fraud. This partnership sets out to empower finance teams with an automated system to secure flows and prevent fraud or error, with tools to check IBANs and filter payments and direct debits.

On the insurance side, the Group offers cyber risk Insurance to cover major cyber risks (IT system outages with the potential to shut down the Company's operations and lead to theft of personal data). Designed by Societe Generale Assurances, these policies include:

- crisis management: 24/7 emergency assistance to organise the initial response and speak to a consultant, who will be responsible for coordinating the work of the IT expert team, legal advice and crisis management consultants to handle potential damage to brand reputation;

- compensation for damages incurred by the Company: losses and additional operating costs caused by inability to access data or IT systems, including if outsourced;
- coverage of pecuniary consequences and defence costs arising with respect to claims against the Company following the damages, as well as in the event of breach of notification obligations or of media coverage. If an investigation is conducted by an authority, the policy also covers defence costs if applicable.

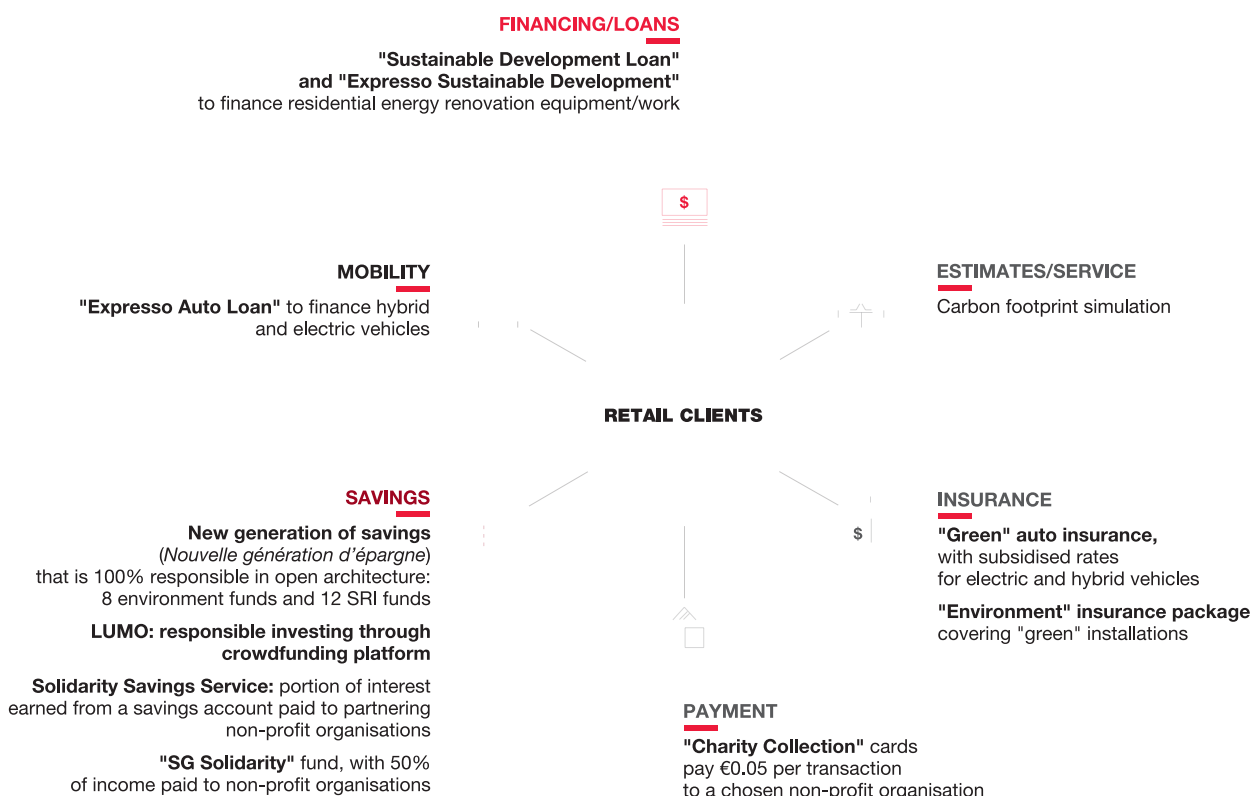
Professional clients can log in and connect to Appli PRO using Face ID and Touch ID biometric authentication. They can block, lock and unlock their Business cards directly from the app.

SUPPORTING BUSINESS AND ENTREPRENEURS: KEY FIGURES

	2021	2022
Loan production: SMEs in France	EUR 4.7bn	EUR 7.2bn
Loan production: SMEs in Africa	EUR 443m	EUR 430m
Loan production: SMEs in Romania and the Czech Republic	EUR 3.6bn	EUR 4.6bn
Outstandings with SMEs (amortised cost)	EUR 57.1bn	EUR 55.9bn

5.2.1.3.3 INDIVIDUAL AND INSURANCE CLIENTS: GROWING THE SUSTAINABLE AND SOCIALLY RESPONSIBLE RANGE OF SERVICES AND PRODUCTS

The Group actively markets the responsible products it offers to **retail customers** in the countries it operates in.



Encourage responsible behaviour

Societe Generale offers a range of products to finance energy efficient home improvements or fit-outs through interest-free green loans (*Éco-prêt à taux zéro*), sustainable development loans or “Expresso” sustainable development loans. The types of energy efficiency and environmental upgrade work and solutions that are eligible for these loans include thermal insulation (roofs, balconies, attics, floors, windows and walls), heating and ventilation (wood or wood pellet boilers, closed stove units, inset stoves, wood or wood pellet stoves, hot water heat pumps, etc.), renewable energy solutions (photovoltaic or thermal solar panels, wind, hydraulic or biomass electricity). Boursorama also has a range of all-online eco-responsible loans, automatically eligible for a 5% reduction in the applicable lending rate (eco-responsible loans receive a 5% reduction in the APR in force). The Group also has special green vehicle loans at a lower rate and with no application fees.

Offering a range of responsible savings products

The Group actively markets the responsible products offered in its countries of operation to its individual customers, in keeping with their wishes. In France, for example, Societe Generale helps individuals to put their savings into passbook savings accounts with a robust environmental and social component (Livret A*, LDDS* and PEA PME/ETI*). In addition to these regulated products, Societe Generale has entered into agreements with several asset managers to offer a range of responsible savings products. Alongside Amundi, new partnerships have been established with BlackRock, DNCA, La Financière de l'Échiquier, Mirova and Primonial REIM. The Group offers a range of 20 SRI or environmentally geared funds. The first category gives clients the opportunity to invest in companies that comply with environmental, social and governance criteria in their management, while the second focuses on considerations like combating climate change, the environmental transition and developing renewable energies.

All the Group's **asset management entities** have signed the Principles of Responsible Investment (PRI) developed by the United Nations (www.unpri.org), committing them to adhere to the following six principles: incorporation of ESG issues, active shareholders, transparent disclosures, promotion of the PRI, working together, and ESG reporting. The UNPRI are the most important international blueprint for responsible investment. They aim to promote the incorporation of ESG factors in investment decisions and by the companies investors have a stake in.

Through its two asset management firms, in 2022 Private Banking signed initiatives, including the Net-Zero Asset Manager initiative, the Finance for Biodiversity Pledge and the Tobacco Free Finance Pledge, to do even more to tackle climate change and biodiversity loss. Joining these initiatives reaffirms the Group's determination to help companies step up their net zero strategies with measures to secure the energy transition and foster responsible practices.

Turning to life insurance, in accordance with the Pacte law, all Societe Generale Assurances' French contracts have offered at least one vehicle backed by a solidarity fund: either an SRI* or a Greenfin* (energy and environmental transition financing) certified fund since the end of 2019. Added to on a regular basis, they cover a wide range of asset classes and risk profiles, offering an ideal opportunity for clients to put their savings to meaningful use. In France, a new generation of life insurance products made up exclusively of sustainable and

affordable funds (from EUR 50) was launched in 2020. 19 of the 20 funds in the range have SRI or Greenfin certification. In addition to its range of unit-linked supports, Societe Generale Assurances looks to the long term to protect the environment and benefit society as a whole. As such, it has significant leverage when it comes to benefiting the environment and civil society. Its investment policy has long included ESG factors, alongside financial and credit ratings. Every year, asset portfolios are formally scrutinised according to these three criteria, their carbon footprint measurement, and their alignment with a global warming trajectory that is compatible with a 1.5 °C scenario. And, when it joined the Net-Zero Asset Owner alliance in April 2021, Societe Generale Assurances also pledged to align its investment portfolios with pathways limiting global warming to 1.5 °C and to reduce the carbon footprint of its equity and bond portfolios by 30% by 2025 vs. 2018.

Private Banking continued to develop its range of positive and sustainable investments, initiated in 2017 and available across all its entities in France, Europe and the United Kingdom. It is structured around three areas:

- responsible portfolio management through its two management companies, which offer CIUs* that carry well-known certifications: the French government's SRI* label and Luxembourg's LuxFLAG* label. The range includes discretionary management⁽¹⁾ funds with recognised third-party asset managers⁽²⁾. One of the internal specialist funds launched in 2022 was “Moorea Fund - Sustainable Climate Action”⁽³⁾. This is a GreenFin fund that aims to invest in international companies that generate a strong positive environmental contribution. The fund objective is to deliver 20% lower carbon intensity measured against the MSCI World All Country (MSCI ACWI Index) with a portfolio aligned with the Paris Accord scenarios (limiting global warming to below 2°C, and preferably 1.5°C, compared to pre-industrial levels). At the close of 2022, assets classed under Articles 8 and 9 SFDR managed by these two management firms amounted to 45% of total assets under management of individual clients (excluding institutional clients);
- the positive and sustainable structured product range with ESG underlyings or participating in the following programmes: 1) positive-impact finance developed by the Group and to which Private Banking contributed EUR 330 million this year, supporting infrastructure construction, as well as water treatment and supply projects, primarily in Africa, 2) the charity programme (with nearly EUR 400 million in nominal value, for nearly EUR 800,000 in donations in 2022), and 3) the “Let's Plant Trees” programme (45,000 trees planted in 2022). Private Banking launched a new programme in 2022 to collect and recycle plastic in Thailand, linked to some investment products. Some 50 tonnes of plastic were collected on the beaches at Koh Lanta in 2022;
- the advisory management offering, which now incorporates an increasing proportion of funds or securities showing strong extra-financial performance. Since 2020, Private Banking has continued to apply exclusions to the suite of stocks it directly advises on: those taken from the Environmental & Social General Principles defined in the Group's policy (stocks linked to thermal coal or controversial weapons) and those connected to the most serious ESG controversies, tobacco activities, or having the lowest ESG ratings. Lastly, the expertise in open architecture fund selection continued to incorporate a growing share of labelled funds or funds promoted as sustainable.

(1) From SG29 Haussmann.

(2) BlackRock, DNCA, La Financière de l'Échiquier, Mirova and Primonial REIM.

(3) CISAV Moorea fund, managed by Societe Generale Private Wealth Management.

At the same time, **Crédit du Nord** offers its private and high-net-worth customers sustainable investments incorporating ESG characteristics across various asset classes. These ranges, which provide clear and understandable information for investors, represented outstandings of EUR 17.6 billion and 77% of all assets under custody at 30 December 2022.

Responsible insurance

Societe Generale Assurances provides a range of non-life and protection insurance policies that incorporate environmental and social considerations and encourage responsible behaviour by policyholders (in terms of mobility, health, etc.). The networks distribute suitable products, such as car insurance that offers lower rates for owners of low-emission vehicles, and offer a free weather alert service for holders of a multi-risk home, car or life accident

insurance policy alerting them to the weather events in their area. With the entry into force of the “100% Santé” health reform programme in France in 2021, they also distribute “responsible” health insurance policies with more modular cover to adjust guarantees in line with the customer’s requirements and budget.

In 2022, 10 non-life and protection insurance products (including car, accident and Génée term life insurance) were granted the IEP’S (*Institut de l’Économie Positive*) Positive Assurance label – the first to measure the positivity of insurance products. There are two core requirements: the products must be socially responsible and environmentally sustainable. Products are assessed against 14 criteria divided into three categories: prevention and cultivation of risk culture; affordability and contribution to anti-discrimination; and promotion of environmentally-aware and community-beneficial behaviour.

SUPPORTING INDIVIDUAL CLIENTS: KEY FIGURES

	2020	2021	2022
Sustainable and positive impact financing (SPIF)			
Eco-PTZ or equivalent and sustainable loans to individual retail customers (outstandings)		EUR 137.4m	EUR 173.8m
Sustainable and positive investments (SPI)			
Livret A, LDDS, PEA PME – Assets under management	EUR 24bn	EUR 32.7bn ⁽¹⁾	EUR 35.8bn
Life insurance investment - Total outstandings for responsible financial products (units) ⁽²⁾	EUR 2.8bn	EUR 13.3bn	EUR 17.3bn
Sustainable investments ⁽³⁾ under management (general assets)	EUR 2.5bn	EUR 6.2bn	EUR 4.9bn
Life insurance investment – Number of responsible financial products ⁽⁴⁾	248	> 1,000	> 1,000

(1) Data restated to include the Boursorama and Crédit du Nord scopes.

(2) With explicit inclusion of ESG risks and opportunities under traditional financial analysis and investment decisions based on systematic processes and appropriate resource research.

(3) Investments in one or more sustainability themes (climate change, social problems, health, etc.) in France – Scope widened in 2021.

(4) Products classed as Article 8 of the SFDR* (financial product which promotes, amongst other things, environmental or social characteristics in as much as the companies in which the investments are made apply good governance practices), Article 9 of the SFDR* (sustainable financial investment product) and/or having a certification such as ISR, Greenfin, etc.) – Scope widened in 2021.

Offering sustainable homes

Fully committed to investing in sustainable cities, the Group’s Real Estate Division (property of the French Retail Banking and Crédit du Nord network, SGFI, Sogeprom, Ville E+, SGIP and SG Real Estate Advisory) hired a CSR manager in November 2020 tasked with organising and coordinating such initiatives.

Sogeprom, the Group’s real estate development subsidiary has made a commitment to all its stakeholders to reduce its carbon footprint by adhering to its PACTE 3B: low carbon, biodiversity and wellbeing (Bas Carbone, Biodiversité, Bien-vivre). The objective is to get a head start on these three imperatives now to be in a stronger position to meet the challenges of the future:

- low carbon: less than 40%/sqm for residential properties and less than 20%/sqm for offices, Sogeprom’s greenhouse gas reduction targets for 2030 (compared to 2019) are more ambitious than the pathway charted by France to achieve net zero. To achieve them, it is jumping ahead on France’s RE 2025⁽¹⁾ environmental building regulations: building permit applications will comply with RE 2025 as of 2023 and the majority of its residential and office buildings will have an A energy efficiency rating⁽²⁾;
- biodiversity: Sogeprom pledges to involve an ecologist and obtain ambitious biodiversity certification for developments that have significant green spaces. Similarly, the partnership with CDC

Biodiversité signed in 2021 underlines the importance of urban biodiversity in real estate operations;

- wellbeing: Sogeprom is looking at mixed-use, positive externalities and quality of services in its response to changes in society and in stakeholder expectations. Labels and certifications are another requirement to deliver real estate projects that are healthy, comfortable and pleasant to live and work in.

To monitor its commitments, Sogeprom developed ECO-TATION, a self-assessment tool that measures the environmental and social performance of each of its real estate projects, according to the three central tenets (low carbon, biodiversity and wellbeing) of its Pacte 3B.

Sogeprom is firmly anchored in the regions: it has ten regional divisions in France engaged in building new bustling places to live, work and relax that meet the needs of individuals and local communities. The real-estate specialist develops mixed-use urban developments and upgrades existing properties using sustainable techniques and materials. By pursuing these goals, Sogeprom works to develop social and affordable housing in the Greater Paris area and throughout France. It cares about building affordable housing for all – especially in pressure areas where homes are needed most – and about making a difference by promoting eco homes, contributing to positive changes in society and to social diversity.

(1) RE 2025: the latest set of regulations applicable to new builds that set minimum thresholds (for a building’s energy use and carbon footprint). The requirements tightened considerably over time from RE 2012, followed by RE 2020 and now RE 2025.

(2) Energy efficiency rating: A, which is the highest rating.

SGIP (59 Immobilier for Crédit du Nord clients) is responsible for marketing properties to the individual customers of both networks looking to invest in real estate. It has changed its listing method to give priority to properties built to high environmental standards, especially as regards biodiversity, and has upskilled its teams to ensure they provide the best possible advice on investments in more sustainable and responsible property. To do this, it has set a number of objectives:

- at least 30% of listed real estate developments must have biodiversity certification (BiodiverCity, Effinature);
- delisting of developments with too much land artificialisation;
- all employees (around 100) trained in sustainable building and biodiversity in real estate.

In France, the biodiversity course was co-constructed with and is run by **LaVilleE+**, a Group subsidiary that specialises in sustainable cities. The training includes a visit to an eco-district with an ecologist and a game-based learning module on the benefits of biodiversity in the city. All employees in France attended the training.

5.2.1.3.4 PROMOTING SUSTAINABLE MOBILITY

Societe Generale subsidiary **ALD Automotive*** is a European leader in long-term vehicle lease solutions, with sustainable mobility being the linchpin of its strategy. It furthers this goal through the vehicle technology offered to its customers and responsible vehicle use. ALD's commitments are recognised by the main extra-financial ratings agencies (top 1% for V.E. Moody's ESG, top 12% Sustainalytics, top 2% Ecovadis). These extra-financial ratings recognise ALD's capacity to successfully build environmental, social and governance criteria into its strategy and the day-to-day conduct of its business. ALD has also committed to the Science-Based Targets initiative for the validation of its direct and indirect emissions trajectory.

On the strength of its positioning as facilitator/leader, ALD has a major role to play in supporting customers to reduce mobility-related emissions by offering a suitable and competitive product and service. ALD is actively contributing to the energy transition by providing customers with an option based on TCO (total cost of ownership), an all-in-one solution for electric vehicles including access to smart charging infrastructure (ALD Electric offer available in more than 20 European countries), targeted partnerships, and a global programme dedicated to electric vehicles.

Sustainable mobility is not just about vehicle technology, it is also about transforming how we use transport. It requires tailoring our offering to new customer expectations. Take ALD Move, a mobility-as-a-service app: users can tap into daily advice on the best options for their travel needs (car, public transport, bike) and manage their "mobility budget". ALD recently acquired share capital in Skipr, which will help accelerate the ramp-up of ALD's solutions in this area.

ALD is also seeking to meet its customers' requirements in terms of flexibility. In response ALD's new service, ALD Flex, provides a broad range of vehicle categories, from compact to light commercial, on demand Users can select by budget, transmission, fuel and emissions rating. Fleetpool, the leading German car subscription company and ALD's most recent acquisition, will broaden ALD's capabilities in this new generation of flexible solutions.

For more information, see ALD Automotive's Universal Registration Document (<https://www.aldautomotive.com/investors/information-and-publications/regulated-information#7136424-2--annual-financial-reports-registration-documents-and-amendments->).

Over and above its leasing and fleet management activities, Societe Generale supports sustainable mobility players through dedicated financing. Accordingly, the Group regularly helps its customers to set up infrastructure promoting sustainable mobility, such as public transport solutions.

5.2.2 A MINDFUL BANK

5.2.2.1 Dialogue with stakeholders

Societe Generale strives to take a constructive attitude when engaging in dialogue with its stakeholders. The approach is described on the Group's corporate website (<https://www.societegenerale.com/en/responsibility/dialogue-with-our-stakeholders>).

It strives to remain attuned to its stakeholders and adapt its approach to better meet their expectations whenever possible, in accordance with legislation and regulations in force. More specifically, the Group practices an active listening policy with:

- clients;
- employees (see "Being a responsible employer", page 293);
- investors and shareholders (see <https://www.societegenerale.com/en/responsibility/dialogue-with-our-stakeholders>);
- regulatory and supervisory bodies (see <https://www.societegenerale.com/en/responsibility/dialogue-with-our-stakeholders>);

- suppliers and service providers (see "Being a responsible purchaser: the positive sourcing programme", page 305);
- the media;
- financial and extra-financial rating agencies (see <https://www.societegenerale.com/en/responsibility/dialogue-with-our-stakeholders>);
- civil society (see <https://www.societegenerale.com/en/responsibility/dialogue-with-our-stakeholders>).

5.2.2.1.1 MEASURING THE OBJECTIVES AND EXPECTATIONS OF STAKEHOLDERS

The Group consulted key internal and external stakeholders at the end of 2020 to update the priorities of its CSR ambition and ensure that it was aligned with risks and opportunities. It had adopted this approach during the definition of the previous Group strategic plan in 2017. This consultation gave rise to the creation of a new materiality matrix, which is presented below.

MATERIALITY MATRIX



Value Creation for Societe Generale

- **1** Accelerate the low-carbon transition and increase the positive impact of the Group's products and services dedicated to fighting climate change
- **2** Help preserve biodiversity
- **3** Include vulnerable stakeholders
- **4** Expand the Group's offering of products and services with a positive social impact
- **5** Contribute to the sustainable development of local communities and regions
- **6** Contribute to the sustainable development of Africa
- **7** Anticipate and support transformation and innovation
- **8** Commit to safe and responsible digital development
- **9** Ensure effective ESG risk management in all businesses
- **10** Co-develop ESG risk assessment methodologies
- **11** Enhance the satisfaction and trust of all the Group's clients
- **12** Nurture the drive to innovate among Group staff
- **13** Unite the teams around committed and responsible employer management
- **14** Attract and enhance talents
- **15** Value diversity in skills and talent management
- **16** Rely on Group and business governance with long-term vision
- **17** Conduct the Group's business in an exemplary manner

A qualitative approach was used to take the stakeholders' pulse: in-depth one-on-one interviews were conducted with a representative panel of Group stakeholders. More than 80 employee managers were specifically trained to conduct the campaign, which involved 141 interviews. Interviewees were selected from a diverse sample of professionals spanning the entire range of businesses and the geographical zones in which the Group operates. Some 1,000 Group managers were also interviewed. In order to compare their expectations with those of other stakeholders who participated in the survey, ten more interviews focused on Group Management, including three members of the Board of Directors. These findings were subsequently enriched with responses provided during image and client satisfaction surveys performed regularly by Societe Generale and with submissions from dedicated focus groups composed of internal and external participants.

Societe Generale performed a materiality analysis according to three complementary levels:

1. stakeholders surveyed ranked the 17 materiality considerations identified by an Internal Group Work Committee according to their impression of relative importance;
2. Group Management also ranked the materiality considerations according to their impact on the different value creation dimensions for the Company;
3. the recurrence of the considerations under review was analysed during stakeholder interviews. All their contributions were subsequently studied on a qualitative basis. The study was conducted in line with the main materiality assessment standards, i.e., the GRI*, AA1000*, IIRC* and SDG standards.

The materiality matrix classifies the issues according to their impact (assessed by General Management) on the different dimensions of value creation in the Company (x axis) and according to their relative importance for internal and external stakeholders (y axis). As a result, four issues manifested in the core circle, followed by six issues in the second inner circle, five issues in the third circle and, last, two issues of minor impact in the outermost circle.

5.2.2.1.2 ENGAGING IN DIALOGUE WITH CIVIL SOCIETY

As regards **civil society**, the Group is attuned to and engages in dialogue with NGOs that alert it to E&S issues. Wherever possible, an internal enquiry is conducted and a documented response is given, either in writing or during meetings convened for that purpose. Societe Generale uses the Sustainable Development Department to centralise communication or contact from NGOs or other stakeholders informing it about the E&S impact of its financing services or other services.

In the course of 2022, Societe Generale consulted with or participated in working groups with some ten NGOs, either in writing, through bilateral meetings or through broader, more global consultations organised by the associations themselves or by the French Banking Federation (*Fédération bancaire française* – FBF), *Entreprises pour les Droits de l'Homme* (businesses for human rights), *Entreprises pour l'Environnement* (businesses for the environment), Finance for Tomorrow and UNEP-FI, amongst others.

5.2.2.1.3 DIALOGUE WITH THE CLIENT BASE TO ENSURE SATISFACTION

The client relationship is central to the Group's business model, and client satisfaction and protection objectives are integrated into its CSR policy. Accordingly, continuous improvement in client satisfaction, the Net Promoter Score® (NPS) and the client experience are all factored into the variable remuneration of the members of the Management Committee (59 people).

In November, Societe Generale was awarded Customer Service of the Year for 2023 in the Banking category based on audits by mystery clients organised by the independent consulting firm BVA, across all our contact channels, including telephone, email, internet and social networks. This is the ninth time Societe Generale has won this accolade. It rewards the 800 employees of the client relationship centres in Lille, Paris, Lyons and Marseilles, and the social networks team and digital teams for the quality of the app and the website. It lends further weight to our ambition to be a lead player when it comes to client satisfaction.

In order to measure and monitor client satisfaction and to identify the practical actions to be taken, Societe Generale has implemented various measurement processes to gain a full overview of the quality delivered and the quality perceived by clients. In this regard, the Societe Generale and Crédit du Nord brands have both put in place policies to ensure there is a process of continuous listening to their clients. The Group uses several measurement criteria, including a satisfaction survey and the NPS, as indicators of the probability the client will recommend the Bank.

To obtain a competitive perspective, every year the Societe Generale network and the Crédit du Nord Group jointly commission a satisfaction survey by the CSA* research institute, the results of which are taken into account in its improvement initiatives. This survey looks at the top ten or eleven banks (depending on the market) and includes an NPS.

In 2022, 6,860 individuals, 5,100 professionals and 3,200 corporates were polled.

Among corporates, the satisfaction and recommendation (NPS) results are very close, with both the SG and CDN brands strongly rated and highly recognised.

The situation is more mixed among individuals and professionals: in these dynamic markets the NPS has remained stable over the last two years for both brands, preventing the Group from ranking among the leaders.

Internationally, a client satisfaction survey (which includes an NPS and competitive surveys) is conducted every year by Ipsos on individual and corporate clients. This is rounded out at KB and BRD by on-the-spot surveys conducted among individual clients after they interact with the Bank to measure their satisfaction level.

In Central Europe, the NPSs of the Group's banks show positive trends in increasingly competitive markets for individual clients. In the Czech Republic, KB has shown significant progress and BRD has stabilised at a high level amid the ongoing work around the digital transformation and streamlining of the branch networks. In the corporate segment, the Group's subsidiaries obtained very high recommendations and confirmed their leading positions in their markets.

In Africa, the Group's banking network delivered volatile NPSs, in line with the market in general. In the individual client segment in North Africa, the Group's banks saw an increase in their NPS, conforming their leading positions in Morocco, Algeria and Tunisia. In the corporate segment, the Group's subsidiary in Algeria tops its market. Across the rest of the continent, marked by a high degree of volatility, the Group's banks show mixed NPS results.

Societe Generale Assurance has set up a NPS measurement procedure for its main French and international markets. ASSU saw an increase in its NPS in 2022 thanks to the continued optimisation of its omnichannel pathways, the regular personalised communication sent to its clients and enhanced digital functionalities proposed to its clients.

ALD uses a global NPS measurement mechanism to determine the satisfaction of fleet managers and drivers (39 countries covered). ALD's NPS fell slightly in 2022 amid difficulties in the sector relating to the semiconductor crisis and to challenges in renewing fleet vehicles.

Societe Generale Equipment Finance (SGEF) focuses on a qualitative survey of its vendors' satisfaction. The number of vendors surveyed more than doubled, on foot of which its NPS rose significantly, confirming a high level of recommendation among this core group in the SGEF client relationship.

For its Global Banking segment (large corporates and financial institutions), Societe Generale carried out its eighth satisfaction survey between May and December 2022 among clients in the Americas, Asia, Africa, the Middle East and Eastern Europe. Overall, the clients polled represent almost 50% of the Group's NBI in these geographical areas. The large corporates and financial institutions polled once again gave Societe Generale high scores, highlighting strong relationship management, the quality of products and services offered, and the high level of balance sheet commitments with them. They also emphasised the leadership shown by European banks, including Societe Generale, in terms of ESG and have a positive opinion of our product and service offering in this space. Finally, the interviews held by members of the Bank's Management Committee with the executive management of our global banking clients continue to be rated positively.

5.2.2.2 Protecting clients and their assets in all circumstances

The Group pays **special attention to issues relating to client protection**, implementing strong employee training and awareness-raising initiatives, developing tools and strengthening internal rules on complaint processing, including on social networks. The processing of a complaint is a commercial act that impacts client satisfaction. As such, it is covered in the Group's Code of Conduct.

When an ongoing disagreement occurs with a client, Societe Generale offers free and direct access to the Client Relations Department. This has been the case since 1996 (*i.e.*, before it became compulsory further to French legislation passed in 2001). The Client Relations Department responds within two months, and refers any unresolved complaints to the Ombudsman, who then responds within 90 days. A mediation team reporting to the Ombudsman works for nearly all Group entities in France, with two dedicated websites – one dedicated to Societe Generale and the other to Crédit du Nord and its subsidiaries. Boursorama uses the mediation services of the French Banking Federation (FBF).

Mediation, a measure aimed at amicable settlement, is brought to the attention of clients using multiple media, in particular through a permanent notice on the back of bank account statements. The decisions taken by the Ombudsman independently of the sales teams are binding on the entities concerned, which have undertaken in advance to comply with them.

The Group has also strengthened its client data protection systems (see Chapter 4.11 "Compliance risk", Data protection paragraph, page 268)

	2020	2021	2022
Requests for mediation received by the ombudsman			
■ for Societe Generale	4,458	3,358	5,880
■ for Crédit du Nord	1,158	995	1,714
Cases processed by the ombudsman, deemed admissible			
■ for Societe Generale	698	681	1,369
■ for Crédit du Nord	278	215	305
Cases processed by the ombudsman, decision made			
■ for Societe Generale	405	947 ⁽¹⁾	1,072
■ for Crédit du Nord	246	280	305
Ombudsman response time in case of disagreement (France) (Nb of days)	> 90	> 90	54.81 for the Societe Generale network < 90 days for the Crédit du Nord network

(1) Change due to a catch-up in the number of cases processed relative to 2021 and to file updating.

For more information on client protection measures, see Chapter 4.11 "Compliance risk", Client protection paragraph, page 266.

5.2.2.2.1 DATA PROTECTION AND CYBERSECURITY

In order to comply with the General Data Protection Regulation (GDPR), Societe Generale has significantly strengthened its personal data processing framework, in particular by implementing solid and proven governance, and consolidating or implementing a number of processes. The Bank responds to requests to exercise rights, manages violations of personal data and rolls out supplier management procedures. It has also strengthened personal data security and data erasure measures within the more general framework of the Group's security policy, and has created processing registers. In addition, the Group's normative documentation has been updated to reflect these changes. Societe Generale Group has appointed a Data Protection

Officer (DPO) who reports to the Head of Group Compliance and is the main contact person for the French Personal Data Protection Authority (*Commission Nationale de l'Informatique et des Libertés* – CNIL).

For more information, see Chapter 4.11 "Compliance risk", Data protection paragraph, page 266.

Societe Generale has set up an information security risk management system coordinated by the Security Department. Working in conjunction with the teams of the Resources and Digital Transformation Division, it strives to continuously improve the Information Security Policy and its implementation.

For more information on cybersecurity measures, see Chapter 4.7 "Operational risk", paragraphs Risks related to information security, page 259 and IT security master plan 2018-2020, page 259.

5.2.2.2.2 THE FIGHT AGAINST CORRUPTION, TAX EVASION AND MONEY LAUNDERING

This information is provided in Chapter 4.11 “Compliance risk”, “The fight against corruption”, page 267, “Anti-money laundering and counter-terrorism financing (AML/CTF)”, page 266 and “Tax compliance”, page 267. Societe Generale published a report on its 2021 tax contribution during 2022. This document completes the Group’s Tax Code of Conduct and can be viewed on its website at <https://www.societegenerale.com/sites/default/files/documents/2022-06/Report-on-our-2021-Tax-contribution.pdf>.

5.2.2.3 Protecting clients’ interests and tackling discrimination

5.2.2.3.1 A MARKETING POLICY THAT TAKES THE CLIENT’S INTERESTS INTO ACCOUNT

Societe Generale offers banking products and services suited to the needs of its clients, in compliance with the European and French legal framework.

The responsibility of Group employees with regard to the sale of banking products and services to clients is covered in the **Code of Conduct** (see page 8: https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code_of_conduct_eng.pdf). Stakeholders can view the Code of Conduct on the corporate website. It is based on the four core values that drive Societe Generale and which are shared by all its employees, namely team spirit, innovation, responsibility and engagement. These values were defined out of a shared objective to serve the client by striving to reach the highest possible standards of service. They form the basis of our employees’ annual evaluations and are incorporated into the HR recruitment process.

Each year, an extensive training programme around this Code has been rolled out to all employees in all countries in which Societe Generale operates (see “Code of Conduct underpinned by shared values”, page 345). It stresses that the products and services offered to clients must suit their situation and needs in order to best anticipate their projects and expectations. Societe Generale enters into contracts only with corporate clients whose practices comply with the Group’s Environmental and Social General Principles (<https://www.societegenerale.com/sites/default/files/documents/2021-03/Environmental-and-Social-General-Principles.pdf>) or aim to comply with them. The Group has also established rigorous procedures to prevent conflicts of interest.

The Group’s employees advise clients and inform them of the terms and risks associated with certain transactions, taking into consideration their level of expertise and their objectives. The Bank’s products and services are proposed only after an in-depth meeting with the client relationship advisor. For instance, clients can have a diagnosis of their savings needs within the branch. This involves an evaluation of their profile (personal situation, assets, budget, financial expertise, risk profile) in order to propose suitable advisory services and personalised solutions.

In **French Retail Banking**, the Operational Risk Committee (COROC) has added the risk of misconduct to its remit, including tied selling. It examines the root causes and proposes an action plan. The “Client” and “Human Resources” teams send out guidelines on sales targets and appropriate conduct to managers every year, stressing the core concept of responsible sales. Mystery client visits throughout the year are another tool used to reinforce this policy. To further improve the client’s experience and satisfaction, a client satisfaction target was

added to the sales force evaluation criteria in 2021. A specific internal procedure expressly states that tied selling cannot be part of the criteria for individual performance bonuses. The issue is also tackled in initial training for sales operators and in “Excellence Client”, the Societe Generale sales training centre attended by all sales personnel and their managers, which includes a presentation and explanation of the Eight Golden Rules of Retail Banking in France.

The Markets in Financial Instruments Directive (MiFID), which came into force in 2007, introduced a client classification and information obligation for investment service providers. The reason for the obligation is that the less experienced a client is, the more he or she is entitled to protection. The directive defines three types of client: eligible counterparties (banks and financial institutions), professional clients (businesses) and retail clients (individuals). Societe Generale has set out a formal policy describing its processes for executing the orders of financial market players. This policy document is presented to investors for acceptance and is accompanied by a best execution obligation.

In accordance with commitments made to the authorities in 2019, the Group has also made efforts to protect financially vulnerable clients by implementing fee capping systems. In parallel, specific training in this regard has been put in place for advisers dealing with vulnerable clients. For more information on the protection of financially vulnerable clients, see the paragraph “Supporting vulnerable clients and promoting inclusive banking”, page 340.

Societe Generale has also strengthened its client data protection systems (see Chapter 4.11, “Compliance risk”, Data protection paragraph, page 268).

Clarity of information

To ensure transparency, the retail banking service complies with its display obligations by making a pricing brochure available on the website and at all Group branches.

To make contracts easier to understand, efforts are being made to use plain, clear language in respect of all banking offers. For example, the contractual documentation for corporate clients has been harmonised to make the legal commitment concerning cash management services clearer.

5.2.2.3.2 TACKLING DISCRIMINATION

In line with its Environmental and Social General Principles, the Group proposes financial products and services to all clients pursuant to French law, which penalises all forms of discrimination (for more information, see Articles 225-1 to 225-4 of the French Criminal Code (*Code pénal*) <https://www.legifrance.gouv.fr/codes/id/LEGISCTA000006165298/> [in French]). These obligations are transposed into the Group’s standards documentation (Societe Generale Code) and its Code of Conduct and must be complied with by all permanent and temporary employees. Societe Generale’s standards documentation makes specific reference to discrimination and extends compliance with French law to all entities; it states that situations involving the rejection of a client’s request may not be motivated by discrimination based on gender, ethnic origin or religion.

In 2021, as part of the measures to raise employee awareness around the rules of client protection and efforts to combat discrimination, a library of the instructions and rules that are in force at national and international level was made available on the intranet for Societe Generale’s employees:

MiFID 2 regulation	✓
Insurance Distribution Directive (IDD)	✓
Products and Services offering	✓
Protection of retail customers	✓
Conflicts of interest – clients	✓
Protection of customer assets	✓
Customer complaints	✓
Employee compliance	✓

5.2.2.3.3 SUPPORTING VULNERABLE CLIENTS AND PROMOTING INCLUSIVE BANKING

Supporting vulnerable clients

In France, the Group provides a free package of basic banking services in accordance with Article L. 312-1 of the French Monetary and Financial Code on the right to hold a bank account. Favourable terms are offered to young people on student loans to pay for their tuition, housing, equipment and other requirements. Societe Generale has renewed its partnership with Bpifrance, offering loans to students who have no income and nobody to act as guarantor for them. The maximum amount of the government-backed student loan offered to students aged under 28 with Bpifrance was EUR 20,000 in 2022 (the same amount as in 2021) to fund university studies; the overall amount was also kept the same. The share of government-backed student loans offered in conjunction with Bpifrance in 2022 to students in technical courses and universities was 34% (vs. 37% in 2021) and was 39% (no change vs. 2021) for students in 5-year higher education programmes and engineering schools.

Since 2021, the French Retail Banking business has galvanised around the “1 Jeune 1 Solution” programme created by the government under its “France Relance” stimulus plan to facilitate employment and inclusion among young people. In the space of two years, 19 recruitment events were organised in France, in Paris, Marseilles, Rennes, Lyons, Strasbourg, Lille, Bordeaux, Orléans, Tours, Nantes, Toulouse, Grenoble and Montpellier. Some 208 recruitment companies participated in the events together with 1,500 young people.

In accordance with Article R. 312-4-3 of the French Monetary and Financial Code, introduced pursuant to Article L. 312-1-3, paragraph 2 of said Code, the French Retail Banking business has developed a system to identify financially vulnerable clients. These clients can sign up to Générïs, a day-to-day banking services package designed to help them manage their finances, for just EUR 1 a month. 2020 saw the Group introduce a new inclusive offer, Kapsul, for clients on a budget seeking more independence in the selection of their services. Available online or in-branch, this new account costs EUR 2 per month with no income conditions and no other account charges. Kapsul clients can pay for products and services from anywhere in the world and can also get an international Visa card with insurance and assistance cover.

The Group’s **Boursorama** subsidiary also offers solutions tailored to clients experiencing temporary financial difficulties. Ranked the “least expensive bank in France” for fifteen consecutive years, Boursorama offers all clients a free-of-charge, easy-to-use and educational financial management coaching service *via* its Wicount® Budget account offering. Wicount® Budget helps clients to manage their day-to-day budget and stay on top of their finances. Features include income and expenditure analysis, payment due alerts for major payments, the setting of balance alerts when a particular threshold is exceeded and money-saving tips. A specific vulnerable client account is also offered providing access to basic banking services free of charge, helping vulnerable clients to avoid being overdrawn on their account, and capping certain non-payment and intervention fees. This offer includes a deposit account, which can be opened, managed and closed online, a debit card requiring systematic authorisation, cash withdrawal at ATMs, unlimited transfers and SEPA direct debits, and exemption from certain fees.

PHYSICAL ACCESSIBILITY (PEOPLE WITH DISABILITIES, SENIORS)

In 2020, Societe Generale Group subsidiary Boursorama became the first bank to earn BrailleNet’s Accessiweb Argent label (for more information, see http://www.accessiweb.org/index.php/rapport_de_labellisation/items/boursorama-banque-espace-client.html), attesting to the accessibility of its online interfaces for clients with disabilities. Many features of Boursorama’s online banking service meet the requirements of the RGAA (*Référentiel général d’amélioration de l’accessibilité* – the French government’s official guide to improving accessibility), for example: read-aloud function for logging in, interface adapted for zoom magnification, video transcription and the revamped site navigation with specific shortcuts. The online Bank publishes its accessibility policy on its website at <https://groupe.boursorama.fr/accessibilite,48,71.html>.

The Group strives to ensure that its services are accessible to clients with disabilities, adapting premises where necessary and making its applications more user-friendly:

- access to Societe Generale and Crédit du Nord automated teller machines (ATMs);
- bank statements in Braille;
- outfitting: 93% of Crédit du Nord branches and 97% of Societe Generale branches were wheelchair accessible by the end of 2022;
- digital access to the Societe Generale mobile application.

Societe Generale is a signatory to the French manifesto for the inclusion of people with disabilities in economic life (*Manifeste pour l’inclusion des personnes handicapées dans la vie économique*) as part of which it is optimising access by people with disabilities to the Company’s digital tools and integrating digital accessibility into the design of information system master plans and the development of digital solutions. Digital access is one of the four axes of Societe Generale’s policy for the integration of people with disabilities, together with recruitment and integration, training and responsible purchasing. For more information on the manifesto, see <https://handicap.gouv.fr/le-manifeste-inclusion-enclenche-une-nouvelle-dynamique>.

The Group publishes its Multi-year Accessibility Plan on its institutional website (https://www.societegenerale.com/sites/default/files/documents/2021-06/Schema-pluriannuel-2021_EN.pdf).

Financial inclusion

As part of its policy on financial inclusion, the Group supports innovative solutions designed to promote sustainable economic development, incorporating environmental and societal performance, through both non-profit associations and philanthropic activities. It also supports the microfinance sector by acquiring interests in such structures. It offers stakeholders financial training to help them keep up with current financial challenges.

FINANCING THE NON-PROFIT SECTOR IN FRANCE AND SUPPORTING CLIENTS' PHILANTHROPIC PROJECTS

Societe Generale has developed close relationships in this sector, thanks to its network of non-profit specialists throughout the country. The Group offers its expertise to some 93,000 non-profit structures of all sizes (representing market share of 7% overall, and as much as 20% in the management association segment) to help them achieve their day-to-day management goals.

At the end of 2022, Societe Generale set up a regional business centre for institutional clients located in Paris and its suburbs. Situated in the centre of Paris, the centre will have around 65 employees who will report hierarchically to the regional management team responsible for the Île-de-France Sud area. This centre will serve all institutional clients located in the Greater Paris area, according to three market segments:

- large non-profit associations: NGOs, educational, cultural, socio-medical bodies, international institutions, etc.;
- public sector players: local and regional authorities, semi-public bodies, social housing associations, etc.;
- financial institutions: mutual insurance companies, insurance companies, etc.

The centre's purpose is to help boost the Group's commercial competitiveness on these markets so that it can meet the growing need for expertise by its clients and effectively support their projects.

Through Societe Generale's solidarity-based savings service, clients can donate part or all of the annual interest on their savings accounts to up to three non-profits chosen from among those with which the Group partners for this scheme. All non-profits selected by the Group adhere to high standards and guarantee transparency as regards the use of funds. For each donation, the Group adds an additional 10% which it pays directly to the association. The scheme has been awarded the Finansol label.

The **French Retail Banking business** plans to offer associations the use of 14 premises that have been left empty after the merger of its network for up to three years. For example, a temporary occupancy agreement was signed in 2021 with the Life Project 4 Youth organisation which fosters professional and social inclusion of young people living in extreme poverty who are victims of exclusion: the association does not pay any rent and has occupancy of the premises for up to three years.

Since 2018, Societe Generale has been drawing on its **Private Banking** arm and its philanthropic expertise to provide support in different areas to clients looking to adopt a philanthropic approach. As at the end of 2022, nearly 200 clients or families had received support and six foundations or endowment funds were created. In parallel, the Private Banking arm sealed a partnership with Philanthro-Lab⁽¹⁾, a unique space and incubator for philanthropic projects in France.

Created in 2009 under the aegis of the Fondation de France, the Societe Generale Private Banking initiative entitled "Fondation 29

Haussmann" aims to give children better opportunities in life and set them on track to become tomorrow's citizens. It operates as a philanthropic incubator favouring recently created associations that show strong growth potential, acting mainly as "first sponsor" while providing non-financial support. This approach fosters the development of new associations that seek to make a sustainable impact for the children being supported and is particularly devoted to helping disadvantaged children.

Moreover, since 2018, Societe Generale Private Banking has set itself apart by launching the first charity structured product on the market. To date, EUR 5 million in accumulated donations have been collected (EUR 1.3 million in 2022) for distribution to non-profit organisations working in the areas of cancer prevention, services for disabled people, services for children and inclusion through housing, and to help combat exclusion among the most disadvantaged. In 2022, Societe Generale Private Banking was awarded the "Grand Prix de la Philanthropie" in the children's category for its work in these two areas.

Since January 2018, the **Private Banking arms of Societe Generale and Cr dit du Nord** have adopted a truly "collaborative philanthropic approach", designed to provide support each step of the way to entrepreneurs looking to make their investments count (particularly when selling a company) or to set up a philanthropic project for their family business. The approach is one of a kind in that the Banks work closely with the *Fondation de France* and the client's own advisers (lawyers, notaries, etc.) throughout the entire process, from initial discussions with the client through to creating and investing in a foundation, and then seeing their funds in action – a potentially complex undertaking.

Cr dit du Nord's strategy in this respect focuses on select, small-scale events where the Bank can be most effective as a philanthropy ambassador. Cr dit du Nord Private Banking organises events together with the Fondation de France on a range of philanthropy-related topics (from wealth management strategies to philanthropic projects) and invites along previous beneficiaries of the joint approach to share their experience of setting up a foundation and talk about the support they were given. Cr dit du Nord clients are also invited to the Fondation de France's major donor events in Paris and throughout France (conferences, evenings at the opera, guided museum visits, etc.). The FICADE group's *Gestion de Fortune* magazine awarded its Philanthropy Trophy to this partnership.

In 2022, through its offering of social impact products and services, Societe Generale paid a total of EUR 2.4 million to some fifty French partner associations recognised as operating for the public good.

MICROFINANCE

The Group has worked in partnership with ADIE (a non-profit promoting the right to economic initiative) since 2006 to support microfinance throughout both metropolitan and overseas France.

In Africa, already in 2005 Societe Generale identified the scope of requirements and the emergence of microfinance in Africa, deciding to support the sector and, through its intermediary, to help boost the local rate of bank account penetration of microenterprises and SMEs which did not have access to traditional banking. Its work in this business sector, which is very specific and differs from that carried out through its retail banking network, takes several forms: from traditional refinancing of microfinance institutions to acquiring holdings in the capital of certain local institutions in Madagascar, Cameroon, Ghana, Ivory Coast and Burkina Faso, as well as acting as arranger for funding deals on the markets.

(1) Philanthro-Lab is a physical meeting place entirely dedicated to philanthropy. Its missions are twofold: to create an ecosystem for the development of philanthropy and to foster a broader culture of donation and engagement. For more information, see <https://philanthro-lab.org>.

In its Grow with Africa programme, Societe Generale expressed its resolve to use microfinance as a means to strengthen its work around financial inclusion and made a commitment to double its outstandings between 2018 and 2022. Looking to 2025, it reasserted this strategy at the end of 2021 to be present and active in this sector in Africa, both through capital holdings and solid partnerships, and by working alongside professional and responsible players.

The microfinance institutions in which the Group has remained a minority shareholder from the beginning served more than 700,000 clients at the end of 2022, around 30% of whom are borrowers (with an average loan outstanding of less than EUR 4,000).

Today, Societe Generale's African teams are the partners of choice for microfinance institutions because they can use their experience and knowledge of local players to best meet the needs of these institutions. The Group's goal is to leverage this franchise by developing relationships with microfinance institutions and groups.

EDUCATIONAL ACTIONS, SUPPORTING FINANCIAL EDUCATION

The Group's subsidiaries actively support financial education, which also helps in combating discrimination in the distribution of products and services. They make their websites a valuable source of information to help the general public keep up to date with and understand all the latest financial news.

With visits to its website at nearly 50 million a month, Boursorama.com is the leading portal for economic and financial news in France. It offers agency news dispatches, economic and stock market information, and budget management content, making it more accessible through a variety of resources: articles, videos, podcasts, fact sheets and discussion forums. It is an undisputed free source of financial education which is at the fingertips of the everyday person, whatever their background.

Boursorama also helps to educate its clients on financial matters through its products and services (such as the Wicount® online budget coach), its real-time live economic news broadcasts (*Ecorama*, *Journal des Biotechs*, etc.), its monthly live interactive webinars with experts from all walks of life, its daily one-minute videos providing viewers with key information and tips on everyday money-management ("Parlons cash"), and the specific sections on its website (accessible directly from the home page) and in its mobile apps designed to help clients manage their savings.

In 2022, for the second consecutive year, Boursorama, in partnership with l'Oréal, organised Boursolive, the first-ever online conference on the stock exchange and financial markets open to the general public. During this free event, private individuals, both clients and non-clients of Boursorama Bank, have the opportunity to chat directly via chatrooms and video calls with listed companies, asset managers and issuers of financial products (ETF, stock market instruments) to obtain advice on the most appropriate products for them, whether as a first foray into the stock markets or to diversify their portfolio. Complementing the many educational tools and content features on boursorama.com, this exceptional three-day event with industry experts helps private individual investors to enhance their knowledge of the stock markets, find out more about risk-taking and invest in a more responsible manner. For this second Boursolive conference, the topics covered included tips on how best to navigate the current economic climate, understanding the US financial markets, investment by women investors, and a beginner's guide to technical analysis together with a presentation of derivative products, such as warrants, turbos, etc.

In 2020, the **French Retail Banking** activity launched "Le 5' des Experts", a five-minute video programme on all things related to money. Every Tuesday, an expert from Societe Generale spends five minutes answering questions from consumers (mainly individuals but also open to professionals, and sometimes businesses, once a month) on subjects relating to lending, saving and insurance. The videos are published on the app (one video a week), on the website page for individual clients under "Nos conseils" (Our advice), and on Facebook and Instagram, and are included in client newsletters.

To help start-up clients launch their business, the "Devenir entrepreneur" (Become an entrepreneur) programme is a unique four-step process aimed at potential entrepreneurs to help them take their first steps. The "start-up" section of the professional clients' web page has been completely revamped and now offers more than 80 pages of educational content for business creators, while the advisory section proposes dedicated e-learning courses and a series of four meetings with the prospective entrepreneur depending on the stage of their project.

Through the Boost platform launched in 2019, the Societe Generale network in France offers 12 services specifically designed for young clients aged 18-24 to support them as they embark on higher level education or enter the workplace. In 2022, this offering was extended to clients aged 16 to 24, with seven free services that include access to offers of apprenticeships, work-study programmes and job vacancies, a career and student advice blog, simplified financial support products, aid in preparing for the driving theory test, a straightforward accommodation rental platform tailored for students, adverts for voluntary positions, and more. Societe Generale's "Boost Privilège" offering gives access to additional services over a six-month period in cases where the young client has subscribed for an eligible product, or for a fee of EUR 2 per month. These services represent a total value of more than EUR 200 per month.

Furthermore, since the end of 2020, the Group has been offering young clients aged 10-17 a debit card with a dedicated app that gives visibility on their outgoings, supporting them as they begin the journey of managing their own payments and become more financially independent. This free offer, called Banxup, is 100% digital and only available online. It allows users to view their account activity and request money from their parents, and comes with a Banxup Mastercard – a no-overdraft debit card. Parents can manage their child's financial activity in real time, according to their level of maturity and the situation involved, by configuring the card, managing payment and withdrawal limits, and deciding which online and contactless payments to authorise. Using the app, they can also opt to receive real-time notification of the payments made by their child, chat with their child and instantly and easily send them money.

Societe Generale **Private Banking** has produced a series of educational videos on "Understanding Responsible Investment" which are available on www.privatebanking.societegenerale.com. These are also available on the Spotify and Apple Podcast streaming platforms via the "Private Talk by Societe Generale Private Banking" programme.

In **Morocco**, Societe Generale launched a new offer for parents and children in 2021. The SoGé Banky account is a low-cost way for parents to introduce their children to greater financial independence, with no risk and while keeping control of the account at all times. The offer comes with a free "pocket money" card for each child. Parents with a SoGé account can also avail of an interest-bearing savings account free of account fees, the funds of which are available at all times.

KEY FIGURES RELATING TO SUPPORT FOR VULNERABLE CLIENTS

	2020	2021	2022
Number of clients benefiting from the Kapsul offer	3,553	5,170	5,622
Number of clients benefiting from the Générïs offer	57,086	55,831	55,355
Provision of credit lines in partnership with ADIE (<i>In EURm</i>)	3.9	4.3	7.5
Loan outstandings with ADIE (<i>In EURm</i>)	14.8	18.3	18.2
Microfinance loan outstandings in Africa (<i>In EURm</i>)	95	101	120

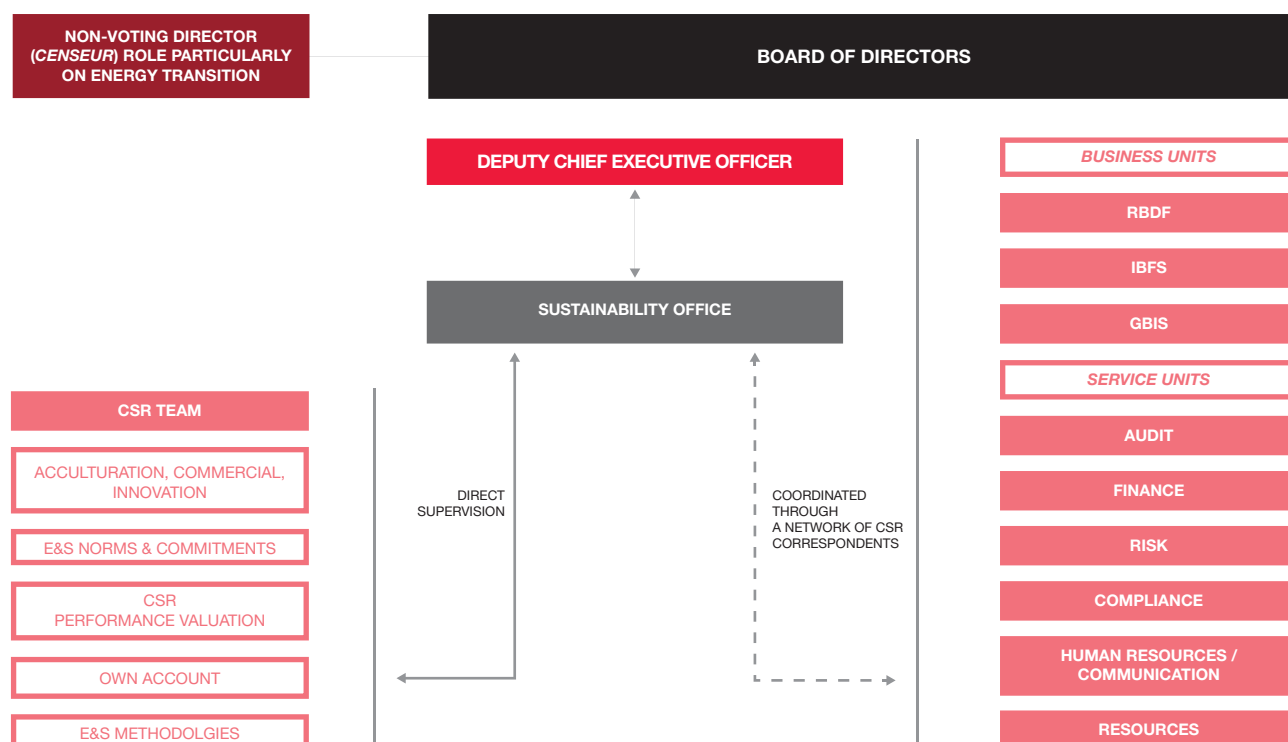
5.2.3 A RESPECTFUL AND TRANSPARENT BANK

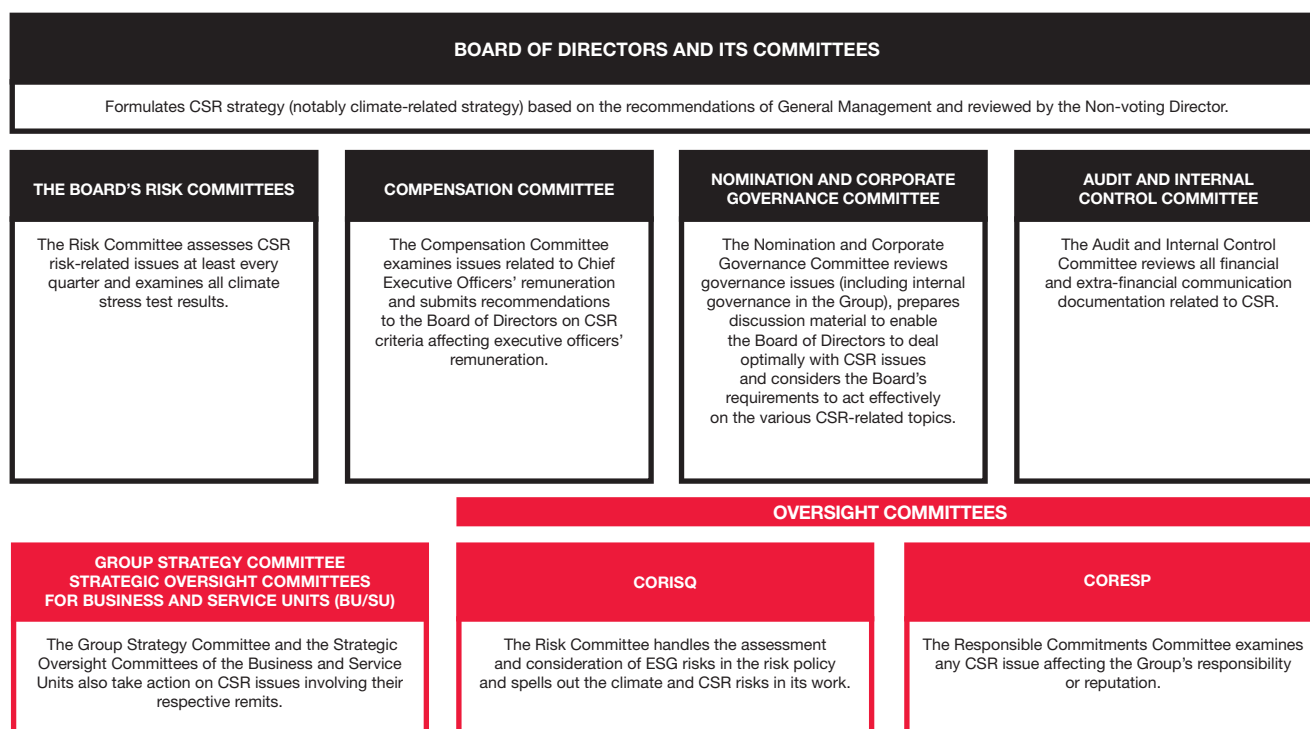
5.2.3.1 Incorporating CSR at the highest level of governance

Societe Generale is committed to conducting its activities in an exemplary manner and has made the **culture of responsibility** a prime focus of its CSR strategic ambition. The Group has also made CSR the linchpin of its **governance and compensation policy**. In

addition, as part of its quest to be a vehicle for transformation towards a more sustainable world, Societe Generale participates in **numerous coalitions** which debate environmental, social and governance (ESG) issues and enable it to make **concrete commitments**. Last, the Group has developed a **strict framework for the management of environmental and social (E&S) risks** to ensure it rolls out these commitments throughout the entire organisation.

The charts below present how CSR is integrated into Group governance:





Four bodies play a specific role in CSR:

1. **the Board of Directors**, which formulates CSR strategy (notably climate strategy) guided by General Management and the non-voting Director. The recommendation is previously reviewed by: the Risk Committee for risk-related issues, the Compensation Committee for remuneration-related matters involving the Chief Executive Officers and the Nomination and Corporate Governance Committee for governance questions (including internal governance in the Group). The Risk Committee also examines CSR risks at least once every quarter, together with climate stress test results. The Audit and Internal Control Committee reviews all financial and extra-financial communication documentation related to CSR (Duty of Care Plan, Extra-Financial Performance Declaration) before submitting it to the Board of Directors for approval. The Compensation Committee makes recommendations to the Board of Directors on CSR criteria concerning the remuneration of corporate officers. The Nomination and Corporate Governance Committee prepares discussion material to enable the Board of Directors to deal optimally with CSR issues. Using the Directors' skills matrix, it also delves every year into the Board of Directors' needs in terms of expertise, including in respect of the various CSR topics, drawing the necessary conclusions on the recruitment process in place and the training on offer. Each topic covered by the Committees is subsequently discussed by the Board of Directors. Apart from his role in formulating strategy, the non-voting Director assists the Committees when they deal with CSR topics. During its meeting of 12 January 2023, the Board of Directors validated the principle of extending his remit to cover all CSR issues and not exclusively energy transition. Furthermore, the Board of Directors' internal rules contain information on the environmental and social issues to take into consideration where necessary;
2. **General Management**, which examines CSR themes through:
 - the Responsible Commitments Committee (CORESP), which is chaired by the Deputy Chief Executive Officer, who is specifically tasked with supervising the Group's CSR commitments and standards, including aligning its actions with climate targets. The Deputy Chief Executive Officer also examines any E&S issues that impact the Group's responsibility or reputation (see Chapter 3, Governance bodies, page 108, and Chapter 4, Governance of risk management, page 182),
 - the Group Risk Committee (CORISQ), which sets out the Group's main strategies in relation to credit, counterparty, environmental, country, market, operating and model risks, etc., in addition to risk appetite and the financial objectives set by the Board, and ensures compliance in these areas, Chapter 4, Risk management framework, page 182),
 - the Group Strategy Committee and the Business Units' and Service Units' (BU/SU) Strategic Management Committees (see Chapter 3, Governance bodies, page 108);
3. **the Sustainable Development Department**, which has reported to General Management since 1 January 2022. The Head of the department is a member of the Group Management Committee and oversee the formulation of a dedicated policy for the Group that is attuned to stakeholders, and the monitoring of actions in this area, backed by a 24-strong team and supported by a network of over 300 ESG ambassadors in the Business and Service Units (at Q4 22);
4. **the Group BU/SU entities**, which are tasked with implementing and aligning their initiatives with Societe Generale's CSR policy.

5.2.3.2 Rolling out a Code of Conduct underpinned by shared values (and human rights)

The Group seeks to establish a culture of responsibility and apply the strictest control and compliance standards in the banking sector. It commits its employees to act with integrity and in accordance with applicable law in all its activities. To that end, the Group has defined a Code of Conduct describing the standards to be observed and constituting a commitment towards each stakeholder. This Code applies to all its employees worldwide. In addition to its Code of Conduct, Societe Generale also possesses a Charter for Responsible Advocacy (see below) and a Sustainable Sourcing Charter (https://www.societegenerale.com/sites/default/files/construire-demain/12112018_sustainable_sourcing_charter_vf_eng.pdf).

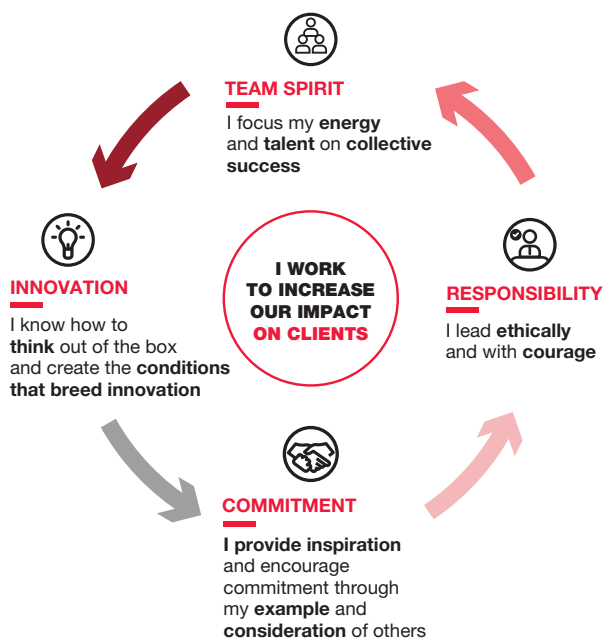
Societe Generale has built a strong culture based on its values, its **Leadership Model and its Code of Conduct**. It is guided by **four key values which are shared by all employees**, Team Spirit, Innovation, Engagement and Responsibility. At the centre of these is the client, for whom the Group strives to achieve the highest possible standards of service quality.

5.2.3.2.1 THE LEADERSHIP MODEL

Societe Generale's values feed into its Leadership Model, which defines the behaviour and skills expected within the Group, emphasising that the way in which results are achieved is every bit as important as the results themselves.

The behavioural skills reflected in the Leadership Model are divided into three categories corresponding to the main levels of responsibility within the Company (senior executives, managers and employees) and are shared throughout the Group.

The four key values thus translate into key skills (see diagram below), which are in turn reflected in certain observable and measurable behaviours.



The Leadership Model's internal skills guide describes the expected behaviour corresponding to each of these skills. In conjunction with the guide, a self-assessment tool available on the intranet asks twenty questions through which respondents can see how they rate in relation to appropriate conduct and provides leadership development tools to work through the various skills.

The annual appraisal targets are set based on the four Leadership Model values. One of the values is attached to each behavioural objective and employees can use the Leadership Model to formulate their annual targets.

5.2.3.2.2 THE CODE OF CONDUCT, A VEHICLE FOR THE GROUP'S VALUES

The Group conducts its operations in accordance with the values and principles set out in the following major international conventions:

- 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 OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises;
- the United Nations Guiding Principles on Business and Human Rights.

These values are espoused in the Code of Conduct policy document and span the entire spectrum of Group activities and the countries in which it operates. The Code describes our commitments towards all stakeholders, clients, employees, investors, suppliers, regulatory and supervisory bodies, the general public and civil society, as well the principles of expected individual and collective behaviour. It refers directly to the whistleblowing procedure, which forms part of the mechanism to combat inappropriate behaviours.

Available in the main languages spoken in the Group, the Code of Conduct is the cornerstone of professional ethics at Societe Generale. It promotes respect for human rights and the environment, the prevention of conflicts of interest and corruption, anti-money laundering and counter-terrorist financing measures, respect for market integrity, data protection, proper conduct regarding gifts and invitations, and responsible sourcing.

The Code of Conduct rules go beyond the minimum statutory and regulatory requirements in force, especially in countries whose laws and regulations are not as stringent as the Group's high ethical standards.

Stakeholders can view the Code of Conduct on the Societe Generale corporate website: https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code_of_conduct_eng.pdf. Further information is provided in the Tax Code of Conduct and the Code Governing the Fight Against Corruption and Influence Peddling (see: https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/tax_code_of_conduct_of_societe_generale_group_uk.pdf and <https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code-governing-the-fight-against-corruption-and-influence-peddling-uk.pdf>).

The Group undertakes to operate with the utmost integrity and transparency, and to comply with the applicable laws and regulations in all countries in which it operates, in particular regarding the offering and receipt of gifts, and the organisation of or participation in business meals or external events as part of its professional activities and business relationships (and in the event that these events involve public and/or politically exposed persons – PEPs).

The **whistleblower tool**, which is accessible at <https://report.whistleb.com/en/societegenerale> and on Societe Generale's website, is operational in France and internationally. With WhistleB, anyone may raise the red flag when they believe that they have good reason to suspect the existence of a situation or an action that manifestly violates an international treaty, law or regulation, human rights or fundamental freedoms, the health and safety of persons and the environment, or the Group Code of Conduct. It is available to all employees, as well as to external or temporary staff and service providers working with the Group on an established basis (as

subcontractors or suppliers), and third-party facilitators. Whistleblowers have the right to remain anonymous. Flags raised by whistleblowers are hosted on a secure external platform offering the guarantees required by the French Act on Transparency, the Fight against Corruption and Modernisation of the Economy, namely the protection of personal data and strict confidentiality of any information provided. Whistleblowing is a right and no employee may be sanctioned in any way whatsoever for having made disclosures in good faith.

In addition to complying with obligations under French, European and local laws, Societe Generale has also signed the following commitments:

- transparency International France's joint statement (https://transparency-france.org/wp-content/uploads/2016/04/2015_D%C3%A9claration-commune-sur-le-lobbying.pdf);
- the responsible lobbying charter for responsible representation to public authorities and representative institutions (https://www.societegenerale.com/sites/default/files/documents/2022-05/2022_Memorandum_Responsible_Advocacy_Activities.pdf);
- the Transparency Register of European Institutions (<https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=34369111614-57&locale=en#en>), jointly with the European Parliament and the European Commission, supplemented by a Code of Conduct;
- the French Senate's Code of Conduct (https://www.senat.fr/fileadmin/Fichiers/Images/sgp/Code_de_conduite.pdf);
- the French National Assembly's Code of Conduct (<https://www.assemblee-nationale.fr/dyn/pages-statiques/pages-simples/decouvrir-l-assemblee/code-de-conduite-applicable-aux-representants-d-interets>);
- the digital transparency register administered by the High Authority for Transparency in Public Life (*Haute Autorité pour la transparence de la vie publique* – HATVP). The Group created its “interest representation” sheet (<https://www.hatvp.fr/fiche-organisation/?organisation=552120222>);
- compliance with local Codes of Conduct and registration with the authorities of its interest representation activities on any other existing register with which Societe Generale operates locally.

The full list of these commitments appears:

- for internal use, in Societe Generale's normative documentation (Societe Generale Code) in a dedicated section available to employees and is also available to service providers;
- for public consultation, in a document describing measures governing interest representation which is available in English only on the Group's corporate website at the following address: https://www.societegenerale.com/sites/default/files/documents/2022-05/2022_Memorandum_Responsible_Advocacy_Activities.pdf.

5.2.3.2.3 THE CULTURE & CONDUCT APPROACH

At the end of 2016, the Board of Directors approved the launch of a Group Culture & Conduct programme aimed at supporting the Group's cultural transformation, ensuring **compliance with the strictest integrity standards, and establishing a lasting relationship with its stakeholders built on trust.**

The programme was shared with all employees, making it possible to reaffirm and promote collective and individual behaviour aimed at the ethical and responsible performance of the Group's activities. Since the launch of the initiative, numerous actions have been successfully carried out in the following seven areas: implementation of a Culture & Conduct governance system at the highest level of the organisation and in the businesses, publication of a dashboard to monitor changes in Culture & Conduct indicators, implementation of a conduct risk management system, alignment of Human Resources processes, training and awareness-raising among employees, development of cultural transformation, and communication aimed at integrating Culture & Conduct issues into the daily lives of employees.

Placed from the outset under the supervision of the Board of Directors and General Management and steered by a cross-business project team, the programme has achieved the targets it had set for this first stage. Project mode management came to an end on 31 December 2020 and evolved into a long-term system, with the Culture & Conduct approach remaining a major consideration for the Group.

Now that the programme has been fully implemented, all BUs and SUs are expected to push further ahead with integrating Culture & Conduct considerations into the performance of their daily activities. Every year, the BUs and SUs set out a roadmap on these topics, covering their goals and the related risks.

Central oversight of these topics is coordinated by the Human Resources and Compliance Departments. They intend to continue cementing a solid and lasting culture of responsibility throughout the Group, and to ensure that all BUs and SUs roll out the necessary measures to encourage appropriate behaviour and protect the Group's interests in the long term. Culture & Conduct Supervision Committee meetings, chaired by General Management, are held quarterly, at which: 1) the Human Resources and Compliance Departments must report jointly on cross-business action plans and achievements; 2) two BUs and SUs also present progress reports on the rollout schedule of Culture & Conduct themes according to a single assessment grid. Last, General Management and the Board of Directors are submitted an annual Culture & Conduct report each year. This report provides an overview of the main conduct risks in the businesses, identifies the action plans necessary to improve risk management in these areas and helps track indicator trends.

General Management supervises the entire programme and prepares an annual dashboard on the results for the Board of Directors.

The Report on Corporate Culture and Ethics Principles sets out the Culture & Conduct approach: (<https://www.societegenerale.com/sites/default/files/documents/2022-03/Corporate-Culture-and-Ethical-Principles-2021.pdf>).

The main Culture & Conduct achievements in 2022 were:

- the annual compulsory Code of Conduct learning module that deals with four areas: the Group's Culture & Conduct ambitions, stakeholder expectations, content of the Code of Conduct and additional Codes regarding tax and anti-corruption measures, together with ethical reasoning. In addition, ongoing training was provided for key risk evaluation contributors on the processes for managing behavioural risk as part of the annual Risk and Control Self-Assessment (RSCA) exercise, which includes the management of behavioural incidents, disciplinary procedures, etc., and on the management of Culture & Conduct subjects;

- the continued alignment of the main Human Resources management processes with the Group's Culture & Conduct ambitions: updating of the guidelines for assessing behaviour and compliance and optimisation of the management of behavioural incidents and disciplinary procedures;
- Culture & Conduct awareness actions carried out by the Human Resources and Communication Departments aimed at fostering an environment supportive of appropriate behaviour and which mirrors the Group's values. A roadmap was devised with three strategic targets: 1) enhance support for the BUs and SUs in applying Culture & Conduct themes, 2) continue to inform employees and raise awareness around the identification of conduct-related risks, and 3) promote a speak-up* culture at Group and BU and SU levels;
- the harmonisation of procedures for managing and monitoring conduct risks and actions taken on Culture & Conduct issues through the integration of Culture & Conduct issues into the work of the internal control committees of the BUs and SUs and the creation of normative documentation on this subject.

CULTURE & CONDUCT KEY FIGURES

- One single Code of Conduct for all Group employees, available in 18 languages.
- 87% of employees had validated their Code of Conduct training module for the 2022-2023 campaign, *i.e.* 102,655 employees (data at 15 February 2022).
- 26,923 Group managers and employees in the HR Department were targeted for compulsory training on the Group's disciplinary framework, with a completion rate of 96.6% (February 2023).
- 100% of the BUs and SUs have a Culture & Conduct correspondent and a Conduct Officer.
- At end-2022, 88% of employees believed that their manager encouraged ethical and responsible behaviour.
- At end-2022, 82% of employees confirmed that they were prepared to whistleblow if they witnessed or experienced inappropriate behaviour.
- At end-2022, 85% of employees said they could confidently express themselves to team members.
- At end-2022, 80% of employees believed that their manager encouraged collaboration between the BUs and SUs.
- A total of 126 admissible alerts were reported in the whistleblowing tool in 2022 (vs. 122 in 2021), 75% of which concerned HR issues (vs. 76% in 2021).

5.2.3.2.4 RESPECTING HUMAN RIGHTS

Societe Generale is committed to respecting and promoting human rights, which constitutes one of the fundamental values of its CSR policy. **The Group defines and implements environmental and social (E&S) policies, processes and operational procedures to uphold its human rights commitments.**

Societe Generale reaffirms these commitments in its Human Rights Statement, appended to its Environmental and Social General Principles (the E&S General Principles) (<https://www.societegenerale.com/sites/default/files/documents/CSR/Environmental-Social-General-Principles.pdf>). The respect for and protection of human rights is enshrined in its Code of Conduct (https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code_of_conduct_eng.pdf) and its E&S General Principles (<https://www.societegenerale.com/sites/default/files/documents/CSR/Environmental-Social-General-Principles.pdf>).

Societe Generale is also governed by French legislation passed on 27 March 2017 on the **duty of care** for parent and subcontracting companies (known as the Duty of Care Act). This law requires that the Group prepare and implement a duty of care plan to identify risks and prevent serious breaches of human rights and fundamental freedoms, or damage to the health, safety and security of persons and the environment as a result of its activities. The Group's Duty of Care Plan is included on page 361.

As required under the United Kingdom **Modern Slavery Act** of 2015 and the Australian Modern Slavery Act of 2018, Societe Generale also publishes an annual statement on its corporate website outlining the steps it has taken to prevent modern slavery and human trafficking (<https://www.societegenerale.com/sites/default/files/documents/2020-10/modern-slavery-act.pdf>).

Over the years, the Group has voluntarily adopted various procedures and tools to identify, assess and manage human rights and environmental risks as part of how it manages its human resources, supply chain and businesses. Accordingly, Societe Generale saw this regulatory obligation as an opportunity to clarify and strengthen its existing framework.

This risk management framework covers three main areas:

- respecting the human rights of its employees and social partners (for more information, see "Being a responsible employer", page 293);
- respecting human rights in its supply chain and through its suppliers (for more information, see "Being a responsible purchaser: the positive sourcing programme", page 305);
- respecting human rights in its financial and banking products and services (for more information, see "E&S risk management in the businesses to promote fair and responsible growth", page 275).

All policies applied in these three areas are detailed in the Group's Duty of Care Plan, presented on page 361.

Societe Generale reaffirms these commitments in its Human Rights Statement, appended to its Environmental and Social General Principles (<https://www.societegenerale.com/sites/default/files/documents/CSR/Environmental-Social-General-Principles.pdf>). The respect for and protection of human rights is enshrined in its Code of Conduct (https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code_of_conduct_eng.pdf).

Last, as mentioned above, whistleblowers can report any potential or actual violations in respect of human rights, fundamental freedoms, health and safety or the environment using the Group's online tool, available on the www.societegenerale.com portal at <https://report.whistleb.com/en/societegenerale>.

5.2.3.3 Acting with complete transparency

As required under its regulatory and contractual obligations, the Group regularly publishes information on its actions in relation to corporate social responsibility. The table below provides a brief description of these publications and the links to access them.

5.2.3.3.1 SUMMARY OF THE INFORMATION PUBLISHED BY THE GROUP ON ITS CSR OBJECTIVES

Name of the publication	Description of the publication Link	Date of last update
Establishing a culture of responsibility		
Group Code of Conduct	Sets out the Group's professional Code of Ethics, going beyond the strict application of the laws, standards and regulations in force in the different countries in which it operates. It puts in place a framework for compliance with the highest of ethical standards in terms of respecting human rights and protecting the environment. https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code_of_conduct_eng.pdf	Updated in February 2019 from the October 2016 version
Anti-Corruption and Influence Peddling Code	Sets out a framework for the prevention of conflicts of interest and corruption and to combat money laundering and hidden funding. https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/code-governing-the-fight-against-corruption-and-influence-peddling-uk.pdf	April 2021
Group Tax Code of Conduct	Describes the principles and general framework applied by the Group in relation to its own tax affairs and those of its clients in their dealings with the Group. It also covers relations with the tax authorities. https://www.societegenerale.com/sites/default/files/documents/Code%20de%20conduite/tax_code_of_conduct_of_societe_generale_group_uk.pdf	2019
Tax Transparency Report	Provides additional information on the amounts and types of tax paid by the Group each year, and on its policy and accountability in relation to tax. https://www.societegenerale.com/sites/default/files/documents/2022-06/Report-on-our-2021-Tax-contribution.pdf	2022
The Responsible Lobbying Charter for responsible representation to public authorities and representative institutions	Sets out the main rules applied by the Group with regard to representation to public authorities and representative institutions. https://www.societegenerale.com/sites/default/files/documents/2022-05/2022_Memorandum_Responsible_Advocacy_Activities.pdf	
Sustainable Sourcing Charter	Part of a joint initiative by French banking and insurance sector players to ensure that their suppliers remain vigilant in the application of their CSR policies. https://www.societegenerale.com/sites/default/files/construire-demain/12112018_sustainable_sourcing_charter_vf_eng.pdf	2010
Principles for Responsible Banking Report - published in English only	Presentation of an annual self-assessment by the Group showing how it complies with its commitments under the UNEP-FI Principles for Responsible Banking. https://www.societegenerale.com/sites/default/files/documents/2022-04/Principles-for-Responsible-Banking-Report-and-Self-Assessment-2023.pdf	2023

Name of the publication	Description of the publication Link	Date of last update
Environmental and Social General Principles	<p>A list of:</p> <ul style="list-style-type: none"> ▪ E&S risks; ▪ the standards and initiatives that make up the Group's reference framework; ▪ the main aspects of the environmental and social risk management system implemented by the Group's activities and incorporated into its governance, as formalised in the Group's normative documentation. <p>https://www.societegenerale.com/sites/default/files/documents/CSR/Environmental-Social-General-Principles.pdf</p>	October 2020
Sector policies	<p>The Group has nine sector policies covering common E&S issues and the various factors that require a sector-based or regional approach.</p> <p>https://www.societegenerale.com/en/publications-documents?search=&theme=&category=&year=2021&op=Filter</p>	<ul style="list-style-type: none"> ▪ Industrial Agriculture and Forestry – February 2022 ▪ Dams and hydroelectric power - November 2021 ▪ Thermal power plants - November 2021 ▪ Thermal coal - July 2020 ▪ Defence and Security - February 2020 ▪ Mining - November 2021 ▪ Shipping - November 2021 ▪ Civil Nuclear Power - September 2014 ▪ Oil and gas - January 2022
Being a responsible employer		
Modern Slavery Act – published in English only	<p>Statement issued in response to UK and Australian law requiring the disclosure of the steps taken to prevent modern slavery and human trafficking from occurring in our operations and supply chains.</p> <p>https://www.societegenerale.com/sites/default/files/documents/2020-10/modern-slavery-act.pdf</p>	2022
HR thematic reports	<p>In its role as a responsible employer, the Group publishes thematic reports each year on five strategic priorities and its activities in these areas:</p> <ul style="list-style-type: none"> ▪ corporate culture and ethics principles; ▪ professions and skills; ▪ diversity and inclusion; ▪ performance and compensation; ▪ health and safety in the workplace. <p>https://www.societegenerale.com/sites/default/files/documents/2021-03/2020_Report_Corporate_Culture.pdf</p> <p>https://www.societegenerale.com/sites/default/files/documents/2022-03/Professions-and-Skills-report-2021.pdf</p> <p>https://www.societegenerale.com/sites/default/files/documents/2022-03/Diversity-and-Inclusion-Report-2021.pdf</p> <p>https://www.societegenerale.com/sites/default/files/documents/2022-03/Performance-and-Compensation-Report-2021.pdf</p> <p>https://www.societegenerale.com/sites/default/files/documents/2022-03/Health%20and%20Safety%20Report_2021.pdf</p>	2022
Human resources report	<p>A snapshot of Societe Generale's employees in France as at 31 December 2021</p> <p>https://www.societegenerale.com/sites/default/files/documents/2022-05/Bilan-Social-2021.pdf</p>	2022

Name of the publication	Description of the publication Link	Date of last update
Supporting clients with their environmental transformation projects and making a positive impact on local communities		
Global Compact Report	A Group self-assessment of its activities as part of its membership of the UN Global Compact, of which it has been a signatory since 2023. https://www.unglobalcompact.org/what-is-gc/participants/8628%23cop	2021
Equator Principles Report – published in English only	Sharing of information with our stakeholders on how Societe Generale applies the EP. Annual public reporting is one of the commitments the Bank has made when joining this initiative. https://wholesale.banking.societegenerale.com/fileadmin/user_upload/SGCIB/pdf/EQUATOR_PRINCIPLES_REPORT_2021.pdf	2022
Framework for Societe Generale sustainable bond issues supporting its commercial activity		
Sustainable and Positive Impact Bond Framework – published in English only	Presents the reference framework applied by the Group in relation to the issuance of sustainable bonds. https://www.societegenerale.com/sites/default/files/documents/2021-11/20211104_Societe-Generale-Sustainable-and-Positive-Impact-Bond-Framework.pdf	November 2021
Sustainable & positive impact bond reporting – published in English only	Reporting on how the funds raised by Societe Generale from its sustainable bonds are used. https://www.societegenerale.com/sites/default/files/documents/2022-06/SG-SPIF-Reporting-as-of-2021-12-31.pdf	2022

5.2.3.3.2 PRINCIPLES FOR RESPONSIBLE BANKING CROSS-REFERENCE TABLE

The purpose of the cross-reference table below is to help readers locate the main publications illustrating Societe Generale' commitment in respect of the UN Principles for Responsible Banking. It was not subject to an independent review by the independent third-party body, the verified scope of work and detailed information of which are set out in their limited insurance report.

Principles for responsible banking	Page number
Principle 1 – Alignment	
■ Business model	Chapter 1, Profile of Societe Generale , page 8 and Chapter 6, Outstanding amounts and impairments by geographical region , page 459.
■ Alignment with the SDG, Paris Agreement and national frameworks	Chapter 1, CSR ambition , page 11; Chapter 5, Taking action and building a sustainable future together , page 314; Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5 °C , page 319; Chapter 5, Rolling out a Code of Conduct underpinned by shared values (and human rights) , page 345, Environmental and social principles . (https://www.societegenerale.com/sites/default/files/documents/CSR/Environmental-Social-General-Principles.pdf); Modern Slavery Act (https://www.societegenerale.com/sites/default/files/documents/CSR/Modern_Slavery_Act.pdf).
Principle 2 – Impact and target setting	
■ Impact analysis	Chapter 4, Risk factors , page 165, Chapter 4, Credit risk , page 207; Chapter 4, Analytical approach to extra-financial risk factors , page 273; Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319; Chapter 5, Supporting large corporates in their environmental and social transition , page 327; Chapter 5, Measuring the objectives and expectations of stakeholders , page 335 and Chapter 5, Duty of Care Plan , page 361.
■ Target setting	Chapter 2, Supporting positive transformation , page 48; Chapter 4, Incorporating the environment in the risk management framework , page 275, Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319 and Chapter 5, Supporting positive change , page 325.
Principle 3 – Clients & Customers	
■ Client engagement	Chapter 4, Managing ESG-related risks in the Group's activities , page 275; Chapter 5, Supporting positive change , page 325, Chapter 5, A marketing policy that takes the client's interests into account , page 339, Chapter 5, Duty of Care Plan , page 361.
■ Opportunities	Chapter 1, CSR ambition , page 11; Chapter 2, Extra-financial report , page 46, Chapter 5, Supporting positive change , page 325.
Principle 4 – Stakeholders	
■ Identification and consultation with stakeholders	Chapter 5, Dialogue with stakeholders , page 335.
Principle 5 – Governance & Culture	
■ Governance structure for the implementation of the PRB	Chapter 3, Activity Report of the Board of Directors' Committees , page 70; Chapter 3, Remuneration of Group Senior Management , page 112; Chapter 4, Analytical approach to extra-financial risk factors , page 273; Chapter 5, Incorporating CSR at the highest level of governance , page 343.
■ Promoting a responsible banking culture	Chapter 2, Ensuring ethical and responsible conduct of business , page 51 ; Chapter 3, Remuneration of Group Senior Management , page 112; Chapter 4, Managing ESG-related risks in the Group's activities , page 274; Chapter 5, CSR training plan , page 294; Chapter 5, Rolling out a Code of Conduct underpinned by shared values (and human rights) , page 343, Duty of Care Plan , page 359, and Performance and Compensation Report (https://www.societegenerale.com/sites/default/files/documents/2022-03/Performance-and-Compensation-Report-2021.pdf)
■ Policies and due diligence	Chapter 4, Managing ESG-related risks in the Group's activities , page 274; Chapter 5, Duty of Care Plan , page 359.
Principle 6 – Transparency & Accountability	
	Chapter 2, Extra-financial report , page 46; Chapter 5, Acting with complete transparency , page 346; Chapter 5, Duty of Care Plan , page 359, and Chapter 5, Independent third party's report , page 336.

5.2.3.3.3 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) RECOMMENDATIONS CROSS-REFERENCE TABLE

The purpose of the cross-reference table below is to help readers locate the main publications illustrating Societe Generale's commitment in respect of the UN Principles for Responsible Banking. It was not subject to an independent review by the independent third-party body, the verified scope of work and detailed information of which are set out in their limited insurance report.

TCFD recommendation	Page number
Governance	
(a) Describe the way in which the Board of Directors supervises climate-related risks and opportunities.	Chapter 3, The Board of Directors' Committees , page 95; Chapter 5, Incorporating CSR at the highest level of governance , page 343.
(b) Describe the management's role in assessing and managing climate-related risks and opportunities.	Chapter 3, The Board of Directors' Committees , page 95; Chapter 5, Incorporating CSR at the highest level of governance , page 343.
Strategy	
(a) Describe the short-, medium- and long-term climate-related risks and opportunities identified by the Company.	Chapter 1, A strategy of profitable and sustainable development, based on a diversified and integrated banking model , page 11; Chapter 4, Analytical approach to extra-financial risk factors , page 273; Chapter 4, Environmental risk terminology , page 279; Chapter 4, Incorporating climate risks in the risk management framework , page 281.
(b) Describe the impact of climate-related risks and opportunities on the Company's activities, strategy and financial planning.	Chapter 4, Managing ESG-related risks in the Group's activities , page 274, Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319.
(c) Describe the resilience of the Company's strategy, taking into account the different climate scenarios, including the global warming scenario of no more than 2 °C.	Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319.
Risk management	
(a) Describe the processes implemented by the Company to identify and assess climate-related risks.	Chapter 4, Risk appetite , page 175; Chapter 4, Analytical approach to extra-financial risk factors , page 273, and Chapter 4, Process and tools to identify and manage climate risk , page 284.
(b) Describe the processes implemented by the Company to manage climate-related risks.	Chapter 4, Environmental and Social (E&S) general principles and sector policies , page 275, Chapter 4, Process and tools to identify and manage climate risk , page 284.
(c) Describe the way that the processes used to identify, assess and manage climate-related risks are incorporated into the Company's overall risk management framework.	Chapter 4, Incorporating climate risks into the risk management framework , page 281.
Metrics and objectives	
(a) Provide the metrics used by the Company to evaluate climate-related risks and opportunities in the context of its strategy and risk management processes.	Chapter 4, Process and tools to identify and manage climate risk , page 284; Chapter 5, Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319.
(b) Describe the scopes 1 and 2 and, where relevant, scope 3 greenhouse gas emissions and the related risks.	Chapter 5, Managing the Group's carbon footprint , page 307.
(c) Describe the objectives set as part of the management of climate-related risks and opportunities and the results obtained in relation to these objectives.	Chapter 2, Drivers of positive transformation , page 48 and Acting as a responsible business , page 52; Chapter 5, Building a sustainable future , page 314 Aligning our activities with pathways consistent with a maximum temperature rise of 1.5°C , page 319.

5.3 METHODOLOGY NOTE

This note presents the corporate social responsibility (CSR) reporting methodology used by Societe Generale. This methodology is also explained in detail in the Group's reporting protocols, available on request.

5.3.1 REPORTING PROTOCOLS

Information included in the Universal Registration Document (URD), the Responsibility section of the Group's website (www.societegenerale.com/en) and other Societe Generale communications, as well as the Group's Integrated Report in respect of financial year 2021 and previous years, has been prepared on the basis of contributions from the Group's internal network of CSR officers and in accordance with the CSR reporting protocols and CSR initiatives programme. Part of the quantitative and qualitative data was provided by the Planethic Reporting tool, used to standardise collection of information on management and monitoring indicators. Reporting is coordinated by the Group's CSR Department, which has reported to General Management since 1 January 2022 and in conjunction with the Finance Department.

The Group regularly organises programmes to bring contributors and managers on board and familiarise them with the reporting process and the tool, with a view to improving data reliability. The reporting protocols are updated on a regular basis. New protocols were drawn up in 2022 and include indicators designed to offer a more precise assessment of the extra-financial risk factors identified as being the most material to Societe Generale.

5.3.2 DATA COLLECTION

The following data collection methods were used for the reporting scope:

- for social, environmental and business data, the bulk of the quantitative indicators are collected by each Group entity using the Planethic Reporting tool. Data collectors enter their subsidiary's data, which are approved by validators who perform post-input checks, then by administrators who check and validate the data at

core business level and lastly by cross-functional administrators (the Finance Department and the Sustainable Development Department) at Group level, who carry out the final checks prior to consolidation;

- the Group's Sustainable Development Department collects other data directly from the CSR officers for each core business or from the relevant division.

5.3.3 REPORTING PERIODS

Social, procurement, sponsorship and business data

Quantitative indicators are calculated for the period running from 1 January 2022 to 31 December 2022 (12 months), with data taken at 31 December 2022, unless otherwise specified.

Environmental data

Quantitative indicators are calculated for the period running from 1 October 2021 to 30 September 2022 (12 months), with data closed at 30 September 2022, unless otherwise specified.

5.3.4 CSR CONSOLIDATION SCOPE

The entities included in the reporting scope satisfy at least one of the following criteria:

1. entity in which the parent company, Societe Generale SA (SGSA), directly or indirectly holds a controlling interest of over 50%. By definition, all branches are wholly-owned, since there are no shareholders;

2. entities in which SGSA holds a controlling interest of at least 20% but less than 50% and over which SGPM has significant influence as regards management and financial policy; in particular, entities whose management team has been appointed by Societe Generale and whose activity is regularly monitored by the Group's core businesses.

The CSR consolidation scope included 150 companies within the Group's financial consolidation scope at 31 December 2022.

5.3.5 INDICATORS

An information campaign aimed at all contributors is rolled out at the start of the data collection period, providing the data collection schedule, a Group guideline and a protocol for each category of indicators. The protocols serve as a reminder of indicator definitions and application criteria.

The 2022 indicators were selected with a view to satisfying the legal and regulatory requirement for the Group to present a consolidated

Declaration of Extra-Financial Performance (Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code), and in light of the Group's CSR strategy.

For the most part, these indicators cover a global scope, or conversely will be otherwise specified in brackets or in this Methodology Note.

5.3.6 SCOPE AND RULES FOR CALCULATING EMPLOYMENT-RELATED INDICATORS

The workforce taken into account for all employment-related indicators (unless explicitly stated otherwise) corresponds to the total number of employees on either permanent or fixed-term contracts (including work-study contracts), regardless of whether they are present or on leave.

The frequency rate of occupational accidents is the ratio of the number of workplace accidents (as defined by local regulations) to the total number of hours worked (workforce present on either permanent or fixed-term contracts multiplied by the number of annual working hours in the entity) multiplied by 1,000,000.

The absenteeism rate is the ratio of the total number of paid days' leave (sick leave, parental leave or other types of leave, such as for bereavement, moving house, getting married, looking after a sick child, as well as any unjustified absence) to the total number of days paid, expressed as a percentage. It is counted in calendar days and calculated on the basis of the total headcount (workforce present multiplied by 365).

Data were collected on 117,576 employees. Societe Generale therefore estimates the coverage – i.e. where at least the data on occupants and surface area were provided – to be approximately 100% of the workforce.

5.3.7 SCOPE AND MAIN MANAGEMENT RULES FOR PROPRIETARY ENVIRONMENTAL INDICATORS

The scope corresponds to the CSR consolidation scope as defined above. Coverage of the total data collection scope corresponds to the ratio of the headcount of all entities that participated in the data collection campaign to the total Societe Generale headcount. Data were

collected on 117,576 employees. Societe Generale therefore estimates the coverage – i.e. where at least the data on occupants and surface area were provided – to be approximately 99% of the workforce.

5.3.8 RESTATEMENT OF HISTORICAL DATA

In the interests of transparency and comparability of data, the emissions for the reference years and for 2019-2021 are given in the table of quantitative data published on the Group's corporate website.

Reported data for previous financial years do not correspond to data adjusted for changes in scope.

5.3.9 ENVIRONMENTAL DATA: GENERAL RULES

Environmental data are calculated on the basis of invoices, direct readings, information received from suppliers and estimates. The reported data is managed by means of the following checks and ratios:

- any variations in environmental indicators compared to the previous year are flagged and contributors receive alerts asking them to check the data recorded if the variation exceeds 30%;

- data collected on energy, office paper and transport are expressed in relation to the number of occupants declared by the entity;
- energy consumption (electricity, steam, chilled water, oil, gas) is also expressed in relation to the surface area (per m²);

- with a view to continually improving data reliability, qualitative questions (requiring answers in the form of written comments) are used to identify the various data scopes and best practices, and to understand variations from year to year;
- with the exception of the Societe Generale France network, most subsidiaries consolidate their data in the Group's reporting tool. The Sustainable Development Department centralises the reporting of transport and paper consumption data for France based on data from the Sourcing Division.

The number of occupants covered corresponds to the average number of Societe Generale employees or subcontractors working on-site during the reporting period, as at 30 September 2022.

Coverage of the data collection scope for each indicator corresponds to the ratio of the headcount of all entities that provided data for the indicator in question to the total Societe Generale headcount.

Methodology changes.

In 2021, the Societe Generale Group decided to review its methodology for calculating its carbon footprint in connection with car travel:

- until 2020, the Group had calculated the resulting emissions based on the distance travelled, multiplied by an emissions factor for each country defined according to manufacturer's data on g/km of CO₂ emitted;
- this changed in 2021 and the calculation is now, wherever possible, based on the actual fuel consumption (in litres), multiplied by a single emissions factor for the specific type of fuel used (as provided by ADEME*). If the data needed to perform this calculation is not available, then the previous method (distance travelled multiplied by an emissions factor for each country defined according to manufacturer's data on g/km of CO₂ emitted) is used and an uplift applied.

	Unit of measure	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022
			New method Car travel	New method Car travel	New method Car travel
CARB19C: CO ₂ emissions due to business travel by car	tCO ₂ e	22,465	22,158	23,435	26,096

In 2022, Societe Generale decided to round out its carbon footprint calculation methodology in respect of energy consumption:

- until 2021, emissions were calculated using the location-based method of the GHG Protocol which reflects the average emissions intensity of the networks where the energy consumption takes place; and

- since 2022, emissions have also been calculated according to the market-based protocol method of the GHG Protocol based on specific data relating to a product or a supplier in the form of contractual instruments to measure specific emissions from renewal energies consumed.

The most appropriate, accurate, precise and highest-quality emission factors available must be used for each method.

5.3.10 CALCULATION OF GREENHOUSE GAS EMISSIONS

Calculation of the Group's greenhouse gas (GHG) emissions breaks down into three categories:

- Scope 1 covers direct emissions related to energy consumption and fugitive emissions of fluorinated gases;

- Scope 2 covers indirect emissions related to energy consumption (external electricity, steam and chilled water);
- Scope 3 covers GHG emissions from all office paper consumption, business travel, transport of goods, waste, and energy consumption of French data centres.

CO₂ emissions are calculated according to the GHG Protocol.

5.3.11 MAIN MANAGEMENT RULES FOR SPIF AND SPI INDICATORS

In order to support clients in their sustainable transformation initiatives, the Group has devised two measurement standards to follow up action plans:

- Sustainable and Positive Impact Finance (SPIF) to monitor credit and/or leasing activities, and/or to help customers develop their positive impact activities;

- Sustainable and Positive Investment (SPI) for wealth and asset management activities, including the structuring of products aimed at both institutional and individual investors.

5.3.11.1 Scope

Reporting of SPIF and SPI indicators began in 2018 and the scope has broadened to include relevant businesses and regions. The following methodology choices ensure consistency and reliability when filtering reporting results:

- annual production in loan volumes recorded in the Group's balance sheet or off-balance sheet, *i.e.* the SPIF indicator is based on the proportion borne by Societe Generale upon closing;
- annual production in investment products sold to clients;
- outstanding managed overall according to SPI criteria by Group entities;
- advisory activities, client services and/or hedging rates or exchange rates on SPIF and/or structured transactions with ESG indicators, designed to promote a sustainable and inclusive transition within the Societe Generale ecosystem, detailed separately from SPIF/SPI volumes (*e.g.* bond issuance mandates, custodian services, nominal hedging operations, etc.).

5.3.11.2 Sustainable and Positive Impact Finance (SPIF)

The SPIF framework is based on the three pillars of sustainable development (economic, environmental and social), basing its approach on various external frameworks defined by the European Investment Bank (EIB), the UNEP-FI and the European green taxonomy, which have been consolidated in:

- all financing referenced as Social and/or Environmental, involving assets, equipment, projects and/or activities with an environmental or social benefit; and
- respecting the E&S risk management framework (ESRM), which designates all the rules and procedures applicable within the Group, as well as the rules and procedures specific to each BU and SU, to identify and reduce risks of an Environmental and Social nature (for more information, see Chapter 4.13.3, Managing ESG-related risks in the Group's activities, page 275).

5.3.11.3 Sustainable and Positive Investment (SPI)

To be considered SPI-compliant, investment products must meet one of the following criteria:

1. structured products put together with an ESG selection (positive impact and/or exclusion) that filters at least 20% of the eligible investment universe;
2. investment products involving Articles 8 and 9 of the SFDR* regulation;
3. investment solutions for which Societe Generale commits to holding on its balance sheet an equivalent value in Positive Impact Finance assets or loans to counterparties with a high rating based on the ESG Research team's criteria (see structured notes or cash investment products for corporates);
4. products with a "solidarity" or "sharing" component, involving return-sharing or a donation, or risk-taking on the amount invested, of more than 20%.

NB: these guidelines have been developed by the Asset Management, Private Banking and Markets teams and by Societe Generale Assurances. They have been prepared with reference to existing market guidelines.

The advisory, proxy voting and ESG reporting services offered by Societe Generale Securities Services.

5.4 INDEPENDENT THIRD PARTY'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

In our quality as an independent third party, accredited by the COFRAC under the number n° 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your company (hereafter "entity"), we conducted our work in order to provide a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended 31st December 2021 (hereafter referred to as the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereafter referred to as the "Information") prepared in accordance with the entity's procedures (hereafter referred to as the "Guidelines"), included in the management report pursuant to the requirements of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures performed, as described in "Nature and scope of the work", and on the elements we have collected, we did not identify any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

The "ESG By Design" Program was launched in 2022 and is currently being rolled out throughout the Group. In particular, E&S risk management processes and their extension to the "governance" dimension have not yet been standardised across all BU/SU. In addition, data collection methods for the production of SPIF indicators were modified in 2022 and the framework for controlling and validating data should be reinforced.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of the Information

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy); and to
- implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures, the main elements of which are presented in the Statement.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation;
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000 (revised)⁽¹⁾.

(1) ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Means and resources

Our verification work mobilized the skills of eight people and took place between October 2022 and February 2023 on a total duration of intervention of about sixteen weeks.

We conducted about fifty interviews with the persons responsible for the preparation of the Statement, in charge of either the risk analysis, the definition and the implementation of the policies, the collection and the control of the information, or the writing of the texts published.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the main risks;
- we assessed the suitability of the Guidelines with respect to their relevance, comprehensiveness, reliability, neutrality and understandability by taking into consideration, if relevant, the best practices of the industry;
- we verified that the Statement includes each category of information provided in article L. 225-102-1 III regarding social and environmental matters, as well as the information provided in the second paragraph of article L. 22-10-36 of the French commercial Code regarding the respect for human rights and the fight against corruption and tax evasion;
- we verified that the Statement provides the information required under article R. 225-105 II where relevant to the main risks and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French commercial Code;
- we verified that the Statement presents the business model and a description of the main risks related to the activity of all the entities

We believe that the work we have carried out by exercising our professional judgment allows us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work.

Paris-La Défense, the 13 March 2023

French original signed by:

Independent third party
EY & Associés

Caroline Delérable
Partner, Sustainable Development

included in the scope of consolidation; including, if relevant and proportionate, the risks created through its business relationships, products or services, policies, actions and results, of which the key performance indicators associated with the main risks are part;

- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators selected, in accordance with the main risks and the policies presented, and
 - corroborate the qualitative information (actions and results) that we considered to be the most important (presented in the annex). For certain risks (the fight against corruption, tax evasion, and cybercrime as well as the protection of personal data), our work was carried out on the consolidation entity. For the other risks, our work was carried out on the consolidating entity and on a selection of Business Units (BUs) and Service Units (SUs)⁽¹⁾ listed hereafter: French Retail Banking, Crédit du Nord, International Banking Networks (Africa, Mediterranean Basin & Overseas, Networks and Europe), ALD Automotive, Client Relationships, Financing and Advisory Solutions, Financial Market Activities, Private Banking & Asset Management for Business Units; General Secretariat, Human Resources & Communication, Risks and Compliance for Service Units;
- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with article L. 233-16 of the French commercial Code, within the limitations set out in the Statement;
- we obtained an understanding of the internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important (presented in the annex), we implemented:
 - analytical procedures to verify the correct consolidation of the collected data as well as the consistency of their evolutions,
 - detailed tests based on samples, consisting of checking the correct application of the definitions and procedures and reconciling the data with supporting documents. This work was carried out with the contributing entities listed above and cover between 10% and 27% of consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of the entities included in consolidated scope.

(1) The full list of BUs and SUs is available at www.societegenerale.com.

Annex: information considered as the most important

SOCIETAL AND BUSINESS INFORMATION

Qualitative Information (Actions or results)	Quantitative information (Key performance indicators and coverage)
<ul style="list-style-type: none"> ■ Definition and deployment of voluntary commitments. ■ Identification and management of E&S risks posed by transactions and clients. ■ Approach for analysing and managing (direct and indirect) climate risks. ■ Implementation of both approaches, Sustainable and Positive Impact Finance (SPIF) and Sustainable and Positive Investment (SPI). 	<ul style="list-style-type: none"> ■ Number and new funding of transactions subject to an E&S review (10% of the new funding for the transactions reported in Corporate and Investment Banking, including 10% for the transactions under the Equator Principles scope). ■ Total production in SPIF-compliant financing commitments (20% of new funding) and total SPI-compliant assets under management (27% of the assets).

SOCIAL INFORMATION

Qualitative Information (Actions or results)	Quantitative information (Key performance indicators and coverage)
<ul style="list-style-type: none"> ■ Management of jobs and skills. 	<ul style="list-style-type: none"> ■ Share of positions filled through internal mobility (26% of the workforce). ■ Average number of hours of training per employee (26% of the workforce).

ENVIRONMENTAL INFORMATION

Qualitative Information (Actions or results)	Quantitative information (Key performance indicators and coverage)
<ul style="list-style-type: none"> ■ General environmental policy. 	<ul style="list-style-type: none"> ■ Carbon footprint (27% of the Group's GHG emissions) including review of GHG emissions (tCO₂e) scope 1, 2 and 3 (scope 3 including paper consumption, business trips, freight transport, energy consumption of data centers hosted in France and waste production).

5.5 DUTY OF CARE PLAN

5.5.1 INTRODUCTION

Purpose

Societe Generale is subject to French legislation passed on 27 March 2017 on the duty of care for parent and subcontracting companies (the Duty of Care Act). The law requires the Group to prepare and implement a duty of care plan to identify risks and prevent serious breaches of human rights, fundamental freedoms, or damage to the health, safety and security of persons and the environment as a result of its activities. The plan must include risk mapping, measures to assess and mitigate the risk of serious breaches and monitoring of their implementation, as well as a whistleblowing system. This document sets out an overview of the main aspects of the Duty of Care Plan and includes the report on its effective implementation.

Even before duty of care legislation was introduced, Societe Generale voluntarily adopted procedures and tools to identify, assess and manage risks related to human rights, fundamental freedoms, health and safety and the environment as part of how it manages its human resources, supply chain and businesses. By implementing this legal obligation over the past five years, Societe Generale has benefited from the opportunity of clarifying and strengthening its existing framework as part of a continuous improvement process.

Scope of application

The Group bases its definition of serious violation on the reference texts. Risks related to human rights and fundamental freedoms, health and safety, identified based on reference texts such as the Universal Declaration of Human Rights (1948) and the International Labour Organization's fundamental conventions are: forced labour and slavery; child labour; respect for the rights of indigenous peoples, rights of ownership, discrimination, freedom of association, health and safety, decent working conditions, decent pay, decent social protection and the right to privacy. The standard reference document for identifying environmental risks is the Rio Declaration on Environment and Development (1992). They are climate change and air quality; preservation of water resources and their quality; responsible land use; preservation of natural resources; preservation of biodiversity and minimisation and treatment of waste.

This Duty of Care plan covers Societe Generale and consolidated companies over which Societe Generale exercises exclusive control⁽¹⁾, (hereinafter the “Group”).

It is structured around three core themes:

- **Group employees:** aiming to prevent or mitigate the risk of serious violations in respect of human rights, fundamental freedoms or the health and safety of Societe Generale Group employees;
- **Group suppliers and subcontractors:** aiming to manage or mitigate the risk of serious breaches of human rights, fundamental freedoms, health, safety and security and the environment associated with the activities of the Group's suppliers and direct⁽²⁾ (i.e. level 1) Group subcontractors;
- **Group activities pillar:** aiming to prevent the risk of serious violations in respect of human rights, fundamental freedoms, health, safety and security and the environment that are directly associated with the products and services provided by the Group.

Governance

The Duty of Care Plan was drawn up by the Sustainable Development Department, the Compliance Division, the Human Resources Department and the Sourcing Division, in association with the Legal Department and the Group Security Division.

The Plan and progress with implementing its measures are presented to General Management every year.

It is also included in the Management Report prepared by the Board of Directors and published in the Universal Registration Document.

Roll-out is coordinated by the Sustainable Development Department, the Human Resources Department, the Sourcing Division and the Compliance Division. The Business Units and Service Units are responsible for implementing the plan within their scope.

The Duty of Care Plan was devised in accordance with the principle of continuous improvement. How it evolves over time reflects the results of the risk mapping, regular assessments, developments in the Group's activities, new E&S commitments, and updates to the E&S risk management policies and tools.

(1) These are subsidiaries controlled directly or indirectly by Societe Generale, pursuant to Article L. 233-16-II of the French Commercial Code.

(2) Suppliers and subcontractors with whom the various Group companies maintain an “established commercial relationship”, i.e. a direct, ongoing and stable commercial relationship (in accordance with the definition developed by French case law).

5.5.2 IDENTIFYING AND PRIORITISING E&S RISKS: MAPPING INHERENT ENVIRONMENTAL AND SOCIAL RISKS

A number of years ago, Societe Generale first began identifying the risks of breaches of human rights, fundamental freedoms, health, safety and security and the environment that are inherent to its activities (referred to as **inherent E&S risks⁽¹⁾**). This identification process, which served as the basis for the Group's existing E&S risk management tools and procedures, was completed by mapping the inherent E&S risks for each of the three core themes.

These risks were identified, assessed and then ranked based on both sector and geographic data. The assessments used information from recognised external databases⁽²⁾ as well as internal experts.

Relations with employees

Societe Generale operates in 66 countries and the Human Resources Department sees the local context as critical to both the analysis of intrinsic risks and the policies and measures implemented to prevent them. The Group assesses exposure to risks of serious violations of human rights and fundamental freedoms, together with employee

health and safety, in all its host countries to identify where and how operations are at risk and gain deeper insights into local issues.

Any failure by the Group to live up to its commitments to address discrimination and inequality, offer fair and decent pay, ensure social protection, protect health and safety, or infringement of the right to freedom of association or collective bargaining could be detrimental to the Group's employees, impact on its ability to continue as a going concern, and carry legal and reputational risks for the Group.

Mapping of inherent risks was updated in 2022⁽³⁾ using an external⁽⁴⁾ database of indicators, which is reviewed annually, detailing the risk levels specific to the country and to financial sector activities.

The methodology for risk mapping is structured around the following parameters:

- country the Societe Generale entity operates in;
- entity's sector of activity;
- entity's share of the Group's workforce.

For each subject area assessed, the following results present the proportion of the Group's workforce operating in countries considered to have a high, medium-high, moderate and low level of inherent risk.

RESULTS

Risk exposure	Low	Moderate	Average	High
Freedom of association and collective bargaining rights	67.95% of the workforce	31.8% of the workforce	0.25% of the workforce	None
Discrimination	66.8% of the workforce	33.1% of the workforce	0.1% of the workforce	None
Health and safety ⁽¹⁾	69.3% of the workforce	21.2% of the workforce	9.5% of the workforce	None
Working conditions ⁽²⁾	57.4% of the workforce	32% of the workforce	10.6% of the workforce	None

(1) The figures given here do not take Covid-19 health risks into account. They are not included in the data used. Employees are exposed to Covid-19 health risks in all the Group's countries of operation, and the Group has put measures in place to contain these risks in the workplace.

(2) Covers forced labour and modern slavery, child labour, decent working hours and decent wages.

With regard to freedom of association and collective bargaining, countries of operation with a medium-high risk for the banking sector are: Equatorial Guinea and the United Arab Emirates.

The Group's moderate-risk countries of operation are: Algeria, Benin, Brazil, Bulgaria, Cameroon, Chile, China, Colombia, Congo, Côte d'Ivoire, Ghana, Guinea, Hong Kong, Hungary, India, Lithuania, Madagascar, Mexico, Morocco, Peru, Poland, Romania, Senegal, Serbia, Singapore, South Korea, Taiwan, Chad, Tunisia, Turkey and the US.

Following on from the global agreement on fundamental rights signed with UNI Global Union, Societe Generale again dived deeper into the data for additional analytics, using the ITUC Index developed by the

International Trade Union Confederation, which is based on intelligence provided from local trade unions in 148 countries.

Looking primarily at freedom of association and collective bargaining, by way of comparison, according to the ITUC Index, which covers all sectors, including the financial sector, the risk spread for the Group's workforce is follows: 63.2% in countries considered to be low to medium risk, 7.6% in medium-high risk countries and 26.6% in high-risk countries (the US is classed as a high-risk country by the ITUC index). The differences that emerged in 2021 between the results based on the ITUC and the Verisk Maplecroft – Financial Sector indices were examined with UNI Global Union throughout 2022. Under the agreement with UNI Global Union, which is due to be renegotiated in 2023, the review could be postponed.

(1) A distinction is made between inherent and residual risks. The latter are obtained after taking account of applying the measures to avoid the risks or mitigate their consequences.

(2) For the HR, Safety & Security and Activities pillars: Verisk Maplecroft and RepRisk; for the Sourcing pillar: Transparency International, the World Bank Group, the ILO and UNICEF.

(3) Ukraine was not included in this analysis due to the ongoing conflict. Given the circumstances and risks stemming from the war, the Group has taken full responsibility for its employees in Ukraine, beyond mapping HR risks under the Duty of Care plan.

(4) Verisk Maplecroft FY2022.

In terms of discrimination, Turkey is the medium-high risk country for the banking sector in which the Group has a presence.

The Group's moderate-risk countries of operation are: Algeria, Benin, Brazil, Bulgaria, Burkina Faso, Cameroon, Chad, China, Colombia, Congo, Côte d'Ivoire, Ghana, Guinea, Equatorial Guinea, Greece, Hungary, India, Italy, Japan, Madagascar, Morocco, Mexico, Peru, Poland, Romania, Senegal, Serbia, Singapore, South Korea, Tunisia, the United Arab Emirates and the US.

Turning to health and safety, the Group is present in the following countries classified as a medium-high risk for the banking sector: Benin, Guinea and India.

The Group's moderate-risk countries of operation are: Algeria, Brazil, Bulgaria, Burkina Faso, Cameroon, Chile, China, Colombia, Congo, Côte d'Ivoire, the United Arab Emirates, the US, Ghana, Equatorial Guinea, Madagascar, Morocco, Mexico, Peru, Romania, Senegal, Singapore, Chad, Tunisia and Turkey.

Regarding working conditions, the Group's countries of operation with a medium-high risk for the banking sector are Benin, Cameroon, Chad, China, Congo, Guinea, India and the United Arab Emirates.

The Group's moderate-risk countries of operation are: Algeria, Brazil, Bulgaria, Burkina Faso, Chile, Colombia, the Czech Republic, Côte d'Ivoire, Ghana, Greece, Equatorial Guinea, Hong Kong, Hungary, Italy, Japan, Madagascar, Morocco, Mexico, Peru, Poland, Romania, Senegal, Serbia, Singapore, South Korea, Spain, Sweden, Taiwan, Tunisia, Turkey and the US.

Relations with suppliers and subcontractors

Inherent E&S risk mapping for sourcing was based on the main purchasing categories for the banking sector (from a classification including more than 150 sourcing sub-categories in total). The risk level assessment for each purchasing category took in three main areas: business practices and ethics, the environment, human rights and employment conditions. Contextual factors were also built into the risk assessment for the purchasing category: supply chain characteristics (complexity, including the number of actors and distance from the intermediaries to the end purchaser) and labour intensity.

E&S risks specific to purchasing categories were mapped in conjunction with three other French banks in 2018, with the support of a specialised consulting firm. The mapping was subsequently updated and supplemented within the Group.

The inherent E&S risk levels of each purchasing category were then cross-referenced with the corresponding expenditure amounts per category to identify the share of Group purchases in medium-high and high-risk categories.

Results: for the scope analysed by the Sourcing Division (Sourcing Division France and local sourcing teams), around 5.5% of the spend was on purchasing categories representing a high E&S risk, and around 9% on purchasing categories representing a medium-high E&S risk.

Amongst the high-risk purchasing categories, building work was found to bear the greatest risk (renovations and outfitting but also construction of new buildings), together with waste management and telephone and IT equipment.

Group activities

Societe Generale provides financial products and services to customers in many sectors, and some may expose it to E&S risks. At Societe Generale, we know that everything is linked: people and society, climate, ecosystems and biodiversity. The Group takes a science-based approach, informed by the latest developments in economic and social sciences. In December 2021, the Group identified and ranked E&S risks for each sector and region, based on external sources (including information on reputation and controversies) and on expert opinion.

It then cross-referenced the risk ratings obtained with the Group's activity data using the Group's identified exposure to E&S risk in the sectors most prone to this category of risk.

The risk management framework includes mitigation measures, including sector policies, in line with the more in-depth due diligence required for products and services directly associated with the most exposed activities and regions.

Results: the industries most vulnerable to E&S risks are energy (fossil fuels and electricity generation), transport and logistics (especially automotive and aerospace), agriculture, especially upstream (although risk has decreased dramatically in the soya business), industry, construction, chemicals, mining, forestry, textiles and defence.

The main risks identified in these sectors include higher climate risks, erosion of biodiversity, risks related to working conditions (including workplace accidents), risks of forced labour and child labour, and the risk of breaching community rights.

Approximately 25% of the Group's exposure⁽¹⁾ at the end of 2021 related to sectors that were found to present high risks in terms of human rights and the environment. Once geography is taken into account (*i.e.* mainly the quality of local E&S regulations), less than 10% of the Group's business as measured in terms of sector exposure is conducted in sectors or countries found to present E&S risks.

(1) Corporate exposures.

5.5.3 REGULAR E&S RISK ASSESSMENT PROCEDURES AND RISK PREVENTION AND MITIGATING MEASURES

The aim of the Duty of Care Plan is to provide an appropriate framework for managing E&S risks. In other words, it should cover the main risks pinpointed by the risk mapping exercise and be correctly deployed in the Group. Accordingly, the Group regularly reviews its E&S risk management framework to identify risks of serious violations that may not be adequately covered by the existing framework and to step up prevention and mitigation measures.

Relations with employees

The Group's assessment and prevention model is underpinned by a set of operational processes and systems, which are constantly updated to meet continuous improvement goals.

The Group defines specific guidelines for human rights and freedom of association issues, as well as a set of HR policies applicable to the entire Group, which are then implemented by the Business Units and Service Units:

- **normative documentation** that sets out all the operating and organisational rules (the Societe Generale Code);
- **a Code of Conduct** that applies to all of the Group's activities worldwide: it promotes respect for human rights, sets out the standards to meet and the commitments to all stakeholders;
- **policies and procedures to promote human rights:**
 - **social dialogue and freedom of association:** through local personnel representative bodies, where they exist, in the entities, countries and in the European Works Council. It also revolves around local trade unions, where applicable, and reflects the global context, *i.e.* where the agreement with UNI Global Union applies. Talks took place over 2022 with the UNI Global Union as part of the process of renegotiating the agreement for 2023 and future years. The agreement covers the Group's entire workforce and is founded on the application of commitments, notably the right to freedom of association and collective bargaining, as well as on the issues listed below. Societe Generale holds regular discussions with UNI Global Union,
 - **discrimination:** Societe Generale demonstrates its resolve to recognise and promote all talents through its Group-wide Diversity and Inclusion policy. The Group is committed to creating the conditions of an inclusive organisation in all its HR processes and entities, and prohibits all forms of discrimination. A Diversity and Inclusion Committee, with members from the BU and SU Management Committees, sets the goal and priorities and oversees progress towards achieving them. The Group has set bold and ambitious targets to promote more women to senior management positions,
 - **health, wellbeing and workplace conditions:** the Group's Health policy is implemented by the entities working with local support teams (HR, logistics managers, occupational health, etc.). Each Group subsidiary defines a level of supplementary health cover depending on the compulsory scheme in its country and with a level of protection at least comparable to local market practices. Moreover, since 2019 the Group has been working to ensure a minimum level of social, health and welfare protection for all its employees worldwide. To date, nine out of ten employees benefit from a supplementary company health or personal protection. A new agreement was signed in France between the Human Resources Department and the trade unions (in November 2022)

on wellbeing and workplace conditions. It is intended to further improve working conditions and prevent occupational risks, paying particular attention to preventing psychosocial risks,

- **safety and security:** the safety of people and property on Societe Generale premises is supervised by the Group Security Division within the General Secretariat. Local teams are responsible for implementing policies to protect people, property and intangible assets. These teams aim to tighten the Group's safety culture, disseminate policies and measures to make its activities safer, and coordinate relations with national, European and international public safety authorities. They were also instrumental in organising the Group's measures to protect employees during the pandemic,
- **working conditions:** the Group has set the minimum age for employment at 16. Group entities are required to check the age of all new employees at the hiring stage. All forms of forced labour are prohibited. Societe Generale also strives to offer attractive and fair remuneration to nurture employee loyalty and boost the Group's performance over the long term. The compensation policy is based on principles of non-discrimination and other principles shared by all. It is then adjusted to the businesses and geographic areas in which the Group operates, taking into account market practices and contexts;
- **given the major changes in the Company and in ways of working, tailored measures to protect employee health and guide them through these changes have been introduced** (see: "Listening to and supporting employees in a changing work environment", page 298, Chapter 5 of the Universal Registration Document);
- these are backed by **ensuring that everyone knows the rules and teams are trained** in all our host countries. Societe Generale's training offer primarily targets the Risk and Compliance culture (including training in the Code of Conduct, ethics and E&S responsibility). The Group also offers training courses specific to each business line or function, thereby limiting operational risks and maintaining employee skills.

Further information on what the Group is doing in this area is available in the Group's Declaration of Non-Financial Performance (DNFP) (see "Being a responsible employer" in Chapter 5, page 293 of the Universal Registration Document).

Relations with suppliers and subcontractors

The Group's normative documentation governs E&S risk management in terms of Sourcing and supplier relationship management.

Operational implementation of the normative documentation and management of E&S risks at all stages of the sourcing process are based on a set of tools to identify, assess and manage E&S risks at a granular level: product or service and supplier or service provider. These tools are used for purchases made by the Group Sourcing Division and at least for high-risk categories in the Sourcing function in other countries. They are being phased in across the Group. To support effective implementation of these E&S risk management measures in purchasing, dedicated training has been provided to all professional buyers. In addition, to make sure occasional buyers are mindful of what is at stake, a "motion design" video presents the Group's sustainable sourcing programme.

To identify and assess risks, the Sourcing Division draws primarily on:

- E&S risk mapping for the various purchasing categories to identify the E&S risk category for the category in question;
- inclusion of E&S criteria in calls for tender involving purchasing categories ranked as medium-high or high E&S risk;
- inclusion of E&S criteria in the KYS (Know Your Supplier) assessment for shortlisted suppliers, including verifying compliance with the E&S exclusion list;
- non-financial assessment of certain “targeted”⁽¹⁾ suppliers by independent third parties;
- review of controversies.

Managing and mitigating risks involves:

- including E&S criteria in calls for tender covering the main risks for the category of purchases identified in the risk mapping, for categories with a medium-high or high E&S risk;
- weighting E&S criteria according to the degree of E&S risk represented by the purchasing category in question, according to the rating criteria for service or product bids;
- inclusion of a CSR clause into contracts that impose a binding commitment to abide by the Group’s Sustainable Sourcing Charter and Code of Conduct, as well as a reference to the right to audit (to perform E&S audits if necessary) and a request for non-financial assessment of “targeted” suppliers;
- if E&S performance falls short:
 - encouraging remedial action plans,
 - option to conduct on-site E&S audits,
 - review of E&S controversies or changes in non-financial ratings.

In May 2020, the Sourcing Division strengthened the measures it had put in place in 2016 to manage the risks of corruption and reputation damage related to the suppliers it monitors, extending the KYS process to all suppliers representing significant sums or sensitive purchases for the Group. It now systematically conducts the process at the beginning of the business relationship as well as periodically over the contract’s term, in line with the supplier’s risk level.

Since the end of 2021, and for procurement overseen by the Sourcing Division, the E&S risk management system has covered all calls for tender in purchasing categories representing a medium-high or high E&S risk. For calls for tenders managed by the Sourcing Function in the international market for all high-risk E&S categories, suppliers must meet the Group’s E&S requirements. E&S evaluation criteria are included in the bid analysis matrix.

The E&S risk management tools for procurement not overseen by the Sourcing Division have been simplified and made available for high E&S risk categories.

Two E&S supplier audits were performed in 2022 jointly by an independent external firm and a Group peer in the banking sector covering a medium-high E&S risk category. Working with the independent firm, two questionnaires were prepared for new E&S supplier audits in 2023 covering two new categories of risk.

Lastly, in 2022, the Sourcing Division also worked on improving how it identifies whether a supplier represents a potential source of E&S controversy. Using a dedicated tool designed to identify and assess controversies, it monitors a targeted scope of approximately 600 suppliers and/or suppliers assessed as posing a medium or high E&S risk in France, and a high E&S risk in its international network.

Group activities

Societe Generale must comply with a set of regulations (anti-money laundering regulations, compliance with embargoes, legislation on personal data protection and on transparency, the fight against corruption and on the modernisation of the economy, etc.) that constitute the foundation of its risk management framework.

In addition to these regulatory requirements, the Group also has a climate strategy structured around three core priorities: managing the risks associated with climate change, proactively managing its climate impacts, and supporting clients on a path to a greener future, specifically by devising appropriate advisory and financing solutions.

To do this, it set up a **voluntary framework to manage the E&S risks stemming from its businesses, undergirded by:**

- **Defining the E&S standards the Group intends to apply to its banking and financing activities.**

These are formally laid out in the Environmental and Social General Principles⁽²⁾ and applied through the sector policies covering sectors deemed potentially sensitive from an environmental, social or ethical point of view. Sector policies have a twofold purpose: to limit the direct potential adverse environmental and social impacts of the Group’s activities, while also helping to promote client transactions that have a positive impact on sustainable development. They set out the main risks of infringing human rights or causing damage to the environment facing the sector concerned and specify the criteria used to assess clients or transactions with operators in these specific sectors.

Please see the Societe Generale website for the sector policies listed below:

- industrial agriculture and forestry⁽³⁾ (including criteria applicable to clients and dedicated transactions, especially as regards deforestation),

(1) Suppliers accounting for large purchase volumes at Group level or directly representing the brand.

(2) The Environmental and Social General Principles describe the main aspects of the E&S Risk Management System (ESRM System) and how it is implemented in the Group’s operations.

(3) <https://www.societegenerale.com/sites/default/files/documents/CSR/Industrial-agriculture-and-forestry-sector-policy.pdf>

- dams and hydroelectric power⁽¹⁾ (exclusions on financing the construction or expansion of hydroelectric plants with pondage in sensitive sites),
- thermal power stations⁽²⁾,
- thermal coal⁽³⁾ (including the commitment to reduce exposure to the thermal coal sector to zero by 2030 for EU and OECD countries and by 2040 for the rest of the world),
- defence⁽⁴⁾ (exclusion list encompassing all activities linked to controversial weapons: anti-personnel mines, cluster bombs, depleted uranium weapons, chemical, biological and nuclear weapons – non NPT countries),
- mines⁽⁵⁾ (exclusions apply to dedicated financing for mining of asbestos and metallurgic-grade coal),
- shipping⁽⁶⁾ (financing exclusions include non-double hull tankers; vessels for the shipment of Arctic oil, oil sands and coal),
- civil nuclear power⁽⁷⁾,
- oil and gas⁽⁸⁾ (setting out the policy on excluding financing of non-conventional hydrocarbons);

■ **alignment targets for the most carbon-intensive sectors:**

As a founding member of the UNEP-FI Net-Zero Banking Alliance in 2021, the Group has undertaken to align its lending and investment portfolios with trajectories to achieve carbon neutrality by 2050 in

sectors that emit the most greenhouse gases. The objective is to limit the Earth's warming to 1.5°C. Sections VI and VII of the Duty of Care Plan give more detail on what the Group has achieved so far;

■ **Group normative documentation largely transposed into operating procedures:**

The Group's normative documentation was updated in 2019 to include information relative to E&S risk management processes and the measures introduced to prevent these risks, especially who does what in the management of each of these areas. In 2022, most of the Business Units continued to gradually introduce E&S risk management into their operational processes, strengthened their centres of E&S expertise, and conducted specific training for teams working in sales, the Risk Division and the Compliance Division;

■ **in-house tools to identify and assess risks:**

Provided within the Group and updated at least every six months, these tools include:

- an E&S watch list of projects, companies or sectors/countries that represent high E&S risk, designed to trigger a more in-depth due diligence on such sectors, projects or companies,
- an E&S exclusion list.

The E&S risk assessment procedures and risk control systems are described in more detail in the Universal Registration Document (see page 276).

5.5.4 WHISTLEBLOWING PROCEDURE

Under the Duty of Care Act and as the French Act on Transparency, the Fight against Corruption and Modernisation of the Economy, (known as the Sapin II Act), a whistleblowing mechanism is compulsory. To comply with both these laws, a Group-wide whistleblowing system was introduced in 2019 in addition to existing measures. The French representative trade unions were consulted and the system proposed was presented to and discussed with French and European bodies before being introduced. The policy is now available at www.societegenerale.com and on the Societe Generale Group's Intranet. It has been rolled out in France and other countries and is available in 13 languages. This is in addition to going through the managerial channel and direct referral via the Chief Compliance Officer, to whom the issue can be reported as a first point of contact.

Whistleblowers can use the system to report any suspected, potential or actual serious and clear violations of an international commitment, a law or a regulation; in respect of human rights, fundamental

freedoms, health and safety or the environment; and regarding behaviour or a situation that runs counter to the Group's Code of Conduct. The system is available to all employees, as well as to external contractors, temporary staff and service providers working with the Group on an established basis. It is hosted on a secure external platform offering the guarantees required by the French Act on Transparency, the Fight against Corruption and Modernisation of the Economy, namely protection of personal data and strict confidentiality (to protect the whistleblower's identity) of any information provided.

Whistleblowing is a right and no employee will be sanctioned in any way whatsoever for having made disclosures in good faith.

The Group's Code of Conduct explains how to use the whistleblowing system (see "A Code of Conduct underpinned by shared values", page 279 of the Universal Registration Document).

(1) https://www.societegenerale.com/sites/default/files/documents/CSR/dams_hydropower_sector_policy.pdf.

(2) <https://www.societegenerale.com/sites/default/files/documents/CSR/thermal-power-sector-policy.pdf>.

(3) <https://www.societegenerale.com/sites/default/files/documents/CSR/thermal-coal-sector-policy.pdf>.

(4) <https://www.societegenerale.com/sites/default/files/documents/2020-10/Sector%20policy%20Defence%20and%20Security%202020.pdf>.

(5) <https://www.societegenerale.com/sites/default/files/documents/CSR/mining-sector-policy.pdf>.

(6) https://www.societegenerale.com/sites/default/files/documents/CSR/shipping_sector_policy.pdf.

(7) https://www.societegenerale.com/sites/default/files/documents/2020-10/civil_nuclear_power_sector_policy.pdf.

(8) <https://www.societegenerale.com/sites/default/files/documents/CSR/Oil-Gas-sector-policy.pdf>.

5.5.5 MONITORING OF DUTY OF CARE MEASURES

Societe Generale has developed management and reporting tools to comply with its extra-financial reporting obligations and monitor implementation of its E&S risk management processes. These tools provide the Human Resources Department, Security Division, Sourcing Division and Sustainable Development Department with key extra-financial performance indicators. A common extra-financial reporting system is in place throughout the Group and supplies the data needed for reporting (Chapter 5 of the Universal Registration Document) and for the Duty of Care Plan.

Duty of care measures are also monitored by means of internal self-assessment exercises, to:

- monitor how E&S risk management processes are applied in Business Units, Service Units and further down the chain (at individual legal entity level);
- identify areas for improvement and monitor the ensuing action plans; and
- leverage additional indicators for monitoring the measures taken by the Group.

Relations with employees

THE GROUP HAS A SET OF CONTROLS TO ASSESS MONITORING OF APPLICABLE RULES.

How well it manages its risks determines the Bank's ability to achieve its HR risk prevention goals. Therefore, which control systems it uses, and how they are determined and monitored all play a crucial role in the Company's performance.

For the sake of efficiency, the Group provides all its entities with normative documentation specific to the nature of the activities and taking into account all types of risk, including HR risks. This documentation is updated, disseminated, and accessible.

The HR Department and its local teams are also covered by the Group's risk management and permanent control systems, including:

- a set of controls on key HR processes deployed throughout the Group;
- business continuity plans and crisis exercises;
- periodic controls by the Audit and Inspection teams.

THE GROUP CONDUCTS SELF-ASSESSMENT EXERCISES TO ASSESS RISK MITIGATION MEASURES.

Every year the Group asks all entities with more than 50 employees to contribute to two self-assessment exercises:

- the first is on hedging operational risk (Risk control self-assessment); in 2022, entities were asked to emphasise major residual risks, Culture & Conduct, recruitment, psychosocial risks, occupational health risks and emerging risks;
- the second is specific to how Group entities exercise their duty of care. It is based on a questionnaire (Planethic Reporting) that covers how local policies and processes are implemented, as well as checks performed on all the topics presented in the Universal Registration Document, "Being a responsible employer" on page 293. The Human Resources Department governs and consolidates these data.

THE GROUP ASSESSES THE SATISFACTION AND WELL-BEING OF ITS EMPLOYEES.

In addition to these measures, the Group gauges employee engagement and gathers direct feedback on working conditions through the Employee Satisfaction Survey, an anonymous internal survey carried out throughout the Group every year. The 2022 survey set out to gain insights on engagement, Culture & Conduct, wellbeing in the workplace, work organisation and efficiency, inclusion and CSR. The results, shared with employees, help to take the pulse of our workforce and their expectations and to read the labour relations climate. Based on the survey findings, action plans are implemented in every BU and SU where necessary to continuously improve employees' daily working conditions. The action plans are then submitted to the Board of Directors of Societe Generale. This approach means the Group can also monitor how familiar employees are with the whistleblowing system and how much they trust it.

THE GROUP MAINTAINS ACTIVE DIALOGUE WITH EMPLOYEES AND THEIR REPRESENTATIVES.

Societe Generale has signed a global agreement on fundamental rights with the UNI Global Union. Under this agreement, it organises discussions between the representatives of its HRD and UNI Global Union, both at corporate and local level in some countries to make sure that the duty of care is front and centre in structuring social dialogue in the Group.

Relations with suppliers and subcontractors

The Sourcing Division tracks E&S risk indicators on suppliers and calls for tender on a quarterly basis. For procurement overseen by the Sourcing Division:

- CSR tool sheets cover 100% of the purchasing categories representing a high or medium-high E&S risk (more than 50 tool sheets in total). These tool sheets are designed to help the Sourcing Division's buyers ask CSR questions or impose CSR requirements in respect of identified risks in the context of calls for tender;
- 99.3% of calls for tender in high E&S risk categories included CSR criteria;
- 87% of a targeted scope of suppliers under contract had an updated extra-financial assessment;
- a tool to help tackle controversies involving companies suspected of using forced labour in their supply chains was also developed;
- at 31 December 2022, 100% of the Sourcing Division's active buyers had received Responsible Sourcing training, as defined in the Group's normative documentation and in E&S risk management tools applicable to sourcing.

Group activities

The Group continued to implement procedures and controls aimed at managing E&S risks in its activities,

Conducted in 2022, the Compliance Risk Assessment exercise looked in detail at E&S risks in 193 Group entities. It provided the Group with more granular information over a wider scope on implementation of its E&S risk management frameworks and insights to define what actions are needed to improve performance.

These internal management tools have made it possible to assess:

- familiarity with the normative framework for managing E&S risks in the Group (E&S policies, E&S watch list, E&S exclusion list) and their transposition into the Business Units' own procedures;
- Business Units with the highest exposure that implemented particular procedures (transposing the Societe Generale Code) with respect to the E&S risk management system;
- implementation of Group procedures and associated controls, as part of the Group's permanent control system;

- human resources and skills devoted to E&S risk management;
- governance framework to address complex E&S issues at local level, before escalation to Group level;
- number of people trained in managing E&S and climate risks;
- number of customers and transactions that pose an E&S risk that were the subject of an in-depth E&S due diligence, as well as the main findings of these reviews.

5.5.6 REPORT ON EFFECTIVE IMPLEMENTATION OF THE DUTY OF CARE MEASURES

Since publication of the Duty of Care Act, the Group has continued to strengthen and implement its E&S risk management framework concerning its employees, suppliers and subcontractors and its activities. Measures in 2022 centred on these three areas.

Employees

Main achievements in 2022:

- awareness training for HR staff on why duty of care matters;
- stricter preventive measures for psychosocial risks, especially in areas concerned by transformation projects (VISION 2525 merger project);
- all staff were made aware of why data security is important through a compulsory e-learning module, an information campaign and various in-house events;
- the Group also continued the initiative to propose workplace layouts that would facilitate remote working while seeking to balance the Company's operational needs and employee expectations;
- training and information for all employees in how to prevent inappropriate behaviour;

- training and information on non-discrimination was stepped up with training sessions for the Group's ambassadors, HR recruiters and communication officers, as well as monthly talks available to all staff;
- during the review of the intrinsic risk mapping in the 2021 Duty of Care Plan, published in 2022, Societe Generale and UNI Global Union agreed to perform a more granular analysis of the residual risks identified for three countries: Côte d'Ivoire, Morocco and Romania. The entity HR Divisions kicked off *ad hoc* discussions with trade unions and/or personnel representatives in the three entities.⁽¹⁾ Locally, these talks provided the opportunity to cultivate social dialogue in these entities, to discuss ideas and encourage buy-in of the duty of care plan.

In Ukraine, the Group gave immediate priority and mobilised to protect the employees of its subsidiary. To keep them safe, it organised help and support for transport, accommodation and healthcare.

Results: the 2022 evaluation of what the Group is doing to implement duty of care and risk mitigation measures in countries exposed to medium-high or moderate inherent E&S risk pointed to the following residual E&S risks:

Risks	Workforce exposure level
Freedom of association and collective bargaining rights	Entities that need to pay special attention to requests for employee representation systems employ 3.6% of the workforce.
Discrimination	Entities that need to have official policies and strengthen checks to ensure that HR processes are non-discriminatory employ 0.8% of the workforce
Health and safety	Entities that need to have official policies and strengthen their checks on workplace health and safety employ 5.9% of the workforce
Working conditions ⁽¹⁾	Entities that need to have official policies and strengthen their checks to ensure that working conditions meet International Labour Organization standards employ 1.5% of the workforce.

⁽¹⁾ Covers forced labour and modern slavery, child labour, decent working hours and decent wages.

Looking at freedom of association and collective bargaining, countries in which some Group entities need to take particular care in the event of requests for information on this topic are: Bulgaria, China, Colombia, Hong Kong, India, Lithuania, Poland, Romania, Serbia, Singapore, Turkey, the United Arab Emirates and the US.

On discrimination, the countries in which some Group entities need to have official policies and strengthen their checks to make sure that HR processes are not discriminatory are: Algeria, Cameroon and Poland.

⁽¹⁾ The three entities concerned are Societe Generale Maroc, BRD in Romania and Societe Generale Côte d'Ivoire.

On health and safety, countries in which some Group entities need to have official policies and strengthen their checks are: Algeria, Bulgaria, Chad, Congo, Morocco, Romania and the United Arab Emirates.

As for working conditions, countries in which some Group entities need to have official policies and strengthen their checks to ensure that working conditions meet International Labour Organization standards are: Algeria, Benin, Bulgaria, Chad, Colombia, Czech Republic, Hungary, India, Poland, Sweden, and the United Arab Emirates.

The 2022 self-assessment exercise was performed in entities representing 100% of the Group's headcount.

Suppliers and subcontractors

Main achievements in 2022:

- review of 20 tool sheets and creation of three new tool sheets, including E&S requirements and criteria for all E&S risk categories;
- training provided to the Sourcing Function in all tools;
- updating the responsible sourcing training materials for purchases not managed by the Sourcing Division, as well as training provided to a BU that sources directly;
- monitoring of action plans based on the E&S audits in 2020;
- two supplier CSR audits on a medium-high risk category of purchases;
- improving how it identifies whether a supplier represents a potential source of E&S controversy. Using a dedicated tool designed to identify and assess ESG controversies, it monitors a targeted scope of more than 600 suppliers and/or suppliers assessed as posing a medium or high E&S risk in France, and a high E&S risk in its international network;
- drafting and implementing an escalation procedure covering the scope of procurement overseen by the Sourcing Division, which aims to inform and aid decision-making on actions to be implemented when material controversies are identified involving the Group's suppliers.

Results: for procurement overseen by the Sourcing Division:

- for the scope analysed by the Sourcing Division (Sourcing Division France and local sourcing teams), around 5.5% of the spend was on purchasing categories representing a high E&S risk, and around 9% on purchasing categories representing a medium-high E&S risk. Building work (1% of Group spending) emerged as the highest risk category;
- CSR tool sheets cover 100% of the purchasing categories representing a high or medium-high E&S risk (more than 50 tool sheets in total). To meet specific challenges, 50 or so additional CSR tool sheets cover other purchasing categories;
- 99.3% of calls for tender in high E&S risk categories included CSR criteria;
- at 31 December 2022, 100% of the Sourcing Division's active buyers had received Responsible Sourcing training.

Group activities

Main achievements in 2022:

■ strengthening how E&S risk management is organised:

- definition of a procedure to identify serious controversies stemming from environmental and social issues,
- creation of an internal process to identify and assess clients and dedicated transactions suspected of using or involving forced labour, in particular through the provision of an internal list. Definition and implementation of this process is set to continue in 2023,
- continued controls on management of E&S risks were included in the permanent supervision system;

■ developing and applying sector policies:

- of a tool to help identify companies whose main activity is covered by a sector policy to strengthen operational security in the application of these policies,
- the Group's "Industrial agriculture and forestry" sector policy (section 5.3) includes a commitment to start dialogue with corporate clients active in the soya and cattle sectors in South America and in the palm oil industry (producers, traders and primary processors):
 - this process of dialogue, which culminated in a review of the relevant clients to assess their alignment with the sector policy criteria on combating deforestation is due to be applied as of January 2023,
 - to continue to provide financial products and services after January 2023, the Group verified that these clients have undertaken to (i) eliminate deforestation and land conversion from their activities (for their own operations and across their supply chains), and (ii) set a target of 100% traceability in their value chains, reporting annually to the Group on progress towards meeting this goal. This has already led to the Group ruling out the supply of new products and services to a number of clients;

■ bolder alignment goals:

The Group has set even more ambitious targets for alignment with the goals of the Paris Agreement:

- new reduction target for the carbon intensity of its exposure to the **power generation sector**: CO₂ emissions intensity target of 125g of CO₂ per kWh by 2030 (a reduction vs. 163g of CO₂/kWh in 2030 previously),
- new reduction target for absolute carbon emissions related to **end use of oil and gas production**: -30% by 2030 (from the reference year of 2019),
- amounts outstanding: a 25% reduction in exposure to the oil and gas production sector by 2025 vs. 2019 (from the previous target of -10%);

■ developing training resources:

- e-learning module on E&S risk management. Training had been made compulsory for staff in direct or indirect contact with corporate clients and is now available as an optional module for all staff; The module covers the scope, governance and main stages in managing E&S risks: identifying and assessing risk and ensuing action plans,
- e-learning module on sustainable investment, covering the requirements and obligations arising from the European Union's sustainable investment regulations (SFDR, SFDR-related articles in the Taxonomy regulation, transparency requirements for financial product and more). This training was compulsory for more than 30,000 employees,
- all employees were offered free-to-access online training on E&S topics. The Business Units and Service Units organised workshops to develop skills in these areas,
- 7,500 Group employees had attended Climate Fresco training at end-2022,
- workshops on sector policies were also held;

■ assessment:

As mentioned in section V, the Compliance Division conducted a new risk identification and assessment exercise (Compliance Risk Assessment) in 2022 in the form of 20 questions addressed to the Business Units and Service Units. They concentrated specifically on their systems for managing environmental and social risks and their monitoring metrics:

- a 100% of the Group's Business Units have correspondents or people dedicated to E&S risk management,
- 83% of the entities included in the Compliance Risk Assessment conducted in 2022 check the exclusion and E&S identification lists during the new corporate client onboarding process and during client reviews,
- a 100% of the Business Units have set up controls to assess E&S risks in their transaction processes and when onboarding a new corporate client. The rate of deployment in the Business Units is monitored by their Compliance department,
- more than 38,000 staff have taken e-learning courses on how to manage environmental and social risks while nearly 28,000 employees had online training on sustainable investment.

5.5.7 OUTLOOK AND PLANNED DEVELOPMENTS

The E&S risk management framework will be further enhanced in 2023 by policies, formal processes and/or additional checks.

Employees

Changes in the environment, in society and in the technologies we use are reshaping the banking professions and how banks operate. These shifts also have consequences for how work is organised, which, in turn, has a direct impact on the health and safety of the workforce. Societe Generale has taken the measure of just how fast these transformations are taking place. It is committed to doing whatever it takes to manage and prevent risks to workplace health and safety, especially psychosocial risks.

Societe Generale will beef up these measures across the Group by:

- monitoring the labour relations climate to identify where tensions exist and put actions in place to contain psychosocial risk drivers;
- analysing the results of the employee survey and implementing appropriate action plans;
- taking steps to foster a culture of dialogue with all staff to pick up weak signals and prevent psychosocial risks.

Particular attention will be paid to some entities where residual health and safety risks are not addressed or are inadequately covered by existing tools and procedures – in Algeria, Bulgaria, Chad, Congo, Morocco, Romania and the United Arab Emirates – and local systems will be reinforced, if necessary (updating internal procedures to address emerging risks and in line with developments in the local context, Health, Safety and Security Committee meeting, etc.).

In 2023, the Group will continue to implement measures to protect and support staff in managing transformation projects and establishing new ways of working. Being attentive to stakeholders will clarify changes in its environment and help the Group address them in an agile manner. Appropriate channels have been set up to foster constructive dialogue with all stakeholders by considering the feedback and results of internal surveys.

Suppliers and subcontractors

The Group is planning to implement the following main actions:

- make continued improvements to the tools used to identify and assess risks, including creating new tool sheets on moderate and low-risk categories for purchasers;
- organise more regular training for Group purchasers and the Sourcing function as a whole, and extending training to entities that routinely manage sourcing when they request it;
- perform CSR audits and set up remedial action plans with suppliers under contract that present E&S risk drivers;
- make improvements to the process of identifying and managing E&S controversies for Group suppliers, as well as continue specific discussions with and challenge, where appropriate, the suppliers which are the subject of significant controversies.

Group activities

The main actions planned are as follows:

■ stepped up application of the plan and sector policies:

- developing a tool to help identify companies that do not comply with the exclusion criteria in the sector policies,
- continuing to hold training workshops on sector policies,
- developing tools to help Business Units to qualify the E&S reputational risk posed by a company and check the criteria for application of sector policies for the Transactions scope,
- continued assessments of Group clients on the deforestation issue:
 - to meet its commitment in the Industrial agriculture and forestry sector policy to tackle deforestation, the Group will start annual monitoring of progress to ensure traceability across the value chains of clients active in the soya and cattle sectors in South America and in the palm oil industry,

- looking ahead to the upcoming introduction of a European regulation to stop the import of goods linked to deforestation, the Group seeks to start an additional review of clients active in the cocoa, coffee, wood and rubber sectors. The aim is to establish dialogue on what measures they intend to put in place;

- pursuing the process of defining and implementation of internal processes on forced labour;

■ extension of alignment objectives to new sector portfolios, chosen according to how emissions-intensive they are and how material they are for the Group;

■ training within the Group (with a target of 30% of employees completing Climate Fresco training by September 2024).

