

2010 - 2011
FOCUS



CORPORATE SOCIAL RESPONSIBILITY AT SOCIETE GENERALE

MAY 2011

BUILDING TOGETHER

TEAM
SPIRIT  SOCIÉTÉ
GENERALE

RETAIL BANKING – CORPORATE & INVESTMENT BANKING – SPECIALISED FINANCIAL SERVICES AND INSURANCE
PRIVATE BANKING, GLOBAL INVESTMENT MANAGEMENT & SERVICES



Our vision

"Banks and the financial system are vital to wealth creation and development. It is because the banks have important responsibilities - as recent events have underlined - that we are doing our utmost to show that Societe Generale's way of operating meets the needs of all our stakeholders and that the Group warrants their trust, the keystone of our business

Societe Generale Group's corporate social responsibility is based on five core principles that have already proved their merit and are continually being reinforced:

- a quality approach focused on the client and a constant concern for their satisfaction;
- a robust system of corporate governance, which is continually being adapted to the demands of society;
- a constantly reinforced system of risk management and internal control processes;
- a comprehensive compliance policy and the application of ethical values, on which long-term performance depends;
- a culture of innovation designed to encourage staff to contribute to change;

I believe that we can only achieve our aim of long-term value-creation for all by applying a policy favourable to social development and the environment.

In every business, we integrate environmental and social concerns into our core strategies, adapted to

the different geographic, cultural, social and economic contexts in which we operate. This enables us both to more effectively manage our risks and to seize the business opportunities offered by new markets.

Ambition SG 2015, our Strategic Plan on a 2015 horizon aims to make Societe Generale one of Europe's major banks, to be close to its customers and to offer its shareholders sustainable growth with less risk than in the past and to be seen as truly attractive to work for.

We see sustainable development as a continuous improvement process, constantly drawing on the best practices of this and other economic sectors, to better identify and better manage our direct and indirect impact on society and the environment. This approach is notably based on the ten principles of the United Nations' Global Compact which we joined in 2003."

Frédéric OUDÉA,
Chairman and Chief Executive Officer

Our commitments

Societe Generale Group is steadfastly committed to safeguarding the environment and human and social rights in every aspect of its development - a commitment that is upheld by each of its business lines and activities namely through the responsible management of its teams and a proactive desire to reduce its direct impact on the environment.

SOCIETE GENERALE ADHERES TO 6 SETS OF CORE PRINCIPLES:



2001

UNEP Statement by Financial Institutions on the Environment & Sustainable Development. 2010 Global Investor Statement on Climate Change



2003

Global Compact, an initiative first launched by the Secretary General of the United Nations

Founding member of the **Wolfsberg Group** (anti-money laundering).



2004

Diversity Charter in France.



2006

Amundi signs the **Principles for Responsible Investment**



2007

Equator Principles (member of the Steering Committee)

Recognised CSR targets

SOCIETE GENERALE AIMS TO BE A BENCHMARK BANK IN SUSTAINABLE DEVELOPMENT WHICH MEANS:

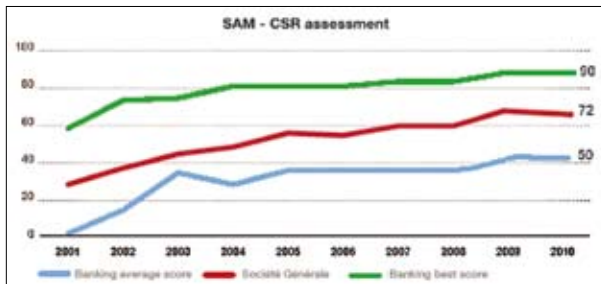
- ensuring Environmental and Social issues are part and parcel of each of its businesses and activities,
- being a responsible employer,
- carefully managing and reducing the Group's direct impact on the environment.

A RECOGNISED CSR APPROACH:

- Societe Generale Group is listed on the sustainable development* indexes: FTSE4 Good and ASPI.



- SAM (Sustainability Asset Management agency which is the ratings agency for the Dow Jones sustainable development indexes) rates Societe Generale above the sector average.



* A sustainable development index lists those stocks with the highest environmental, social and corporate governance ratings by specialist agencies.



Applying policy to sector

Societe Generale's Environmental and Social General Principles draw their inspiration from best practices within the banking profession and other sectors of the economy:

Equator Principles applied to 71 financing projects in 2010

- These General Principles are based not only on the regulatory and legislative framework that governs the bank's activities, but also on its voluntary adoption to initiatives such as the Global Compact and Equator Principles.
- The bank has identified those economic sectors in which it operates that present the highest environmental and social risks and adjusted its policy accordingly. To date, the 4 core sectors that take priority are oil and gas, mining and metals, coal-fired power plants and defence. Other sector policies are set to follow.
- The bank's policies provide a clear framework for these activities with a high environmental and social impact, pooling its experience in responsible development with its expertise of the world's emerging markets.

Corporate Governance

Societe Generale Group's actions are overseen by independent supervisory bodies and comply with clear and consistent corporate governance policies and processes.

The Board of Directors is responsible for independently defining the governance policies and procedures that ensure the bank's efficient and effective control:

- 11 directors elected by the Annual General Meeting (including 9 independent directors) and 2 employee-elected directors on January 1st, 2011.
- 10 Board of Directors' meetings in 2010 and 26 meetings held by the Group's 3 Specialist Committees: Audit, Internal Control and Risk Committee, Compensation Committee and Nomination and Corporate Governance Committee.

69% of directors are independent directors

Societe Generale as an exhaustive array of risk management resources to guarantee its lasting growth:

- **5,200 employees** who work for the Group's risk function.
- A permanent supervision process that ensures the compliance, security and validity of operations.
- The internal Audit Division created in 2010 comprises, under the authority of the Head of Group Internal audit, all internal audit teams 1,500-strong. This system is independent from operating teams, and covers all Group entities and activities.



Société Générale takes every measure to ensure its activities comply in full with all applicable laws, regulations and best practices. In 2010:

- The Group's Compliance Department employed 80 people in Paris and 63 people in Russia in 2010.
- 19,500 employees were trained in the prevention of money laundering and the financing of terrorist activities (2010 - 2011).
- "Know Your Customer" (KYC) due diligence was assigned to a dedicated department.
- The Group Code of Conduct issued to all entities since 2005 was updated; new embargo and sanction policies, were also issued.
- The procedures in the prevention of money laundering and the financing of terrorist activities were updated in order to integrate the applicable regulatory changes following the transposition into French law of the 3rd European Directive.

Our CSR structures

Societe Generale's Sustainable Development commitments are relayed at every level of the Group:

- The **Executive Committee** defines the Group's CSR **policy**.
- The **Sustainable Development Department** implements and **coordinates** this policy.
- A network of around **60 contributors** deploys the Group's policy and oversees all local initiatives.

EMPLOYEE AWARENESS

- **Bilingual training** programmes on sustainable development and CSR.
- **RPS** (Responsible Performance Survey) - a CSR self-assessment tool used in the analysis and evaluation of CSR priorities and action plans that has been tested in France and Brazil.
- A **sustainable development intranet**, "Planethic®", which is accessible to all staff.
- A variety of other initiatives including brochures on CSR and on climate change, conferences, seminars, exhibitions...

CSR REPORTING TOOL

- indicators linked to CSR in the Group's business lines and other social, environmental and sponsorship criteria.
- 1,000 contributors to data reporting.
- 62 countries covered by the reporting scope.
- Environmental reporting covering 97% of Group employees at the end of 2010 (excluding Rosbank).





Making CSR our business

SOLIDARITY PRODUCTS AND SERVICES

- Societe Generale is France's No. 1 non-mutual bank for start-up loans with a 10.14% market share.
- **"Your Bank: Here & There"**: a customized offer for France's migrant bank customers. A team of 15 advisors devoted to banking services and products tailored to France's main foreign communities. 550 "open days", 5,000 one-on-one meetings, 4 forums and 5 conferences in 2010.
- **Making branches more accessible**: in February 2011, 60% of branches had already been refurbished to cater for customers with reduced mobility and 4,600 Group ATMs already adapted for the visually-impaired.
- a new solidarity savings service enables customers to contribute all or part of the interest on their passbook accounts ("livret A", "livret Jeune" for young customers under 25 years, "livret d'Epargne Plus"...) to charities,
- € 80,000 donated to Handicap international and Restaurants du Cœur in 2010 through the retail bank's loyalty schemes,
- Over **50,000 Societe Generale customers** in France hold a **charity bank card**.
- A benchmark supporter of microfinance institutions in numerous countries, Societe Generale works hand-in-hand with several partners:
 - Around 30 microfinance institutions, primarily in Africa. **€ 99 million** in credit line commitments in 2010.
 - Direct shareholder in **6 MFIs** overseas and founding shareholder of the microfinance holding company, **MicroCred**.
 - Renewal of its **partnership with Adie** (French Association for Economic Interest) in France to which it provided a **credit line of € 1,674,000 in 2010**.

SOLIDARITY SAVINGS:

- € 52,633 donated to various charity associations in 2010 through Conciliance - a solidarity service that enables customers to make their savings work for another good cause by contributing all or part of the interest on their passbook accounts,

ENVIRONMENTALLY-FRIENDLY PRODUCTS AND SERVICES

- **8,700 “sustainable development”** loans granted in France since 2007 (approximately € 113 million).
- Close to **8,000 “Eco interest-free loans”** granted at the end of 2010 for a total € 134 million.
- 1,041,422 account holders who had switched to **electronic statements** at the end of 2010.
- New offers and services from ALD Automotive to optimise the fuel consumption of customer vehicle fleets:
 - An **electric vehicle** offer in partnership with Renault and PSA.
 - A new car-sharing service with **ALD sharing**.
 - **Ecodrive** programmes.
 - A customer scheme to partially or totally **offset** the CO₂ emissions of their fleet.
- Societe Generale and Rhodia have pooled their skills and resources in **orbeo**, a joint-venture with market solutions to fight climate change:
 - Set up in 2006, **orbeo** offers origination (development and implementation of greenhouse gas emission reduction projects) and trading services, the optimization of carbon credit portfolios and structured transaction strategies: management of a 2007-2012 portfolio of **100 million tons of CERs** (Certified Emission Reductions) and sale of 570,000 tons of CERs on behalf of the World Bank's Adaptation Fund.
 - **orbeo** is a market leader with two Energy Risk Rankings 2010 awards.
- **€ 2.8 billion in new green loans in 2010.**
- 140% increase in credit lines linked to renewable energies in 2010.
- Partner to numerous **private/public sector ventures** linked to sustainable development:
 - Energy-savings contracts with schools in the centre of France.
 - New Diabetes and Endocrinology Center (Hôpitaux de Paris).
 - New campus of the École Nationale Supérieure des Techniques Avancées (High Environmental Quality accreditation and geothermal heating systems).
 - First “positive energy” building to achieve BBC accreditation (French low-energy building standard) in Bordeaux in 2009.





Socially Responsible Investment

Amundi (merger between SGAM and CAAM in 2009): **€ 12.8 billion** in SRI assets under management on December 31st, 2010.

SOCIETE GENERALE

- A team of SRI financial analysts in Paris and London.
- SRI roadshows for France Télécom and BASF in London in 2010.
- Rated as the number 1 bank in socially-responsible investment by institutional investors..
- **“100% sustainable development” certificates:** market listed investment products (water, energy, wood industry, waste management and global warming sectors).

Societe Generale, a responsible employer



- **Social Dialogue:** 283 collective bargaining agreements signed throughout the Group in 2010.
- **Promoting diversity is one of Societe Generale Group's key HR policy priorities.** To date, 4 agreements have been signed linked to diversity issues: gender equality, labour market marginalisation, the disabled and older workers.
- **Mission Handicap** is devoted to the recruitment, training and careers management of disabled persons (1,931 disabled persons employed by the Group in 2010).
- 3.53 million hours of training for more than 117,245 employees.
- Over 8,879 employees were able to switch jobs in France in 2010 (62% of whom work in retail banking).
- 3,973 employees in France were promoted internally in 2010 (56% of whom are women).
- **Fighting HIV/AIDS:** action plans in each of the Group's 11 subsidiaries in Africa.
- Information campaigns on the risks of malaria and distribution of self-diagnosis kits (Cameroon) and impregnated mosquito nets (Senegal) in 2010.

LANDMARKS

- 155,617 employees in 85 countries at the end of 2010
- 120 nationalities
- 60% of employees are women
- 62.93% of employees work outside of France
- 15,098 new recruits on permanent contracts (56.44% are women)
- Close to 90,000 present and former employee shareholders
- 9,181 work placements and 374 VIE interns taken on in 2010

Societe Generale, a citizen-focused employer



- Societe Generale assigned over € 10 million to solidarity programmes in 2010.
- **Citizenship Week:** 43 participants in the 5-day programme and 555 volunteer employees who devoted part of their free time to the Group's 27 partner associations in France in 2010. All told, Group employees gave 26,000 hours of their time to work on solidarity programmes.
- **Societe Generale Foundation for Solidarity:** support for 91 projects (51 new projects and 40 ongoing projects) to promote professional integration and access to education. The Foundation distributed € 1.9 million in 2010.
- **Citizenship Programme** at SGCIB in partnership with the association Care: support for 5 projects to give underprivileged children in Mali, Bangladesh, Peru, Morocco and Benin access to education. With an initial budget of € 1 million for 2008 - 2010, the partnership was renewed in 2010 for a further three years.
- **Talents et Partage:** € 450,000 was donated to 100 projects by the charity organisation of current and former Group employees which was accredited by the "2011 European Year of Volunteering" scheme.
- Societe Generale supports a number of artists and works to promote access to the arts for young people, devoting over € 7.9 million to cultural sponsorship programmes in 2010.
- Sporting activities is another area to which Societe Generale is strongly committed, with € 13.7 million allocated to sports sponsorships and partners in 2010.

Societe Generale reduces its environmental footprint

- Societe Generale's Carbon Neutrality Plan aims to reduce the Group's CO₂ emissions per occupant by 11% between 2008-2012 and to progressively increase this figure through the purchase of carbon certificates (65% of Group emissions in 2010, 100% in 2012).
- Two complementary approaches are currently in place:
 - Carbon action plans for each business line with yearly reduction targets linked to energy, buildings, business travel and paper.
 - Cross-function projects aimed at covering the joint needs of the Group's business lines and providing solutions that benefit everyone (Green IT, Responsible buildings, etc.).
- Today, **renewable electricity accounts for 24% of all electricity consumed** (close to 157 GWh). **In 2010, 41% of electricity consumed in France is renewable electricity.**
- Societe Generale proactively works to save on energy consumption in its buildings:
- In 2010, the Granite tower became the 1st high-rise building to be HQE® (Haute Qualité Environnementale) certified for its construction, operations and use.
- **1st eco-branch** (low-energy buildings standard) underway in France.
- Creation of an energy-savings branch within the Group's Real Estate Department.
- Introduction of the Group's **Responsible Buildings Reference Framework** (RBR), the aim of which is to constantly seek to improve the energy and environmental performance of all Group property, and which has been specifically tailored to factor in the inherent needs of its different activities and the diversity of its entities around the world.



- Societe Generale has stepped up its measures to reduce its carbon footprint linked to business trips: more restrictive travel policy and purchase of vehicles with lower CO₂ emissions.
- **Recycled and eco-label¹ paper** accounts for 66% of paper consumption Group wide and 100% of paper consumption in France.

¹ Derived from sustainably managed forests.

Environmentally- friendly and socially-responsible purchasing

- Over **2,000 listed suppliers**.
- 100% of purchasers in France are trained in CSR.
- New Sustainable Sourcing Program 2011-2015.
- Sustainable canteens in 2010 (fair trade products, selective sorting and management of food waste, labelling of local and seasonal produce as well as their origin).
- Internal postal service for 50 Group sites assigned to an adapted sector company.
- Waste electrical and electronic equipment (WEEE) assigned in part to 8 adapted or protected sector companies.

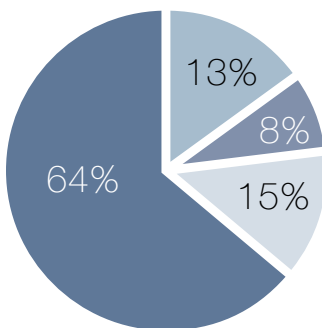




2010 FINANCIAL RESULTS ■ NET BANKING INCOME: € 26.4BN ■ GROUP NET INCOME: € 3.9BN

Societe Generale has strong results which are fairly distributed

**2010 BREAKDOWN OF GROUP NET INCOME
BEFORE TAX AND SOCIAL CHARGES (€ 15,022 MILLIONS)**



- Personnel expenses (including charges) **64%**
- State (Company tax and others taxes) **13%**
- Shareholders (Dividends) **8%**
- Retained net income for credit and development **15%**

Find out more

Equator Principles: <http://www.equatorprinciples.com/index.shtml>

Mission Handicap: <http://careers.socgen.com/groupe/fr/decouvrir/mission-handicap.html>

ALD Automotive: <http://www.aldautomotive.com/>

Amundi: <http://www.amundi.com>

FTSE4Good: <http://www.ftse.com/ftse4good/index.jsp>

■ Information taken from the website <http://csr.societegenerale.com>

■ contact.devptdurable@socgen.com

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