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CORPORATE SOCIAL
RESPONSIBILITY

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CORPORATE SOCIAL RESPONSIBILITY

VISION AND PRINCIPLES

Message from Frédéric OUDÉA:

"Corporate responsibility in all of its aspects – be it economic, social, societal or environmental – has been an integral part of our profession as bankers for many years now. Upholding this responsibility means respecting, wherever we are in the world, each of the commitments that we undertake and that bear the hallmark of the exacting principles we have set ourselves over the past decade and have formally defined in a set of internal directives.

Societe Generale's first responsibility as a company is to be a benchmark bank for its customers, to cater to their financial needs in a responsible manner and, in doing so, to help finance the economy. If we are to earn the trust on which our very business depends, our focus must be to forge lasting relationships with our customers, to provide a professional and ethical solution to their needs, to constantly seek their satisfaction and feedback, and to see them through good times and bad.

Steadfastly committed to progress at every level, our success depends on each Group employee as they embody our duties as a company. Mobilising and developing their talent in a responsible manner, Societe Generale's ambition is to constantly enrich the wealth of its human capital at the service of its customers. Ever attentive to the well-being and professional development of its teams, the Bank seeks to nurture the types of behaviour that will ensure the creation of value over the long term. Our aim is also to encourage our employees to commit to today's society alongside the Group's various partnerships and sponsorship programmes.

Being a responsible bank also means carefully managing the Environmental and Social impact of our own consumptions and our products and services. Wherever possible, we will continue to strive to reduce the Group's ecological footprint and to promote social inclusion, as much through our purchasing, our policies as an employer and our sponsorship, as through our financial solidarity service offer that is adapted to the needs of our most vulnerable customers.

I am confident that our corporate responsibility will cement our reputation as a benchmark bank for our customers and for society, and rate us amongst the first quartile of the world's banks for their CSR policies and initiatives."

OBLIGATIONS AND COMMITMENTS

Societe Generale's growth and development will always reflect its inherent respect for basic human and social rights and for the environment, wherever it is in the world.

It complies in full with the obligations of France's Grenelle 2 Law governing the commitment of national companies to the environment, including Article 225 which requires businesses to report on the environmental and social consequences of their activities, and Article 75 which requires them to carry out a greenhouse gas emissions inventory as a follow on from with France's New Economic Regulations Act or "Loi NRE".

In 2011, the Group published its Environmental and Social General Guidelines⁽¹⁾ which apply to all aspects of its business and which draw their inspiration from its existing commitments:

- OECD Guidelines for Multinational Enterprises.
- UNEP Statement by Financial Institutions on the Environment & Sustainable Development (UNEP-FI).
- Global Compact's Ten Principles which are integrated within the Group's strategy, its culture and operations.
- Diversity Charter in France.
- Wolfsberg Group Principles.
- Equator Principles.

Moreover, ever conscious of the importance of climate change, the Group achieved carbon neutrality across the board in 2012 by offsetting all of its CO₂⁽²⁾ emissions for 2011 through the purchase of carbon credits under the Kyoto Protocol.

(1) To find out more on these guidelines, visit the website <http://csr.societegenerale.com/>

(2) Excluding Rosbank.

AMBITIONS AND POLICIES

Societe Generale's aim is to become a benchmark reference in Corporate Social Responsibility amongst Europe's leading financial institutions.

A component stock of the world's main sustainable development indexes (FTSE4Good, ASPI), it also a popular choice amongst a large number of French Socially Responsible Investment funds.

Societe Generale's global CSR policy ensures that the Group upholds each of its commitments and constantly moves forward according to 5 strategic priorities:

Implementing responsible finance, notably through enforcement of Environmental and Social general Guidelines in all business activities

This comprise two aspects:

- Factoring in the environmental and social issues and challenges that affect our different businesses in order to better manage the related risks.

Societe Generale's business lines and entities each have structured processes and procedures that are adapted to their specific activities and the degree of risk to which they are exposed, the aim being to ensure that future environmental and social risks are accurately identified, prioritised and managed effectively.

- Encouraging responsible economic development with policies, products and services that contribute directly or indirectly to the protection of the environment or to social development, in response to the growing concerns of our customers and to the opportunities offered by the market. Societe Generale has a responsible lending policy, which is respectful of its customers' needs but also careful to avoid over-indebtedness and to assist those in difficulty.

Responsible solidarity banking

Societe Generale's goal is to offer its customers a wide range of solidarity products and services and, working with its stakeholders, assist those who are financially vulnerable, make banking services more accessible and strengthen its commitment to micro-finance.

Responsible employer

(see pages 137 and seq. of the Registration Document)

Societe Generale policy places great importance on diversity (gender equality, equal opportunities, employment of disabled persons), the development of an employee's skills and potential in order to match their career with their individual goals and needs, and remuneration that ties each individual's performance to the results of the Group.

It also aims to promote citizenship initiatives that encourage professional integration.

Responsible management of our environmental impact and purchasing policy

Having reduced its CO₂ emissions by 20% per occupant and achieved carbon neutrality in 2012 (excluding Rosbank), Societe Generale has set itself a target 26% cut in carbon emissions and 24% increase in the energy efficiency of its buildings by 2015⁽¹⁾. The Group has already introduced an internal carbon tax as an incentive to encourage entities to take responsibility for their impact on the environment.

The broader scope it has given to its sustainable sourcing program is also intended to forge relationships of trust with suppliers that encourage them to develop responsible practices.

Responsible role at the heart of today's society

Societe Generale constantly seeks to further its commitment to civil society, encouraging its employees to take part in the various sponsorship programmes set up by the Group and greater dialogue with its stakeholders.

ORGANISATION AND GOVERNANCE

CSR management at Societe Generale forms an integral part of the Group's organisation and is implemented by various resources and structures at different levels (governance, compliance and internal control functions, risk committees, new product committees, internal regulations, Code of Conduct, Audit Charter, etc.).

The Executive Committee defines the broad outlines of the Group's CSR policy and periodically validates any action plans based on the reporting made by the Corporate Social Responsibility Department.

(1) 2007 continues to be the benchmark year.

The Group's business lines and corporate divisions are responsible for adjusting and implementing this policy to the specific characteristics of their respective activities. Each entity appoints its own "CSR contributors" (around sixty Group-wide), whose role is to oversee the implementation of policy at an operating level, i.e. to actively participate in drawing up plans and monitoring their execution.

The Corporate Social Responsibility Department reports to the General Management via the Corporate Secretariat. It is in charge of defining and promoting CSR policy throughout the Group as well as coordinating the activities of its contributors and all related initiatives. It also provides practical assistance to the different entities as well as encouraging the exchange and dissemination of best practices.

To evaluate its overall CSR performance, the Group has defined a series of quantitative indicators, which are grouped into five categories:

- **governance:** governance, compliance, conformity, risk;

- **business:** social and environmental evaluation of counterparties/projects, product innovation for sustainable development, customer satisfaction, contribution to local development, etc.;

- **social:** employment, career and skills management, remuneration, working hours, internal feedback, health and safety, etc.;

- **environmental:** environmental management system, environmental awareness, water and energy consumption, transport, waste, etc.;

- **sponsorship**

Each year, the corresponding values are entered, consolidated and analysed using a dedicated reporting system that was introduced by the Group in 2005.

To find out more, visit the website at csr.societegenerale.com

The legal obligation for all companies listed on a regulated market to report in their yearly management report on the social and environmental consequences of their activities was reinforced by the passing of the so-called “Grenelle II” Law of July 12, 2010 and Article 225 therein on France’s national commitment to the environment, and its implementing decree of April 24, 2012 on corporate transparency requirements for social and environmental issues which amends Article L.225-102-1 of the Commercial Code based on Article 116 of the Law on New Economic Regulations (NER) of 2001.

The information (consolidated) presented in this report is structured according to the 42 indicators given in the implementing decree of April 24, 2012. Societe Generale’s CSR reporting process is presented in the methodological note at the end of the current chapter.

SOCIAL INFORMATION

Employment

Total headcount and breakdown of staff by gender, age bracket and region

Group headcount at November 30, 2012: 154,009 employees (including 9,564 on fixed-term contracts).

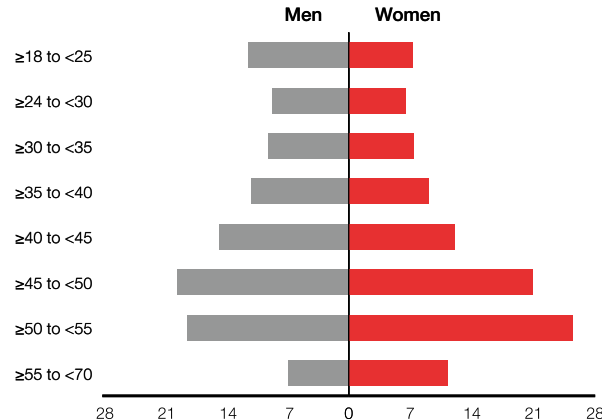
Societe Generale SA in France headcount (excluding subsidiaries): 43,094 employees.

Women account for 60.12% of Societe Generale Group’s headcount.

The Group’s employees work in 76 different countries (see also “Breakdown of staff by region”, Chapter 6, page 139).

BREAKDOWN OF STAFF BY AGE BRACKET⁽¹⁾:

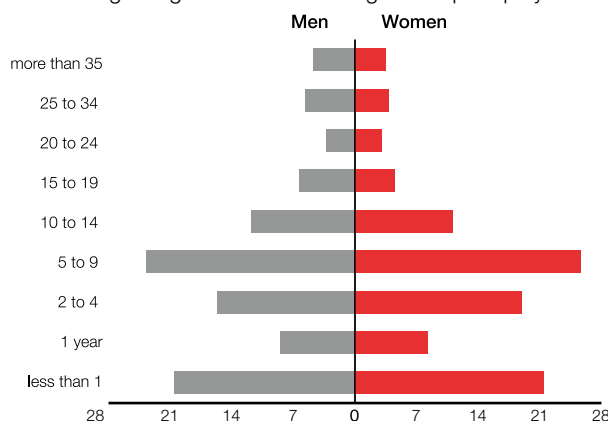
The average age for Group employees is 37, broken down as follows:



(1) Data at end of November 2012, for scope see “Methodology” on pages 191 and seq.

BREAKDOWN OF STAFF BY LENGTH OF SERVICE⁽¹⁾:

The average length of service amongst Group employees is 7.7 years, broken down as follows:



New hires and dismissals See Chapter 6, "Recruitment" page 141 and "Departures" page 139.

Compensation, change in compensation See Chapter 6, "Acknowledging performance", page 143.

Organisation of work

Working hours

At Societe Generale, employee working hours are set according to the regulations that apply in each country where the Group operates and to the employee's function. As a result, practices vary significantly (number of working hours, flexible working hours, organisation, etc.).

Societe Generale SA France, for its part, signed an agreement on October 12, 2000 on the reduction and organisation of working hours, which was implemented as of 2001 and later amended in 2002, 2004, 2006, and 2008.

For hourly-paid staff (banking technicians and executives), the agreement provides for 1,607 working hours per year, based on one of two schemes:

- A 39-hour working week with the following paid leave in 2012:
 - for a working week from Monday to Friday: 55 days of paid leave in addition to normal days off per week,
 - for a working week from Tuesday to Saturday: 54 days of paid leave in addition to normal days off per week.
- A working week of 37 hours and 22 minutes, spread over 4.5 days, with the following paid leave in 2012:
 - for a working week from Monday to Friday: 46 days of paid leave in addition to normal days off per week,
 - for a working week from Tuesday to Saturday: 45 days of paid leave in addition to normal days off per week.

Executives working a fixed number of days received 52 days of paid leave in 2012 at entities working from Monday to Friday and 51 days at entities working from Tuesday to Saturday.

Part-time work

At Societe Generale, employees also qualify for schemes that reduce the number of working hours to 90% (introduced in May 2008), 80%, 70%, 60% or 50%.

Several of the Group's French subsidiaries have signed special agreements, as have many foreign entities.

Group-wide, 10,363 staff (i.e. 6.84% of the workforce) work part-time (including 6,214 in France and 4,886 for Societe Generale SA in France).

(1) Data at end of November 2012, for scope see "Methodology" on pages 191 and seq.

Overtime

The definition of overtime is taken from French law which means that the reporting scope for this indicator is therefore limited to France.

On November 30, 2012, the total number of hours of overtime reported by staff at the French entities was 90,258, i.e. an average of 1.52 hours per employee.

The total number of hours of overtime recorded by Societe Generale France (included in the total number of hours recorded for the Group's French entities) over the period was 48,853, i.e. an average of 1.13 hours per employee.

Absenteeism

Rates of absenteeism and their related causes are monitored at all Group entities.

The rate of absenteeism (number of days absent/total number of days paid, as a percentage) for the first 11 months of 2012 was 3.92% (main causes: illness, 1.88% and maternity, 1.22%) for the Group and 5.37% for Societe Generale SA in France (main causes: illness, 2.68% and maternity, 2.53%).

Employee relations

Social dialogue: information, consultation and negotiation

Social dialogue is a collaborative process between employer and employee (or their representatives) on common-interest issues relating to a company's economic and social policy. Applied at a Group-wide or individual entity level, it can take various forms, from the simple exchange of information to consultation and negotiations.

Societe Generale's by-laws provide for the inclusion of a staff-elected representative on its Board of Directors. In France, employer-employee dialogue is ensured by the Employee Representative Bodies set up by the Group in accordance with the French Labour Code. These bodies include:

- the Group's unions and their branch offices, delegates and representatives which have exclusive control when it comes to collective bargaining;
- the Works Councils and the Central Works Council which act as advisory bodies for all matters concerning the general running of establishments and the Group. They also manage social and cultural activities for staff;
- the staff delegates whose responsibility is to represent individual or Group employee claims pertaining to regulations and collective bargaining agreements;
- the Hygiene, Safety, and Working Conditions Committee whose main purpose is to help protect the health and safety of employees, improve working conditions, and ensure compliance with legal and regulatory requirements;
- the Group Committee which provides a forum for information, discussion, and exchange between the Management of Societe Generale group and employee representative bodies on the activities, financial situation, employment changes, strategy, and forecasts of the Group in France;
- the European Works Council which is a forum for information, dialogue and exchange on economic, financial, and social issues of strategic and transnational importance (i.e. that affect at least two countries in the European Economic Area).

Throughout the rest of the world, the Group works to maintain dialogue with its employees in various ways, depending on the size and structure of local teams and the applicable laws in each country.

For example, where local laws in the countries in which the International Retail Banking Division operates do not provide for staff representation or representation is possible but not mandatory, the subsidiaries organise employer-employee dialogue according to formal, detailed procedures that vary by country. Each entity must ensure that employees have an ad hoc procedure for voicing their concerns or grievances and that they are taken into account. Employer-employee dialogue can also take the form of regular meetings which are an opportunity for department managers and the Human Resources Department to communicate with staff.

Employees and their managers are informed of the existence and implementation of these procedures, particularly during the induction of new employees. Employees are also kept informed through other communication channels, including the Human Resources Department's intranet site or regular meetings.

Collective bargaining

In 2012, the Group signed 304 agreements with employee representatives, including 87 new agreements in France. These agreements covered issues such as remuneration and profit-sharing, equality in the workplace, working hours and employee benefits (including health insurance and pension plans).

For Societe Generale SA in France, these agreements were primarily linked to: employee cover in the event of a reorganisation or transfer, gender equality, the activities of the Central Works Council, the budgets for subsidies of the Central Works Council and unions, the re-election of the European Works Council, the terms of the collective retirement savings plan (PERCO SG), the activities and resources of the Health and Safety Committees (CHSCT) in Paris, as well as the re-election of certain committee members and staff delegates.

Health and Safety

Health and safety in the workplace

See also Chapter 6, "Health and well-being", page 144.

In France, special attention is paid to the health and well-being of employees, with programmes that range from reducing stress in the workplace to medical prevention and to psychological counselling for employees who have been the victims of an assault.

Stress in the workplace

Societe Generale France introduced a programme for the prevention and management of job-related stress as far back as 2008, working alongside the Group's social partners on action plans for effective stress prevention.

Since January 2009, the Group also monitors employee stress levels through the "stress observatory", a partnership set up with a consultancy firm which works closely with the company's medical officers. Each year, anonymous and voluntary questionnaires are offered to employees during their medical check-up in order to establish any collective work-related stress factors. On an individual basis, this same questionnaire enables the company's medical officers to talk to employees about their personal results and, if necessary, recommend support measures.

All of the Group's initiatives launched over the last two years as part of its stress management and prevention policy (besides the "observatory"; information and awareness campaigns aimed at all Group employees; conferences; stress management guide; brochure for all staff; dedicated section on the Group intranet; training modules for all personnel; and mandatory e-learning module for 7,000 managers) led to Societe Generale being classed, in February 2010, as "green" in the French Ministry of Labour's rankings of companies that present a potential psychological risk.

Stress prevention and management is an on-going concern:

- in 2010-2011, the Group set up a pilot site in one of its French Retail Banking back offices as part of a collaborative project with the Agence Nationale pour l'Amélioration des Conditions de Travail (French National Agency for the Improvement of Working Conditions, ANACT), which has already led to measures being extended to other network entities;
- in 2012, new projects were launched in collaboration with ANACT in two operating divisions and a multimedia customer relations centre with the same aim of identifying concrete measures.

Societe Generale constantly adapts its approach to the climate and context in which its employees work in order to provide the necessary preventative measures and/or assistance.

Two examples within its French Retail Banking division include:

- an e-learning training module on dealing with conflicts in place since March 2010 for all employees who are in contact with the general public,
- psychological counselling for employees who have been the victims of an armed assault or aggression (see below).

Several local initiatives are also underway overseas:

- as part of its Equal Opportunities Plan in Luxembourg (see “Equal opportunity”, p. 161), the Group has introduced an employee assistance programme and, in June 2012, set in place a telephone helpline and physical assistance for any emotional or medical issues such as stress or problems linked to working relations. This free and guaranteed anonymous service provided by professionals from the healthcare sector is available to all Societe Generale employees in Luxembourg;
- in Germany, an assistance programme was also set up in 2012 in collaboration with an external agency specialising in the healthcare sector. Today, all Group entity employees have access to a 24/7 hotline, as well as advice by e-mail or by appointment that offers them personal support in times of stress, regardless of whether it is linked to their working or private lives. This programme also includes family services such as childcare or care for the elderly;
- in the United Kingdom, a programme is also in place with a partner from the insurance sector for all Societe Generale staff (SG Corporate and Investment Banking, Societe Generale Securities Services, SG Hambros and ALD Automotive) which offers assistance and advice to staff and their families on personal or professional issues, helping them deal with difficult situations and answering any health, legal or financial questions they may have.

In France, Societe Generale employees who have been victims of armed assault or aggression benefit from a nationwide support network thanks to a partnership signed with the Institut National d'Aide aux Victimes et de Médiation (National Institute for Victim Support and Mediation, INAVEM) in January 2010 and renewed in 2011 and 2012. The Group also provides social workers who are specially trained in post-trauma interviews as well as medical check-ups by a company medical officer.

Health

Societe Generale's yearly seasonal flu vaccination campaigns were carried out again in 2012. In France, over 1,200 employees primarily from the Group's corporate departments and proximity branches benefited from this purely optional medical service. Similar campaigns were also carried out in a large number of Group entities, notably in the United States, Hong Kong, Russia, the Czech Republic, Morocco and the United Kingdom.

In France, the Group's campaign to prevent cardiovascular diseases continued in 2012 in the Paris region and elsewhere. Set up with the help of the Group's occupational health department and Mutuelle SG, the campaign is structured around a series of talks by outside physicians specialising in cardiovascular disease and information/awareness workshops. Topics tackled in 2012 included blood pressure and exercise and first-aid help. At the same time, 96 Automatic External Defibrillators were set up in the Group's central buildings in the Paris region.

At a local level, Societe Generale's Mediterranean and Sub-Saharan subsidiaries continue to play an active role in raising awareness amongst communities and employees on the prevention of pandemics, particularly malaria and HIV and AIDS.

Open to all employees and their families in each of the countries in which it is present, the Group's HIV/AIDS programme focuses on 4 key priorities:

- raising employee awareness of the nature of the virus and the importance of knowing their serological status;
- making it easier for employees to undergo screening which is voluntary, anonymous and free of charge and to obtain the advice they need when they get their results;
- covering the global medical expenses linked to the treatment of the illness (tests, analyses, medication, etc.) as part of its healthcare package;
- fighting against any form of discrimination towards HIV-positive staff.

Societe Generale's subsidiaries carried out a number of other health-related initiatives in 2012, notably:

- the continuation and extension of breast cancer screening to employee wives in Algeria. In 2011, 288 women (more than 40% of women employees) were given breast cancer screening organised and financed by Societe Generale Algeria;
- in Cameroon, Societe Generale organised a number of information campaigns throughout 2012 including talks on prostrate pathologies, cardio-vascular risks and blood pressure, and awareness campaigns as part of World Diabetes Day.

In order to effectively protect the health and safety of its international travellers and employees who move between countries, Societe Generale introduced its "Health, Safety, Security" global assistance programme in 2009 with the support of International SOS, a global leader in international health and safety services.

The programme provides:

- a 24/7 advice and assistance hotline;
- guaranteed assistance in an emergency or crisis;
- an information website on health and safety risks in various countries;
- a tracking tool at a central Group level for business travellers, combined with an e-mail sent to travellers containing a memo and safety protocol specific to their destination as soon as tickets are booked;
- a mobile application (Blackberry, iPhone, Android) for easy access to the assistance programme and health and safety advice wherever they are.

Well-being

As a Group that pays special attention to ensuring the well-being of its staff, Societe Generale carried out a number of initiatives in 2012 linked to:

- nutrition: "sustainable canteens" in France since 2010 impose very strict standards for products (quality, origin, etc.). These initiatives were rewarded in August 2012, with the canteens at La Défense and Val de Fontenay certified by the French Ministry for Agriculture, Food and Forestry as part of its "Bien manger, c'est l'affaire de tous" (Eating well is everyone's business) programme. In Canada and Switzerland, the Group's entities also provided staff with fresh fruit, free of charge;
- childcare: Societe Generale's partnership with two crèche networks means the Group is able to offer day-care services across the whole of France. Its emergency childcare service, "Flexi-Crèche", also means that staff have a temporary solution should something prevent their usual childcare arrangements. In 2012, staff were able to register in 25 crèches in the Paris region and 19 crèches elsewhere. In fact, since the service was first set up in 2009, close to 400 families have signed up. An emergency childcare service is also available for employees in the United States;
- services: Societe Generale's platform of services "Mon Quotidien et Moi" (My Day-to-Day and Me) is an information network for employees in France on family (children, parenting, the elderly, the disabled) and home-related issues. It also manages personal services such as day-care, tutoring, cleaning/ironing, gardening and more, from the selection of a service provider to billing.

Agreements signed with trade unions or staff representatives governing health and safety in the workplace

See above "Collective bargaining", p. 158.

Entities such as Societe Generale SA, Parel, ALD France, ALD Germany or Societe Generale in Italy signed agreements related to stress, insurance and medical expenses cover.

Accidents in the workplace, including frequency and severity, and work-related illnesses

Number of accidents in the workplace (Group): 1,013, with a frequency rate of 0.0004 (mainly due to accidents while commuting).

See also "Absenteeism", page 157.

The rate of accident severity is not considered so far an indicator with a follow-up, considering the type of activities of the Group.

Regarding professional illnesses, the Group has taken measures to counter stress in the workplace (see chapter7 "Health and safety – Stress at workplace" p 158).

Training

Training policies implemented	See Chapter 6, "Developing skills", p.142 .
Total number of training hours	In 2012, a total of 2,940,817 hours of training were given Group-wide. Close to 84% of employees were able to complete at least one training programme, and 173,881 e-learning modules were given out worldwide by the Group's training teams.

Equal opportunity

Measures taken to promote gender equality	<p>See also Chapter 6, "Gender balance", p. 147.</p> <p>Group-wide, 66.9% of new hires in 2012 were women.</p> <p>When it comes to career management for women employees in France, interviews are systematically arranged before and after maternity leave, with staff returning from parental leave also given access to training to familiarise them with any changes that may have occurred during their absence.</p> <p>When it comes to talent management, particular attention is paid to criteria that promote equality and encourage the detection of women and non-French talent and no quotas are applied.</p> <p>In line with its policy to reinforce the number of women executives and managers, Societe Generale Group has made it easier for women employees within its Retail Banking division to obtain promotions without it necessarily requiring a change in function or location.</p> <p>In 2011, an agreement was signed in France devoting a budget of at least EUR 3 million to narrowing any unwarranted gaps between wages for men and women in 2011 and 2012. The targets set were met, with EUR 1.4 million used to eliminate the gaps in 2011 and EUR 1.6 million in 2012. This agreement expired at the end of 2012 and negotiations for its renewal began in December.</p> <p>Moreover, a new agreement for "Egalité professionnelle entre les femmes et les hommes" (Equality in the workplace) was signed by all of the bank's unions in December 2012 for a period of 3 years. One of the commitments of this agreement is to ensure that 45% of management positions are occupied by women by the end of the 2015 financial year.</p> <p>Several initiatives have also been taken outside France, including a maternity management policy at Komerční Banka (Czech Republic) and shorter workdays for women returning to work before their child's second birthday in Romania. In Germany, as well as the efforts being made to encourage women to return to work after maternity leave (childcare allowances for children aged 6 and under for women returning to work after a maximum of six months of maternity leave, building of company day-care centres), the help programme set in place in 2012 offers advice and support in planning and managing their return to work to ensure the transition is as smooth as possible.</p> <p>In February 2012, the Luxembourg Ministry for Equal Opportunities gave its approval, for a period of 2 years, to the "Opportunités égales pour hommes et femmes" (Equal Opportunities for Men and Women) project initiated by Societe Generale's asset management and investor services divisions in Luxembourg. The fifteen measures defined in the project are currently being implemented and will be supported and supervised by the Ministry. They are based on three themes: equal treatment between men and women, gender equality in decision-making processes and reconciling an individual's personal and professional lives.</p>
Measures taken to promote the integration of disabled workers	<p>In 2011, Societe Generale SA France renewed its agreement governing the recruitment and professional integration of disabled employees from 2011-2013.</p> <p>See Chapter 6, "Disabled workers", page 148.</p>

Fighting discrimination	<p>See Chapter 6, “Promoting diversity”, pp. 147-149</p> <p>The “Label égalité professionnelle” (Professional Equality Label) awarded by French independent certification company, AFNOR, in November 2010 for a period of 3 years comes in recognition of the Group’s strong commitment to gender parity and professional equality.</p> <p>In the United Kingdom, the UK Diversity Committee, which was founded in 2008 with the support of the country’s senior management and HR Department, is made up of volunteer employees whose role is to promote a climate of inclusion and to prevent any behaviour that may be perceived as discriminatory. Its aim is also to make sure employees know what steps to take if they are the victims of harassment and to promote the setting up of different networks to deal with issues linked to gender equality (Women’s network), family (Family Network), multicultural criteria (Multicultural Network) and sexual preference (LGB Network).</p>
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Promotion and observation of the fundamental conventions of the International Labour Organisation

Freedom of Association and Collective Bargaining	<p>As specified in Societe Generale’s Code of Conduct, which is available in 26 languages and applies to all Group employees, all Group entities must observe the rules pertaining to freedom of association and working conditions.</p>
Non-discrimination (Employment and Occupation)	<p>Various initiatives were carried out in France in 2012 to promote the hiring and integration of young people from underprivileged neighbourhoods and the inner cities.</p> <p>See Chapter 7, “Societe Generale initiatives for employment”, page 176</p>
Forced or Compulsory Labour	<p>As specified in Societe Generale’s Code of Conduct, all Group entities are prohibited from using forced labour, compulsory labour, or child labour, as defined by the International Labour Organisation, even when permitted by local law. The Code of Conduct is enforced through the application of employment laws and regulations, as well as by the internal rules and codes of ethics in place in each entity.</p> <p>As part of its Environmental and Social (E&S) General Guidelines (see “Responsible Finance”, page 174), Societe Generale is committed to conducting its activities in a responsible manner, notably by upholding the values and principles set out in:</p>
Child labour	<ul style="list-style-type: none"> – the Universal Declaration of Human Rights and associated covenants (namely, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights); – the fundamental conventions of the International Labour Organisation; – the UNESCO World Heritage Convention; – the OECD Guidelines for Multinational Enterprises. <p>As part of its responsible purchasing policy, Societe Generale is careful to ensure that all of its service providers comply with its commitments (see chapter 7 “Subcontractors and suppliers”, page 186).</p>

ENVIRONMENTAL INFORMATION

General environmental policy

Company policy addressing environmental issues and, where applicable, steps taken to evaluate environmental performance or obtain environmental certification

Societe Generale is committed to monitoring its environmental impact through its operations by including environmental criteria in its financial and investment activities, as well as internal activities, and by promoting products and services that help protect the environment.

The Group's environmental policy strives to meet three major objectives:

- to reduce and minimise the direct impact of its activities on the environment;
- to lower costs associated with natural-resource and energy consumption through moderate and optimised utilisation;
- to provide constant attention to employee comfort and customer service.

Since 2007, with the launch of its 2008-2012 carbon neutrality programme, the Group has undertaken to foster an environmental culture. The Bank committed to reduce its CO₂ emissions per occupant by 11% by 2012 and to gradually offset its emissions, thereby making the fight against climate change a key focus of its environmental policy. Four years later, the results are very positive:

- the reduction of CO₂ emissions per occupant have exceeded the 11% target;
- the Group (excluding Rosbank) achieved carbon neutrality in 2012 via the purchase of carbon credits;
- since 2011, the system has been based on the incentive of an internal carbon tax;
- new products and services linked to the environment.

In July 2012, the Executive Committee approved a new carbon reduction programme for 2012-2015 which takes over from the previous programme and strengthens its ambitions with the following two objectives:

- to reduce greenhouse gas (GHG) emissions per occupant by 26% compared to 2007 (excluding the purchase of green electricity);
- to increase energy efficiency by 24% compared to 2007.

The carbon reduction programme is based on a twofold incentive:

- the internal carbon tax paid by each business line and the corporate divisions, based on the carbon footprint;
- the allocation of proceeds from this tax to internal environmental efficiency projects, which can be submitted by any entity (subsidiary or corporate division) and demonstrate both environmental additionality and an economic interest.

In addition, efforts will be made to expand the environmental scope (Scope 3, as defined by the GHG Protocol⁽¹⁾) and improve waste management (reporting and recovery).

In 2012, the Group's "green financing" amounted to close to EUR 1 billion (see definition of green financing in the "Responsible Finance" section on page 174).

Societe Generale has adopted a decentralised structure under which environmental management is included in the activities of the departments in charge of managing the dedicated resources and services of each branch and subsidiary. Since 2005, the Group has performed an inventory of greenhouse gas emissions, in accordance with the GHG Protocol (international standard). Oversight of environmental indicators was improved with the implementation of a CSR reporting tool, the scope of which was further expanded in 2012. It now covers the electricity consumption of the Group's data centres in France, the total volume of paper consumption (photocopy paper, envelopes, account statements, paper for customers, etc.), business travel and transport of goods in France, and fluorinated gas (F-gas) emissions by the central departments. In 2012, more than 700 contributors in 310 entities (subsidiaries, branches, representative offices, central buildings and regional offices), occupying 7,849 buildings in 64 countries, participated in the annual environmental data collection campaign.

(1) Scope 3 covers other indirect emissions resulting from the Group's operations, and which come from sources other than those related to energy and which are not owned by the Group.

Moreover, some of the Group's entities are ISO 9001 certified, including ALD France, ALD Hungary, ALD Italy, ALD Luxembourg, ALD Maroc, ALD Brazil, ALD Netherlands, ALD UK, Sogecap France, Sogessur France, Franfinance and SGEF France. ALD UK, ALD Sweden, and CGA are ISO 14001 certified.

Employee training and awareness on environmental protection

A training programme on sustainable development and CSR (e-learning and classroom training) has been available for Group employees and managers since 2009. A dedicated intranet site (in French and English) enables employees to find out more about sustainable development issues in general and within the banking sector in particular, and about the initiatives taken by Societe Generale in this area.

Conferences on various sustainable development issues are organised for employees on a regular basis, and regular displays indicating eco-friendly best practices put up throughout the central buildings in France.

Since 2008, the Group has organised the Societe Generale Climate Change Week every year in December. This event, which coincides with the conferences taking place under the United Nations Framework Convention on Climate Change, is an opportunity to raise employee awareness of major environmental issues and the Group's initiatives. The 2012 Climate Change Week focused on Group-implemented actions and products linked to the environment which illustrate the growing incorporation of environmental considerations. The week-long event was followed by a conference on "The climate: a hot issue!" ("Climat : ça chauffe") and featured Jean Jouzel, climatologist and Vice-President of the scientific body of the IPCC, as a guest speaker.

In the second half of 2011, a Responsible Building Management training programme was initiated, focusing on climate adapted architecture, eco-construction, and energy-efficiency standards and labels applied in the construction sector. It also provides an introduction to Responsible Building Management assessment software and the Group's environmental policy with respect to real estate. This tool is specifically adapted to the Bank's businesses for renovating and constructing buildings in a way that saves energy and reduces CO₂ emissions. The Responsible Building Management training programme underwent a major update over the second half of 2012, continuing into 2013.

For more information regarding training on the application of environmental and social criteria in financing activities, refer to the section on "Responsible Finance" on page 174.

Pollution and environmental risk prevention

The Group's policies and processes for managing credit risks have increasingly included the assessment of environmental risks (many of which are often more tangible than climate risk alone) and societal risks, starting with the project finance sector. This commitment was formally defined with the adoption of the "Equator Principles" in 2007, on the basis of which 60 transactions were assessed in 2012 (71 in 2011, 57 in 2010, 50 in 2009). The Group's financial analysis teams include experts on the impacts of environmental issues and carbon prices on the valuation of players in various economic sectors. The goal is to gain a better understanding of how the long-term challenges of climate change affect valuations so that the Group can advise its investment clients on well-informed strategies for the stock market. There are 14 employees dedicated to E&S analysis and to the business development potential involving this analysis, in addition to around 20 engineering consultants contributing their expertise on specific sectors.

There are no specific resources dedicated to pollution and environmental risk prevention, given the nature of Group's operations.

See also the sections on "Responsible Finance" and the Equator Principles on page 176.

Amount of provisions and guarantees for environmental risks, provided that such information is not liable to harm the Company's interests in any ongoing legal disputes

There are no plans for a specific provision for environmental risks, given the nature of the Group's operations.

Pollution and waste management

Measures for preventing, reducing, or offsetting emissions into the air, water, and soil, with a severe impact on the environment

TRANSPORT

Eco-mobility

In 2012, the vehicle leasing subsidiary ALD Automotive launched the “*ALD newmobility*” programme which offers concrete solutions to meet the new mobility needs of its customers. Included is the car-sharing solution “*ALD sharing*” for all company employees, thereby reducing the company’s fleet of vehicles. This “self-service” car solution was rolled out at the Group’s head office at La Défense in 2010, and now totals six low-CO₂ emission vehicles, including one hybrid and one electric car. In 2012, the solution was expanded to include employees’ personal travel in order to optimise personal practices in the interest of the product-service system. “*ALD newmobility*” offers other multi-mode leasing solutions: “*ALD switch*” (short-term small vehicle leasing, hence the choice of vehicle depending on use, “*7 Wheel Lease*” and “*6 Wheel Lease*” (car and scooter leasing), “*ALD Raillease*” (train subscription with long-term vehicle leasing), “*ALD 2 Wheels*” (long-term scooter or motorbike leasing), and “*ALD companybike*” (option of including a bicycle in the lease).

In addition, an ecodriving guide was published in France to give drivers advice on how to drive in a more eco-friendly manner (lowering fuel consumption by 25% on average).

Furthermore, ALD Automotive’s “*ALD Bluefeet*” range of services encourages more eco-friendly operations (fleet CO₂ emission analysis and reduction tools, offsetting programme, ecodriving training).

Vehicle financing and insurance solutions

Societe Generale included a “green” loan in its “Essentiel Auto” offer for the purchase of a hybrid or electric car at a preferential rate of 4.20% (fixed APR) until October 31, 2012 for a duration of 12 to 84 months. At December 31, 2012, 284 “Expresso Voitures Propres” loans were disbursed totalling EUR 4.34 million. With the “extras” of the Sogessur vehicle insurance offer, infrequent drivers (under 6,000 km/year) and new-car owners (less than 120g of CO₂/year in emissions) receive contribution benefits.

Infrastructure financing

For example, in 2012, Societe Generale was the lead arranger on a project to finance the renovation and modernisation of the bus fleet of the Dijon metropolitan area. The market of 102 hybrid buses (design, construction and partial maintenance) totalled EUR 53 million, granted to the Heuliez Bus consortium (Iveco/Fiat Group) – Barclays Infrastructure Fund. This hybrid technology lowers fuel consumption and therefore CO₂ emissions, and also reduces noise pollution while offering passengers greater comfort.

Societe Generale is the first private investment bank in the French public-private partnership (PPP) of the high-speed rail network. The most recent railway project, the Nîmes-Montpellier bypass, will be the first high-speed passenger and freight train route. The project will reduce the journey between Paris and Montpellier by 20 minutes, and decongest road traffic by 3,000 heavy goods vehicles per day.

Commuting

Proximity to a public transport hub (La Défense, Val de Fontenay) was a key factor when determining the location of Societe Generale’s head offices. Societe Generale is part of an inter-company travel plan that was initiated by the French Chamber of Commerce and Industry in the second half of 2012, continuing into 2013.

Since October 2007, Societe Generale has offered a carpool service for its employees in the Paris region, in addition to awareness-raising poster campaigns held throughout the year. To date, some 5,000 members of staff have signed up for this service via the dedicated website www.roulons-ensemble.com.

Business travel

In 2012, Group employees travelled 390 million km by train, airplane and car, representing 2,483 km per occupant. The Group therefore posted a 27% decrease in travel per occupant compared to 2011, largely attributable to less air travel on account of less business activity, but also due to initiatives that have been underway for a number of years.

The internal instruction encouraging staff to limit business trips and travel by train rather than by airplane, distance permitting, was updated in 2012. As a result, short-haul air travel has been reduced in favour of rail transport.

The use of audio and videoconferencing systems is also encouraged to limit the need for business travel. A new range of remote collaboration services was implemented in 2012 (*Team@nywhere*), including instant messaging, audio, web and videoconferencing solutions, and goes towards reducing business travel. The videoconferencing solution is used chiefly following the installation of rooms set aside for this purpose (French Networks, SG GSC Bangalore, Axus Italiana, Parel, SG Private Banking Switzerland, etc.).

Societe Generale has undertaken to reduce the carbon footprint of its fleet of company vehicles. In 2009, a "Group Car Policy" was launched in France, setting out to limit the environmental impacts of the Group's car fleet by selecting green vehicles and implementing support measures such as training in eco-driving. Every year, the average CO₂/km rate of the renewed fleet is reduced during calls for tenders. Since the start of the project in 2009, this rate has decreased from 123.9 g/km of CO₂ to 86.7 g/km of CO₂ in 2013⁽¹⁾. At end-2012, the average CO₂/km rate for Societe Generale's fleet stood at 111g/km in France and 129.6g/km worldwide.

Transport of goods

In 2012, for the first time and as part of its strategy to broaden Scope 3, Societe Generale included data pertaining to CO₂ emissions from the transport of goods in France (transport of funds, post, couriers as well as courier vans between central department offices), which totalled 2,267 tons of CO₂. Efforts were made to pool and optimise transport linked to banking services in 2011, and were continued into 2012 for the two French networks Societe Generale and Crédit du Nord.

OTHER EMISSIONS INTO THE AIR

Societe Generale played an advisory role for the USD 2.6 billion Citadel Capital project to finance a new petroleum refinery near Cairo. This new operation will transform oil residues from Egyptian refineries into a cleaner product. The average distillates and composite products meet high international quality standards and production is geared towards the internal Egyptian market.

Waste prevention, recycling and disposal measures

The Group's waste production in 2012 is estimated at 15,703 metric tons. 170 metric tons of food waste was recovered from the three towers of the central buildings for anaerobic digestion, producing 59 MWh of electricity. Several awareness raising campaigns and recycling initiatives were launched or renewed in the Group subsidiaries, such as internal environmental awareness (C.G.A., SG Private Banking Switzerland, Banco SG Brasil), the implementation of waste sorting (SG Hong, Banque Parneaud, Komerční Banka in the Czech Republic), raising employee awareness on the importance of eating more natural products and less processed food (SGSS United Kingdom).

Societe Generale raises awareness on waste through its partnerships and initiatives: in Equatorial Guinea, it is the financial supporter of the first ecological carnival focusing on waste and recycling organised by the Institut Français de Malabo; the renewal of the partnership between SG Maroc and the Mawarid association under the "Morocco without plastic bags" project; in Croatia, the continuation of the project to clean the Adriatic seabed; an awareness day focused on sanitation organised by Societe Generale Burkina Faso in order to draw the local populations' attention to the excessive use of plastic bags.

Since 2009, an internal instruction has governed the treatment of waste electrical and electronic equipment (WEEE) at Group level. In France, an agreement was signed with companies in the sector specialising in the treatment and recycling of electronic equipment. Over 1,000 metric tons of WEEE were treated. In 2012, the agreement was expanded with the addition of a turnkey solution, Mbox, which facilitates storage, recovery and recycling.

In 2012, Societe Generale set up a process in its central buildings covering the removal of office furniture for recycling or restoration for re-use. This process ensures the traceability and re-use of office furniture. In the same vein, a "Re-entry" project was initiated in June 2012 under which old carpet is taken up with the aim of eliminating the environmental impact based on the product's life cycle by 2020.

(1) 2013 estimate according to volumes attributed in calls for tenders.

Sound pollution and any other form of business-specific pollution Not material in the Company's activity.

Sustainable use of resources

Water consumption and water supply based on local constraints

In 2012, the Group's water consumption was 1.64 million m³. Some entities were unable to determine their water consumption (this is notably the case for jointly-owned buildings, as the cost of water consumption is included in building management charges). Average global consumption rose by 3.5% compared to 2011, due in large part to the inclusion of Rosbank in the reporting scope in 2012.

Also in 2012, several entities (ALD UK, Banque de Polynésie, SG Calédonienne de Banque, SG de banques au Cameroun, Komerčni Banka, BRD, SG Srbija, SG Habros, B&T (Gibraltar), French Networks, central buildings, etc.) adopted technological solutions to limit water consumption (installation of water-saving devices or push faucets, installation of motion detectors near the taps, installation of dual-flush toilets, replacement and improvement of equipment, installation of dry urinals, installation of remote meter reading systems at high-consumption branches, decrease in the number of evaporative air conditioners).

Employee awareness-raising programmes were also conducted throughout the Group. In October 2012, Societe Generale hosted a conference organised by UNEP-FI entitled "*Pursuing economic growth in a water-scarce 21st century*" attended by a variety of participants (NGOs, consultants, rating agencies, manufacturers).

Consumption of raw materials and steps taken to improve efficient use of consumables

PAPER CONSUMPTION

In 2012, the Group launched a paper call for tenders to select paper meeting strict environmental requirements and product life cycle analysis criteria. A questionnaire based solely on the paper life cycle (raw materials, transport, pulp production process, waste management) was sent out to various providers. Audits were then conducted on paper manufacturers according to these criteria.

Total Group paper consumption amounted to 15,066 metric tons in 2012. This information was published for the first time in 2012. Total consumption includes all types of paper (printouts, envelopes, photocopy paper, paper for customers, account statements). Group consumption of office paper totalled 7,483 metric tons in 2012, i.e. 52.5 kg per occupant, down 3.3% year-on-year in absolute value terms.

Optimising paper consumption

Several entities have implemented dematerialisation systems (electronic account statements, digital files, electronic signatures, electronic billing, etc.);

- the French Networks have offered online account statements since 2006. At end-2012, 1,450,979 customers had signed up to receive online statements (a customer can have statements for several accounts, such as a current account and a Livret A passbook savings account), representing an increase of 16.5% compared to end-2011;
- the 100% electronic solution (Démat+) is offered for consumer loans as well as loans for projects in France by Societe Generale and Franfinance;
- the Group has launched the dematerialisation and centralisation of printouts. Documents used by the branches, based on the adviser's document base (savings of 76,000 printouts and commercial gain of EUR 380,000), dematerialisation of invoices (ALD e-factures, ALDInvoice or ALD démat) and account statements (in 2010 as part of the Environment business card campaign);
- in Lithuania, internal documents are scanned and signed using automatic signatures.

Various awareness-raising campaigns on paper consumption were carried out for Group employees in 2012 (e.g. at CGA).

Other than these aspects (see also the section on "waste prevention, recycling and disposal measures" on page 166), no specific measures were conducted to reduce consumption of raw materials in general by the Group, given the nature of its operations.

Energy consumption, steps taken to improve energy efficiency and use of renewable energy sources.

ENERGY CONSUMPTION

Electricity consumption

Consumption of electricity in 2012 amounted to 653 GWh for 145,449 occupants in 62 countries. The slight rise in electricity consumption in terms of gross data is attributable to the increased scope of coverage with the introduction of Russian subsidiary Rosbank. Excluding Rosbank, consumption fell sharply. In relative value terms, however, consumption per occupant was virtually constant.

Consumption of gas, heating oil and other fluid energy sources (steam, chilled water)

In 2012, consumption of natural gas came out at 122 GWh for 69,729 occupants in 21 countries. The rise in consumption was due to two corrections to the measurement of consumption in the UK and Italy, equivalent to 5 GWh.

Consumption of heating oil and other fluid energy sources was 98 GWh in 2012. The decrease versus 2011 in terms of gross data was mainly due to the initiatives undertaken by each entity.

Total energy consumption

Total energy consumption amounted to 873 GWh for 145,449 occupants in 62 countries (including the contribution of Rosbank in the Moscow area), versus 875 GWh in 2011 without Rosbank. Despite the inclusion of the Moscow area for Rosbank in 2012, the energy consumption per occupant ratio decreased slightly (-0.4%) while the energy consumption per m² ratio fell more significantly (-3.3%) compared to 2011.

MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY

Energy efficiency has become a key focus of environmental policy. Since the reference year, 2007, consumption has fallen by 11.5% per occupant and by 4.1% per m² to 218 kWh/m²/year. The aim of the new strategy is to accelerate this decline.

The measurement and remote meter reading systems being installed provide a better breakdown of consumption and thus make it easier to work towards reducing this consumption. For example, 100 branches in France were equipped with remote meter reading systems for energy and water consumption in 2012, which contributed to centralisation, detection of anomalies (water leaks, heating on week-ends, etc.) as well as quick and direct deployment of maintenance services. In 2012, a single service provider monitored energy consumption by the central buildings, thus managing all fluid energy sources (electricity, hot water, chilled water, tap water, all fluid energy sources purchased externally), with the establishment of a 5% reduction target at the start of the contract in late 2011. An Energy Committee defines action plans and monitors the advancement of plans in progress. In addition, a monthly management report covering all the central buildings was developed to monitor and trace the progress of the *Facility Manager's* efforts.

Certification initiatives were continued in 2012, both for the operating properties and new buildings. Regarding the central buildings, an energy audit was performed in the first half of 2012 on the energy efficiency of the HQE-certified "Granite" building and to identify areas for improvement. Also in 2012, the Group leased a building built in the 1990s and renovated by the owner with the aim of obtaining HQE renovation certification, including the latest technologies in energy-efficient building construction. Societe Generale's Czech subsidiary, Komerční Banka, constructed a new building equipped with the latest technologies meeting BREEAM international certification.

Information on energy efficiency initiatives can be collected through the subsidiaries: insulation work (Société Marseillaise de Crédit, Crédit du Nord Social), installation of motion detectors or LED (BRD, ALD Automotive Ukraine, Banque Rhône Alpes, Crédit du Nord, Société Marseillaise de Crédit, BFCOI Mayotte), installation of consumption management or streamlining systems (SG Hambros LTD, ALD UK Bristol, SG Srbija), replacement of heating and air conditioning systems with more energy-efficient systems (Banque Rhône Alpes), installation of sun shading structures (ALD Maroc), appointment of a CSR officer responsible for defining an action plan for each branch (CGI), a climate partnership project with Dong Energy (ALD Automotive Denmark), installation of clocks on certain equipment

(BFCOI Mayotte, SG Côte d'Ivoire), automatic shut-off of PCs at night and on week-ends (Sogecap), awareness-raising campaigns (Chad, Burkina Faso, Brazil, Senegal, Mauritania, Bulgaria, Paris, etc.).

In the same vein, Societe Generale promotes energy efficiency by supporting its customers. Examples include:

- in Albania: a cooperation agreement with International Finance Corporation (IFC, a World Bank group) to launch an energy efficiency loan. With this product, the bank hopes to contribute to the country's energy consumption reduction targets, set at under 9% by 2018. The E3 loan has been offered to customers since October 2012,
- in Serbia: launch of a new loan for individual customers interested in improving the energy efficiency of their home, as part of the bank's participation in the Serbian government's energy optimisation programme;
- in Romania: Societe Generale entered into two financing agreements with the EBRD for energy optimisation projects, for a total of EUR 30 million;
- in Macedonia and Serbia: contribution to the sustainable energy financing project in the western Balkans, established by the EBRD under the WeBSEFF programme (*Western Balkans Sustainable Energy Financing Facility*), which calls on local banking networks to support businesses;
- in Senegal: SGBS entered into a partnership with a social housing company promoting carbon finance, with the aim of improving homes in rural areas;
- in France: following the adoption of the interest-free Eco-loan under the 2009 Finance Law, in 2012 Societe Generale initiated 1,576 loans amounting to EUR 28 million, bringing the total since the launch to 11,596 loans amounting to EUR 197 million. In line with this programme, Societe Generale set up two loans to finance energy saving equipment and works on homes built more than two years ago, dubbed the "Prêt Espresso Développement Durable" and the "Prêt Développement Durable", depending on the amount of the funded works. In all, 914 Sustainable Development loans had been issued at end-2012, totalling EUR 11 million, bringing the total since 2007 to 11,387 loans for EUR 141 million;
- since 2012, in France, the regional division of Bordeaux was chosen to test out a partnership with an SME, enabling customers carrying out energy saving works in their homes to obtain a "subsidy" corresponding to the energy saving certificates generated by the completed works. This programme may end up being expanded throughout the network.

USE OF RENEWABLE ENERGY

In 2012, "green" electricity accounted for approximately 29% of all the net power consumed by the Group, which stood at 188 GWh, representing an increase over 2011, and 42% in France. The policy of purchasing power from certified renewable energy sources began in 2005.

In 2012, the countries in which Societe Generale entities used green electricity were: France, Germany, Switzerland, Belgium, Luxembourg, Portugal, the United Kingdom, Canada, Polynesia, Burkina Faso and Romania. The policy of purchasing electricity generated from renewable sources cut CO₂ emissions by 32,736 metric tons in 2012.

Today the Group generates 434 MWh of electricity using solar panels and anaerobic digestion of kitchen waste from company restaurants.

- since 2009, the Faaa branch in Polynesia has been the first Group building to generate its own power via solar panels, and in 2012, extensions were installed (191,631 kWh generated in 2012);
- since February 2010, Societe Generale de Banques au Burkina has generated about one-quarter of its head office's electricity needs thanks to the installation of 504 rooftop solar panels, generating output of 125 MWh in 2012, making this subsidiary the largest solar power generator connected to the West African network;
- the front face of the Nantes Beaujoires building (SGSS) was fitted with solar panels in July 2010, which generated 28 MWh in 2012;
- Pema GmbH in Germany is also fitted with solar panels, which generated 30 MWh in 2012;
- the three head office towers at La Défense in Paris recover kitchen waste from the company restaurants, converting it to bioenergy (anaerobic digestion), i.e. 59 MWh.

With its network of solar energy panels, Societe Generale de Banques au Burkina launched a renewable energy loan to exclusively finance the installation of equipment using a renewable energy source to cover domestic or professional needs; it also entered into a partnership with an Institute specialising in renewable energies.

In the same area, Societe Generale launched a new range of Home Insurance for individual customers, offering greater modularity, customisable guarantees, enhanced assistance services and four optional packages, to meet groups of specific needs, including the Environment Package covering sources of green energy production such as solar panels and heat pumps.

In China, Societe Generale funded and installed three sets of solar equipment for primary schools located in the mountains of Daliangshan. Three members of staff were in charge of the technical implementation of the project, from transport to installation and set-up.

In Guinea, Societe Generale provided computer equipment and solar panels to an international foundation with the primary mission of helping children suffering from physical disabilities and neuromuscular diseases, in particular.

Societe Generale carried out operations on an even larger scale in Srbija, where it granted its first loan for the construction of a small hydropower plant, and also in Mexico, where the Group financed two wind farms with a capacity of 102 MW in the Oaxaca region.

Land use

Not material in the Company's activity.

Climate change

Greenhouse gas emissions

In May 2011, Societe Generale published General Environmental and Social Guidelines reflecting its commitment to continuous improvement this area. It established industry policies focusing on sectors identified as sensitive, in which it plays an active role (oil and gas, mining, etc.) (see also "Responsible Finance" on page 174).

The coal-fired power plant sector – a particularly high emitter of CO₂ – is the focus of a special policy. Any new power plant of this type must, among other requirements, demonstrate acceptable energy efficiency achieved through the use of state-of-the-art technologies. In 2012, minimum energy efficiency was set at 43% in countries with high per capita income and at 38% in other countries to take account of economic disparities.

Likewise, in the oil and mining industries, special attention is given to the potential impact of clients' operations on the climate. Societe Generale recognises that these operations require in-depth E&S assessment and risk management. This includes a special check of various factors, including atmospheric emissions, through the adoption of several standards (Global Gas Flaring Reduction partnership, etc.).

In Brazil, a partnership was set up between ALD Automotive and the Brazilian Forestry Institute in order to offset greenhouse gas emissions generated by ALD's fleet of vehicles by planting trees.

In addition to the projects associated with Societe Generale's businesses, a number of proprietary initiatives were conducted in 2012 to combat climate change: through cross-business programmes deployed by the Group, particularly in the energy efficiency field (Green IT and Responsible Building Management programmes) and also through action plans undertaken by the business lines.

For example, all the refrigeration systems in the Group's central buildings (Tigery, Cap 18, Niemeyer II, Polaris) using R22 were replaced with machines using R134a in order to limit greenhouse gas emissions and eliminate gas leaks liable to damage the ozone layer. Data on emissions of F-gases were collected in 2012 for the central buildings and were included in Scope 1 of the Group's GHG review.

Similarly, emissions generated by the transport of goods in France, total paper consumption and energy consumption by the hosted data centres were reported in the Group's GHG review for the first time. This effort is part of the Group's new environmental ambition of improving the measurement of GHG emissions associated with its activities.

In addition to measurements, which help better identify areas for improvement, all initiatives related to transport, paper consumption and direct or indirect emissions from energy consumption are aimed at reducing the Group's GHG emissions. 2012 emissions (in a scope covering 89% of employees) were estimated at 319,961 metric tons (related to professional transport and transport of goods, total paper consumption (office paper, paper for customers, envelopes, account statements) and direct or indirect emissions from energy consumption, including hosted data centres in France), i.e. 2.25 metric tons of CO₂ equivalent per occupant. It is difficult to compare

Societe Generale's 2012 GHG review as published with data published in previous years because the review was doubly expanded: firstly, given that the gradual inclusion of its Russian subsidiary Rosbank will have a major impact on consumption due to its size, only the Moscow area is currently covered (i.e. one-quarter of Rosbank employees), with 100% coverage targeted for 2014; secondly, the gradual expansion of Scope 3 of the GHG Protocol, based on the availability and completeness of data (inclusion in 2012 of transport of good in France, all paper and energy consumption of data centres in France). Nevertheless, on a constant structure basis (Scope 3 entities and coverage), emissions per occupant are estimated to have fallen from 2.06 metric tons of CO₂ per occupant in 2011 to 1.99 metric tons of CO₂ per occupant in 2012, representing a decrease of 3.6%.

Adapting to the impact of climate change

Through its operations and offices in emerging and developing countries (Africa, Asia, Eastern Europe, etc.), the Group encourages economic players in these regions to invest in infrastructures, technologies and modern industrial tools promoting carbon-efficient economic development and strategies for adapting to climate change (see the sections on transport and energy for examples).

Societe Generale participates in a variety of analyses and exchanges of best practices within the banking industry focused on combating climate change and adapting to its consequences (Equator Principles, UNEP-FI, IFC, CSR Observatory). In this respect, the Group is involved alongside other financial players and stakeholders in defining a *reporting* methodology for Scope 3 emissions in the financial sector (also see the section on responsible finance).

Preserving biodiversity

Measures taken to preserve or develop biodiversity

Under the General Social and Environmental Guidelines, Societe Generale established a cross-business policy on biodiversity in 2012.

Preserving biodiversity, maintaining eco-systemic services and sustainably managing living natural resources are key aspects of this policy.

The bank defined various biodiversity criteria and established thresholds and requirements which incorporate its decision-making process for the provision of banking and financial services. At the same time, it encourages its customers to take part in volunteer initiatives and to make commitments with respect to the principles, recommendations and objectives of standards documents on biodiversity, such as the Convention on Biological Diversity, *Business and Biodiversity Offset Programme*, and *The Economics of Ecosystems and Diversity*. The Group also uses tools developed by the International Union for the Conservation of Nature (IUCN) to complete its assessments.

For example, the bank agreed to finance a power plant in Cameroun after analysing its impact on various social and environmental criteria (air emissions, biodiversity, economic impact, and cultural heritage in particular) and performed its assessment base on the Equator Principles. In order to maintain the level of performance evaluated, the clients undertook to implement a management plan that will be audited once a year.

In its day-to-day operations, Societe Generale supports the funding of initiatives conducted by the French National Forestry Bureau (ONF), via the Environment business payment card offered to its customers, which pays 5 euro cents to the ONF for each purchase made with the card. What's more, the card statements are issued electronically. The payments are used to fund projects associated with biodiversity protection and reforestation. In 2012, with 20,000 Environment card holders, EUR 50,000 went to the ONF and financed two reforestation projects in the Arras forest in Lavedan and the Argelès Gazost forest in the Hautes-Pyrénées. The Environment card is also the new professional payment card for Societe Generale employees.

Finally, Societe Generale worked diligently in 2012 to involve its employees in pro-biodiversity volunteer programmes:

- the new building constructed by Komerčni Banka in 2012 and equipped with the latest energy efficiency technologies was also noteworthy for its consideration of urban biodiversity: it has a nest box on the roof as well as an area reserved for lizard reproduction;
- Societe Generale Bénin offered its support to Benin's Ministry for the Environment, Habitat and Urbanism in its reforestation efforts. During the Group's Solidarity Week in June, about one-hundred of the subsidiary's employees helped plant 841 acacia culiformis plants across an area of nearly one hectare. Under this programme, the plants will be monitored for the next three years;
- within the framework of its partnership with WWF to preserve biodiversity in Bulgaria, Societe Generale Expressbank encouraged over 370 employees and their children to take part in the "Green Day" initiative.

		Including Rosbank	Excluding Rosbank			Reference year
ENVIRONMENTAL DATA	Units	2012	2012	2011	2010	2007
General environmental policy						
Total Group headcount	-	154,009	137,474	139,896	139,065	134,738
Total number of occupants counted in reports	-	147,629	142,889	146,672	143,154	118,183
Coverage of data collection scope ⁽¹⁾	%	92%	99.7%	99%	97%	76%
Total surface area	m²	4,043,268	3,921,639	3,908,465	3,815,373	3,499,265
Pollution and waste management						
Waste	metric ton	15,703	15,703	14,145		
Coverage ⁽¹⁾⁽²⁾⁽³⁾	%	62%	70%	74%		
Recycled waste as a %	%	27%	27%	30%		
of which recycled waste	metric ton	4,237	4,237	4,201	12,136	14,405
Business travel	millions of km	390	381	488	463	455
Coverage ⁽¹⁾	%	98%	98%	97%	91%	78%
Business travel per occupant	km	2,483	2,715	3,412	3,395	3,853
Air	millions of km	167	159	273	248	288
Train	millions of km	41	40	43	39	33
Car	millions of km	182	182	172	176	134
Sustainable use of resources						
Water consumption	millions of m³	1.64	1.55	1.58	1.50	1.56
Coverage ⁽¹⁾⁽³⁾	%	69%	74%	74%	71%	50%
Total paper consumption ⁽⁴⁾	metric ton	15,066	14,842			
Coverage ⁽¹⁾	%	91%	98%			
Office paper consumption	metric ton	7,483	7,279	7,742	7,960	7,621
Coverage ⁽¹⁾	%	89%	96%	98%	97%	84%
Office paper consumption per occupant	kg	52.5	52.8	53.6	55.8	61.2
o/w recycled paper	%	39%	40%	38%	38%	15%
Total energy consumption ⁽⁴⁾	GWh	873	847	875	859	764
Coverage ⁽¹⁾	%	90%	98%	98%	94%	75%
Total energy consumption per occupant	KWh	6,002	6,021	6,025	6,121	6,781
Total energy consumption per m²	KWh	218	218	225	227	227
Total electricity consumption	GWh	653	627	651	644	524
Electricity consumption per occupant	KWh	4,486	4,454	4,483	4,591	4,647
Consumption of electricity from renewable resources	%	29%	30%	29%	24%	11%
Generation of electricity from renewable resources	MWh	434	434	303	144	0
Consumption of energy by data centres ⁽⁵⁾	GWh	213	213	-	-	-
Climate Change (scope of emissions expanded in 2012)						
GHG emissions ⁽⁶⁾⁽⁷⁾	metric ton	319,961	302,138	298,562	298,618	270,529
Coverage ⁽¹⁾	%	89%	96%	99%	95%	76%
GHG emissions per occupant		2.25	2.21	2.06	2.14	2.36
GHG emissions avoided ⁽⁸⁾		32,736	32,736	32,574	20,873	4,797
GHG emissions per m² (energy only)	metric ton	59.3	56.9	57.8	58.8	56.5
SCOPE 1 ⁽⁹⁾	Kg	31,762	31,762	31,630	28,115	35,317
SCOPE 2 ⁽¹⁰⁾	metric ton	205,870	189,431	192,634	194,317	159,333
SCOPE 3 ⁽¹¹⁾	metric ton	82,328	80,945	74,298	76,186	75,879

(1) Coverage represents entities having contributed to data prorata to their FTE workforce.

(2) Rosbank did not declare its waste data.

(3) For water and waste data, a branch reporting rate (excluding Societe Generale Network in France) of 65% is weighted by the rate of coverage of the scope.

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

(5) Includes proprietary data centres and hosted data centres in France. Only the energy consumption of proprietary data centres is included in total electricity consumption.

(6) Greenhouse gases (GHG).

(7) For 2012, the scope of GHG emissions was expanded to include F-gases, transport of goods, all paper consumption and Scopes 1 and 2 of data centre providers. In comparison with previous years, without this expanded scope, total GHG emissions were 279,051 metric tons of CO₂ equivalent, i.e. 1.99 metric tons of CO₂ equivalent per occupant.

(8) CO₂ emissions avoided through the generation and consumption of electricity from renewable energy sources.

(9) Includes direct emissions related to energy consumption and for 2012 the scope was expanded to include F-gases for the central departments.

(10) Includes indirect emissions related to energy consumption.

(11) Includes GHG emissions from office paper consumption and business travel, and for 2012, the scope was expanded to include all paper, transport of goods in France and energy consumption by hosted data centres in France.

INFORMATION ON CSR COMMITMENTS

Regional, economic and social impacts of the company's activities

Jobs and regional development

Operating at the heart of the economies and regions in which it is present, Societe Generale strives to provide banking and financial products and services that meet the needs of its customers whilst contributing to the social and economic development of each country.

Its global presence means it can be a driver for responsible growth and development in the regions in which its different subsidiaries are based, offering employment to underpin local economies, supporting the creation and development of business and assisting local authorities with their projects.

The Group is present in 76 different countries - see Chapter 6, "Breakdown of staff by region", page 139.

At the end of 2012, 61.3% of employees were employed outside France, including 12.2% in low or lower-middle income countries⁽¹⁾ (Burkina Faso, Cameroon, Georgia, Ghana, India, Ivory Coast, Morocco, Senegal, Vietnam, etc.) and 27.6% in middle-income countries⁽²⁾ (Algeria, Brazil, Bulgaria, China, Romania, Russia, Serbia, Tunisia, etc.)

Societe Generale constantly adapts its offer of products and services to the maturity of each market, proposing new and innovative solutions in countries where access to banking is extremely limited, i.e. most countries in Sub-Saharan Africa and to a lesser extent Eastern Europe.

The bank's strategy is a long-term strategy. In 2012, Societe Generale celebrated the 50th anniversary of its longstanding subsidiaries in Sub-Saharan Africa: Societe Generale de Banques in Senegal, Societe Generale de Banques in Ivory Coast, and Societe Generale de Banques in Cameroon. In fact, the region is the historic cradle for the Group's International Retail Banking business, and today is home to entities in 12 different countries which all share the same ambition to remain a local bank but with a universal banking model.

In France, in 2012, the Group's Retail Banking division (Societe Generale and Crédit du Nord Group brands) employed 35,653 members of staff (23% of all Group employees and 60% of Group employees in France), including 30,124 employees in 3,529 branches⁽³⁾.

Spread across the whole of France, these entities enable the Group to forge strong proximity relations between its specialist advisers and customers that ensure Societe Generale is able to meet each of their personal and professional banking and finance needs.

Supporting business and individual customers

In 2012, the Group's French Networks (Societe Generale, Crédit du Nord and Boursorama) remained fully committed to their customers and to actively supporting economic activity by assisting businesses and individuals in financing their respective projects. On December 31, 2012, outstanding loans amounted to EUR 176.1 billion (+3.2% in relation to 2011).

Business loans amounted to EUR 79.5 billion (+3.4% in relation to 2011), for operating loans of EUR 12.8 billion (+9.0%) and investment loans of EUR 64.1 billion (+2.2%).

Loans to the Group's 11 million individual customers increased 2.9% over the period, driven by the 3.5% increase in property loans.

December 2012 saw Societe Generale and the EIB (European Investment Bank) sign a new agreement for a credit line of EUR 350 million to finance SMEs. In Morocco, Societe Generale and the European Bank for Reconstruction and Development (EBRD) formed a partnership to support the development of Very Small Enterprises (VSE) and Small and Medium-sized Enterprises (SME) which provides for a funding envelope of EUR 20 million.

(1) As defined by the World Bank: Low-income + Lower-middle income economies (USD 4,035 or less): http://data.worldbank.org/about/country-classifications/country-and-lending-groups#Low_income

(2) As defined by the World Bank: Upper-middle income economies (USD 4,036 to USD 12,475): <http://data.worldbank.org/about/country-classifications/country-and-lending-groups>.

(3) Including branches, related offices, seasonal office branches, *Éclair Conseil* counters, Paris Corporate Banking branches and joint ventures with PRIV.

Financing future entrepreneurs

Over the course of 2012, Societe Generale in France entered into relationships with 23,172 new businesses that were set up less than one year ago and that accounted for 67% of the Group's new professional customers on November 30, 2012⁽¹⁾⁽²⁾. Close to EUR 530 million (+1.3% on 2011) was granted in the form of 5,591 medium and long-term loans (-3% on 2011) to businesses that were set up less than one year ago. Societe Generale is France's No. 1 non-mutual bank for start-up loans with an 11% market share⁽³⁾.

Providing start-ups with a specialist network to support their business substantially boosts their chances of survival (3-year survival rate of 87% and 5-year survival rate of 84%⁽³⁾ versus an overall national survival rate of 66%⁽⁵⁾). Societe Generale has developed close ties with various networks which it recommends to its customers to ensure they get the tailored advice they need. Just some of its partners include: *CCI Entreprendre en France*; *Initiative France*; *Réseau des Boutiques de Gestion*; *MoovJee (Mouvement pour les Jeunes et les Étudiants Entrepreneurs)*; *Adie (Association pour le droit à l'initiative économique)* and *Fondation de la 2^e chance* (see Chapter 7, "Microfinance" page 177).

Because its goal is to become involved as far upstream as possible in the start-up process, notably by assisting young people from the moment they begin their apprenticeships, Societe Generale provides trainees with a craft apprentice loan to finance their projects while they study. The bank also works with the association *Meilleurs Ouvriers de France* to promote apprenticeships via a nationwide contest - "*Un des meilleurs apprentis de France*" (One of the best apprentices in France) - to find the top apprentices and soon to be fully-fledged members of France's various craft industries.

Finally, the bank takes part in the main start-up trade fairs (*Franchise Expo*, *Salon des entrepreneurs* in Paris, Lyon and Nantes, etc.), where it provides advice and assistance on a substantial number of potential projects each year. In 2012, Societe Generale also renewed sponsorship for the partnership that bring together students from the Entrepreneurs Master's programme of Paris business school, HEC, with young entrepreneurs from working-class neighbourhoods sponsored by French association, *Nos Quartiers ont des Talents* (see Chapter 7, "Initiatives for employment", page 176).

With a headcount of 3,000 in 16 different countries, Societe Generale Equipment Finance (SGEF) assists SMEs with their investment choices in terms of equipment, assets and development. In 2012, it received Leasing Life award "SME Champion 2012" and was named "European Lessor of the Year" in recognition of the assistance it provides to more than 140,000 SMEs across Europe (65% of its portfolio) and its commitment to the sector.

Financing France's local authorities and Private/Public sector Partnerships

For over twenty years now, Societe Generale has provided loans to the public and parapublic sectors to finance public interest investments, particularly those of local authorities and in the social housing sector. At December 31, 2012, the Group's commitments across the market amounted to over EUR 17 billion.

The Group is also present in the private/public partnerships (PPP) sector. Certain PPP deals are classed as having a positive impact on the environment and/or the needs of the population and/or economic development (see section on "Responsible finance" below).

Responsible finance

Societe Generale's proactive role in financing the real economy naturally requires that it lend sufficient importance to the environmental, social and economic convergence factors at play. Set in place to ensure these issues remain at the heart of the Group's different activities, its responsible finance project, FINETHIC, draws upon:

1. The "Environmental and Social General Guidelines" and sector and transverse policies approved as Internal Directives by Societe Generale's Executive Committee and signed by its Chairman and Chief Executive Officer.

(1) Including start-ups, takeovers and changes in status.

(2) 549,975 businesses were created in France in 2012 which is similar to the figure for 2011. Over the twelve months of the year, small entrepreneurs under the French regime of "auto-entrepreneurs" accounted for more than half of the number of start-ups (307,478 businesses) and increased 5% on 2011 (source: INSEE -Sirène survey).

(3) OSEO figures at end March 2012.

(4) Réseau Entreprendre figures (website: http://www.reseau-entreprendre.org/accompagnement-entrepreneur/chiffres-cles-accompagnement-createurs-repreneurs_R_272_272_-_R_272_272_).

(5) Source: INSEE December 2009.

These guidelines and policies are the benchmark for all Group businesses and divisions. They provide a global framework based on the Group's institutional commitments, define the standards that Societe Generale applies to certain sensitive sectors (oil and gas, mining, coal-fired power plants, etc.) and to transverse issues (biodiversity), and are based on international initiatives (Global Compact, Equator Principles, etc.) and best practices.

These principles are to be found in the Group's CSR communications and on its CSR website. Eight policies have been published since 2011.

2. The internal Environmental and Social (E&S) evaluations that are used to identify, measure, prioritise and manage its environmental and social risk, and that, because they play a part in assessing its credit and reputation risk, are taken into account in its different decision-making processes.

Already in place in Societe Generale's Corporate and Investment Banking arm, the systematic integration of an E&S evaluation in customer reviews is gradually being extended to all Group entities.

As well as the strict application of the Equator Principles⁽¹⁾, Societe Generale has introduced E&S evaluations for other types of transactions with known use of proceeds that are adapted to the type of financial commitment in question.

Dedicated training in the new processes for internal evaluations has been provided and specific tools have been developed over several years. Between 2007 and 2009, around 550 people were trained in integrating environmental and social criteria in finance projects. Since then, training has been provided as and when required. 2012 was primarily devoted to the development of the Finethic project, and the next Group-wide campaign will be launched once the internal E&S procedures have been finalised and published. The aim of the training on the environmental and social aspects of transactions which is scheduled for 2013 is to explain the process behind environmental and social evaluations and the role they have when it comes to managing credit and reputation risk, as well as to clarify all of the E&S procedures, sector and transverse policies and commitments in place at Societe Generale.

3. The sales campaigns aimed at developing financing for projects that have a positive impact on local communities, the environment and economic development as a whole.

To achieve this, the Group:

- has defined a reference framework of "priority" sectors (renewable energies, public transport, urban development and water, etc.), low-income countries and types of businesses (definition of SMEs varies according to region);
- has begun working with stakeholders (customers, governments, development agencies, research bodies and society writ-large) to:
 - establish a common list of sectors, countries and types of businesses that fall within the category of "Positive Impact Finance",
 - come up with innovative financial solutions that are adapted to the challenges of sustainable development, and define new approaches for analysing external factors and their potential impact.

In 2012, Societe Generale's Corporate and Investment Banking division approved EUR 605.8 million in new positive impact financing transactions that fall within the reference framework above.

Green Finance

Group-wide, green loans amounted to close to EUR 1 billion in 2012. At Societe Generale, green loans are used to finance wind farms, energy generation facilities using photovoltaic panels, hydraulic power units, and other forms of renewable energies. They are also used to finance projects linked to waste recycling and management, the reduction of "pollutant" emissions, public transport, NGV cars, gas recycling, hybrid or electric cars, and alternative fuel production, etc. See the section on "Environmental information", pages 163 to 172, for examples of transactions.

(1) Societe Generale signed the Equator Principles in 2007.

Equator Principles

60 projects were examined and categorised according to the Equator Principles in 2012, including those projects for which the Group has an advisory mandate. See the CSR website for further details.

Socially Responsible Investment

Societe Generale offers its customers dedicated research on Environmental, Social and Governance (or ESG) issues. Its SRI team is made up of 3 analysts based in Paris and London and is an integral part of the Corporate and Investment Bank's financial research department. Societe Generale ranked third in the SRI Research category of the Thomson Extel Survey for the second year running in 2012.

Societe Generale's overriding aim is to assist investors and asset manager clients in better integrating environmental, social and corporate governance criteria in their investment decisions. ESG criteria play an increasingly important part in the success of companies, influencing their growth opportunities (impact of new regulations, technological progress, new markets), their medium/long-term risk, and their relations with stakeholders.

Initiatives for employment

Societe Generale pays particular attention to promoting employment, wherever it is in the world. The Group is committed to professional integration, as much through a human resources policy in favour of young people (see "Tailored initiatives for students and young graduates", Chapter 6, page 141) as through its sponsorship and citizenship initiatives.

Below are just some examples of the partnerships that the Group has set up to promote employment and give young people with high potential access to a variety of positions.

- In France, over the past three years, Societe Generale has been steadfastly committed to developing a range of initiatives in underprivileged urban areas, forging lasting relations with talented young people who would like to become part of the Group, as well as with elected officials and associations in order to strengthen its roots within local communities. In March 2012, it signed the "Engagement national des entreprises pour l'emploi dans les quartiers populaires" (National commitment for the employment integration of young people in neighbourhoods located in difficult urban areas) set up by France's Ministry for Labour and Ministry for Urban Affairs and involving some forty other companies who also pledge to develop employment and reinforce the links between businesses and residents. This new commitment perfectly complements the "Charte d'engagement territorial" (Territorial Commitment Charter) signed with the towns of Nanterre and Fontenay-sous-Bois in the Paris region.
- Each year since 2009, Societe Generale has lent its support to the "Coup de Pouce pour l'insertion" (Helping Hand for Employment) programme which aims to successfully integrate young people from underprivileged neighbourhoods within Societe Generale. In 2012, the programme focused on the cities and suburbs of Lyon, Lille, Marseille and the Paris region. Its aim is to promote equal opportunities on the job market for young people with no academic qualifications, regardless of where they live. In 2012, Societe Generale took on 40 young apprentices over a period of 12 months, 68% of whom were subsequently offered permanent contracts.
- ALD Automotive France also set up its own initiative, using the opening of an *École de la 2e Chance* (Second-chance school) for young adults aged 18 to 25 with no qualifications of any kind in Clichy-la-Garenne in March 2011 as an opportunity to develop a long-term partnership by offering internships for students throughout the year in 2012.
- Societe Generale has been a partner of the "Talent des Cités" competition to encourage initiative in deprived suburban neighbourhoods since 2009. In 2012, the Grand Prize went to the "Global Service" start-up supported by Societe Generale, which specialises in construction site waste retrieval and recycling in the Minguettes district of Vénissieux.
- The Group has also been a partner of French association, "Nos Quartiers ont des Talents", since 2008, and is the largest provider of professional employee mentors. In just four years, 335 Societe Generale mentors have helped more than 1,142 young graduates from underprivileged areas in the Paris region and Lyon. Drawing on their invaluable advice, 539 graduates were able to find a permanent contract that matches their qualifications in under 6 months.

- In the United Kingdom, the Corporate Responsibility team has set up several programmes on accessing the job market in partnership with 5 associations. The majority of initiatives focus on helping young people from underprivileged neighbourhoods to develop the skills they need to find a job. In 2012, 170 Societe Generale employees in London (all associations combined) took part in 37 workshops on accessing the job market, making the best of a CV/resume and skills, and what it is like to work in a company and in the finance sector.
- In Brazil, all of the Group entities worked alongside the Societe Generale Institute in setting up the “Gol de Trabalho” (Goal of Work) programme from the Fundação Gol de Letra non-profit organisation. The programme offers adults and young people training and helps them build the profile they need to obtain a position in administrative, telemarketing, sales and customer services. The Societe Generale Institute also contributes to the “Jovem Aprendiz” (Young Apprentice) government programme, which aims to help young people enter the job market and targets medium-sized companies and large corporations that are able to guarantee a rate of 5% to 15% of young apprentices in their total headcount. Through the Institute, Societe Generale helps to place apprentices with prospective employers. So far, the Group itself has taken on 13 junior analysts from the programme and, at the end of 2012, 48 young apprentices had an internship with a Group entity in Brazil.
- In the United States, Societe Generale has signed a partnership with TEAK, a New York fellowship which helps talented young people from low-income families gain admission to and succeed at top high schools and colleges, and provides summer training courses for around a dozen applicants.

In France, the Group's partnerships to encourage professional integration also take the form of initiatives in collaboration with various academic institutions. In 2012, these included the renewal of sponsorship for the partnership between Paris business school, HEC, and French association, Nos Quartiers ont des Talents, and its involvement with the ESSEC management school mentoring programme “Une Grande Ecole Pourquoi pas Moi” (A Grande Ecole, Why Not Me?) for high school students from low-income families

See also Chapter 6, “Recruiting and integrating new talent”, page 141 and Chapter 7, “Partnerships and corporate sponsorship”, pages 184 to 185.

Surrounding and local communities

As well as its positive impact in terms of jobs and regional development described above, Societe Generale has spent several years developing tools and products that contribute to the social cohesion of the communities and regions in which it is present.

Microfinance

Strongly committed to professional integration and providing entrepreneurs and start-ups with all the support they need, the Group's overseas networks make it one of France's leaders in microfinance and a contributor to development in the countries where it is established.

Societe Generale has chosen to focus its microfinance activities in those countries in which the Group provides universal banking products and services. Its strategy is implemented via its overseas network of subsidiaries which are encouraged to finance the different microfinance institutions (MFIs) of the countries in which they are located, primarily through refinancing, but also through minority investments in their share capital. The Group's solutions give MFIs the crucial access they need to local credit facilities in their own currencies which protects them against exchange rate risks.

The MFIs supported by Societe Generale are able to offer communities that are unable to open a bank account access to banking products and services and, in doing so, feed their local economies. At the end of 2012, Societe Generale worked alongside some 30 MFIs, primarily on the African continent - Sub-Saharan Africa (Benin, Cameroon, Ghana, Guinea, Ivory Coast, Madagascar and Senegal), Middle East and North Africa (Egypt, Jordan, Lebanon, Morocco, and Tunisia) - but also in Eastern Europe, Caucasus (Albania and Georgia) and Asia (India).

The credit lines set up by Societe Generale are primarily for institutions in Africa, the Mediterranean and the Middle East. This geographic “focus” is particularly important since Africa currently receives only 16% of the world's microfinance funding which is estimated at EUR 14.8 billion⁽¹⁾. The Group's subsidiaries are therefore a precious source for the continent's institutions.

At the end of June 2012, Societe Generale's credit line commitments amounted to close to EUR 82 million⁽²⁾.

(1) Source: CGAP – Cross-border Funding 2010 – Figures include Sub-Saharan Africa (SSA) and the Middle East and North Africa (MENA).

(2) Credit lines on 30/06/2012.

Five Societe Generale subsidiaries have invested in the capital of (MFIs in Sub-Saharan Africa as founding shareholders. These include: AccesBanque Madagascar, Advans Ghana, Advans Cameroon, Advans Ivory Coast and ACEP Burkina (accredited in 2012).

The Group is also a founding shareholder in MicroCred, a microfinance group created by the French NGO, PlaNet Finance, in 2005 which, at the end of 2012, employed 1,400 people around the world and regrouped 6 microfinance institutions in Africa and China serving 150,000 customers

Societe Generale continued to develop its microfinance activities in 2012. Its Serbian subsidiary, Societe Generale Srbija, signed a partnership with financial institution, AgrolInvest, which has operated in Montenegro since 1999 and in Serbia since 2001. AgrolInvest is the Serbian subsidiary of the VisionFund International network⁽¹⁾. It has more than 10 years' experience in microfinance and is well established in the countries' rural areas. In just six months of partnership, more than 1,200 entrepreneurs received funding, and a total EUR 2 million had been granted in the form of 2,071 loans at the end of 2012. These loans were primarily used to develop farming activities, but also for start-ups, and in the craft and services sectors.

Adie (French Association for the Right to Economic initiative)

Societe Generale has been an active supporter of Adie since 2006, providing refinancing lines for its micro-loans activity and contributing to the financing of its accompanying actions. Backed by the Group's Retail Banking networks in France and France's Overseas Departments and Territories, the average amount for loans issued by Adie is EUR 2,453. Societe Generale has also partnered the association's "micro-credit weeks" for several years now.

When it comes to approving micro-loans, Societe Generale works closely with Adie's professional full-time staff and committed volunteers. In 2012, the association was granted a refinancing line of EUR 3.5 million for its activities in mainland France. It was also granted a credit line of EUR 0.34 million by the Bank of Polynesia for its activities in French Polynesia and EUR 1.5 million by Societe Generale Calédonienne de Banques for its operations in New Caledonia.

The Societe Generale Corporate Foundation for Solidarity also supports Adie's initiatives in Polynesia. In 2011, a EUR 60,000 subsidy was granted to help fund the setting up of an Adie agency in Raiatea. In 2012, a further EUR 45,000 was granted to continue developing the association's entity in Iles sous le Vent.

For 2013, the refinancing line granted to Adie for personal and professional micro-loans in mainland France has been increased to EUR 4.5 million (up EUR 1 million on 2012).

All in all, since 2006, the Group has refinanced 5,236 micro-loans granted by Adie for a total EUR 12.8 million (EUR 9.3 million in mainland France, EUR 2.8 million in New Caledonia, and EUR 0.4 million in Polynesia), 1,128 of which were approved in 2012.

Personal micro-loans

To support the personal projects of individuals who are not eligible for traditional loans, certain regional divisions of Societe Generale in France introduced a micro-loans offer in partnership with French associations, *Restaurants du Cœur* and *CRESUS*, in 2010.

These associations help borrowers plan their individual projects before applying for a loan and accompany them throughout the repayment period. Loans vary between EUR 300 and EUR 3,000, have a preferential interest rate, no bank charges, and are guaranteed by the Social Cohesion Fund. So far, 19 loans for a total EUR 39,100 have been granted.

Furthermore, in partnership with the *Caisse Nationale d'Allocations Familiales* and the *Caisse des Dépôts et Consignations (CDC)*, Societe Generale is the only bank to have issued the *Prêt Jeunes Avenir*. Reserved for young people between the ages of 18 and 24 to finance the costs linked to a new job, loans ranged from EUR 500 to EUR 5,000, were interest-free and were not subject to any bank charges. Since its launch at the end of 2007, more than 2,500 Societe Generale young customers have subscribed to the offer. As a result of its success, the envelope allocated by the *Caisse des Dépôts* was used in full by 2010 and has not been renewed which means that the facility is no longer available for the time being.

At the end of 2012, more than 1,200 loans amounting to a total EUR 1.9 million were still in the process of being repaid.

Micro-insurance in Morocco

Signed in 2010, the partnership agreement between SG Insurance subsidiary, *La Marocaine Vie*, in Morocco, and the Moroccan microfinance institution, INMAA, led to the launch of ADE, a micro-insurance policy that covers the repayment of a loan in the event of death or permanent disability.

(1) VisionFund is a network of Microfinance Institutions whose goal is to help children living in poverty around the world and improve their quality of life. VisionFund is part of World Vision International.

Products and services for vulnerable customer categories

Societe Generale's goal has always been to develop products and services that match the needs and expectations of each individual.

Products and services for customers in difficulty

As part of the commitment undertaken by the banking profession in 2005 to "make banking easier for everyone", Societe Generale and Crédit du Nord offer customers a range of alternative means of payment. Societe Generale's GENERIS service provides customers with various options, including a V Pay chip-only pin-based card that requires systematic authorisation for payments and withdrawals in France and Europe, the ability to carry out deposit and debit transactions, bank cheques, SMS alerts for account balances and capped charges in the event of a payment incident. At the end of 2012, 20,350 customers subscribed to this service. Societe Generale also offers personalised terms for customers who have to cover substantial payment incident costs and who have suffered a sharp drop in income following an accident (e.g. total or partial cancellation of bank charges). See also Chapter 7, "Over-indebtedness", page 188.

Products and services for customers with a serious health risk

Under the terms of the AERAS agreement (Insurance and Loans with an Increased Health Risk) signed between professionals in France's banking and insurance sectors in 2007 and later amended in 2011, Societe Generale makes it easier for people with a serious health risk to obtain a loan (home and consumer) and plans to cover some of the additional premiums for customers in the lowest income brackets.

The Group's is also developing similar initiatives elsewhere. In 2011, Komerční banka - the Group's subsidiary in the Czech Republic which employed over 8,800 members of staff at the end of 2012 - launched a new policy called "My Payment Protection Insurance" for customers with a current account that covers the payment of basic services (rent, electricity and other utilities, schooling, etc.) in the event of a serious incident (long-term illness, invalidity or incapacity as the result of an accident) and the payment of an indemnity to beneficiaries in the event of the policy holder's death. Today, more than 12,000 customers are covered by this policy.

Financial inclusion

Outside of mainland France, Societe Generale's retail branches offer their customers products and services that meet the highest international standards and are specifically adapted to suit their individual needs.

In seeking out new customers, they contribute to the number of banking products and services available to and used by local communities in countries where the level of "financial inclusion" is still low. The innovative products and services they frequently launch on their domestic markets also make them a source of positive competition for clients.

Societe Generale's International Retail Banking division constantly seeks to enhance the specific expertise needed in financing very small and micro-businesses which are often vital to the economic and social development of their countries but which, up until now, have had very little access to banking services.

Societe Generale Morocco, for example, has introduced a number of initiatives to help make banking more accessible. See the CSR website for further details.

Your Bank: Here & There

Introduced in 2007, Societe Generale's "Your Bank: Here & There" service is designed for foreigners or French citizens of foreign origin living in France who still have very close links with their native country. Today, this category is estimated at approximately 5 million individuals.

The principle behind the offer is that customers benefit from the banking products and services of two entities, one "here" and the other "there". "Here", for the day-to-day needs of customers in France (current account, bank card for payments or withdrawals, remote banking services (voice or internet) and bank details for direct debits, etc.), and "There", for products or services needed in their country of origin where most customers still have very strong links (transfers, access to banking services, property loans, death/body repatriation insurance for immigrants who want to be buried in their native country, etc.).

Developed thanks to the Group's presence in countries with significant flows of migrants to France, the service benefits from the unique synergies between Societe Generale's retail networks in France and overseas.

Solidarity products

As one of the first banks in France to develop a range of solidarity products, Societe Generale's aim is to encourage dialogue, forge closer links between its customers and social entrepreneurs, and enable its customers to support their chosen charities and association. In 2012, the bank continued to increase the number of its partner associations and enhance its range of products and services. Its solidarity banking offer is now open to all customers, enabling individuals, professionals and businesses to donate to a long list of general and public interest associations

In 2012, three Group products - "Services d'épargne solidaire" (solidarity savings services), "Cartes Collection caritatives" (charity bank card collection) and "Programme de fidélisation Filigrane" (Filigrane loyalty programme) - have enabled Societe Generale to raise a total EUR 1,266 million in donations, i.e. an increase of 14% on 2011.

See the CSR website for further details on Societe Generale's range of solidarity products and services.

Services for the disabled

In accordance with the Disability Act of February 11, 2005 governing equal rights and opportunities and the participation and citizenship of disabled persons in France, Societe Generale has introduced a number of measures throughout its network of retail branches in France to improve the accessibility of its services:

For the visually impaired:

- systematic fitting of voice guidance systems and digital keyboards with raised characters on new ATMs and upgrading of existing machines. At the end of 2012, close to 90% of Societe Generale ATMs and 95% of Crédit du Nord ATMs have been adapted to accommodate the visually impaired, i.e. 5,073 out of a total of 5,650 machines;
- since mid-2008, the most frequently visited pages on the website for individual customers are compatible with Jaws, the screen reader tool most used by the visually impaired;
- since June 2012, Societe Generale's iPhone application which is compatible with the screen reader, VoiceOver⁽¹⁾, has been re-designed and is the first application from a French bank that is fully adapted to the visually impaired;
- a free phone number (0 810 810 850) that puts visually impaired customers in direct contact with a customer call center;
- braille account statements: in 2012, Braille statements were sent for 571 accounts.

For the disabled:

- at the end of December 2012 and four years before the deadline set by the Disability Act of February 11, 2005, close to 75% of Societe Generale branches in France had already been refurbished to make them accessible for the disabled, i.e. 1,666 branches out of a total network of 2,285. All new premises are now fully accessible for the disabled as of the time they are opened.

At the same time, Societe Generale's Mission Handicap set up in 2008 is committed to heightening awareness amongst the Group's managers and employees of the importance of integrating disabled persons, and has implemented a whole series of initiatives linked to the recruitment, integration, training and long-term employment of disabled staff. See also Chapter 6, "Disabled workers", page 148.

(1) VoiceOver is a standard functionality on the iPhone 3G and subsequent models.

Relations with persons or organisations concerned by the Company's activities*

Conditions for dialogue with these persons or organisations

At Societe Generale, corporate and social responsibility means understanding and integrating the needs and expectations of the Group's different stakeholders.

These "stakeholders" are all parties, both within and outside of the Group, who share the same interests and are therefore directly concerned by the bank's actions, whose motivations and influences are relatively consistent with those of the bank, and with whom the Group seeks to develop a climate of dialogue and exchange.

Customers

Societe Generale's ambition is to be the reference relationship bank on its markets, close to its customers and chosen for the quality and commitment of its teams. Part of the Group's Ambition SG 2015 transformation plan, each business line and division has committed to implementing their own Customer Satisfaction action plans.

Customer satisfaction

Societe Generale's priority is to make its Retail Banking in France network the benchmark in terms of customer satisfaction, and to make that satisfaction a performance indicator that is just as important as productivity and profitability.

Within each of the main market segments serviced by its Retail Banking in France network (individuals, professionals and businesses), Societe Generale, its specialized subsidiaries (Sogecap, Sogessur, etc.) and Crédit du Nord have been surveying their respective customers as well as those of their competitors for some ten years now in order to assess their level of satisfaction. Customers are asked about their overall satisfaction, but also about their satisfaction as regards the different aspects of their banking relationship (branch, advisor, telephone and internet banking, products, pricing). The importance of each of these aspects in the level of global customer satisfaction is calculated on the basis of various statistics.

These nationwide surveys are further complemented by the annual customer satisfaction surveys carried out by the Group's branches (120,000 individual clients and nearly 14,500 professional clients surveyed by Societe Generale, 40,000 by Crédit du Nord) which focus on how customers rate the bank's welcome and their relationship with their account managers. At Crédit du Nord, branch managers are assigned targets linked to customer satisfaction scores that are taken into account in their individual performance appraisals.

"Mystery Visits" are also made to Societe Generale branches which are an excellent means of gathering accurate feedback on the quality of the welcome and advice given, and of identifying areas for improvement.

In 2010, the Group's Private Banking arm invited 7,000 customers to reply to an anonymous questionnaire available in seven languages. In 2012, it increased this number to 8,000 customers by broadening its scope to Asia and the Middle East as well as its entities in Belgium, the United Kingdom, France, Monaco, Luxembourg and Switzerland.

Within Societe Generale's specialised subsidiaries, customer satisfaction is measured as close to the field as possible, with each entity adapting their surveys to their recurrent or specific needs, their activity, their customers and their products and organisation. Each entity uses the internal or external resources and methodologies that are best suited to the level of analysis required. Each business line within Societe Generale's Specialized Financial Services and Insurance division has also implemented its own "Customer Satisfaction" action plan.

All Group employees are conscious of the importance of customer satisfaction. In 2010, the Group launched its "Free shares for all" plan, with one criterion for the allocation of free shares being the level of customer satisfaction achieved. See Chapter 6, "Free Grant of Performance Shares Plan", page 145.

Claims and ombudsman

In France, Societe Generale Group is committed to finding a rapid if not immediate solution to complaints or problems linked to its Retail Banking network as soon as a branch is duly informed by its customer. However, should the bank and its customer disagree on the action to be taken, customers may file a complaint with their Customer Relations Center and, where applicable (i.e. if the dispute is still not resolved), request the intervention of the ombudsman whose services are entirely free of charge. Exceptional circumstances aside, customers are systematically sent a reply from Societe Generale within 10 days or from the ombudsman within two months.

* Especially associations promoting professional integration, educational institutions, environmental protection associations, consumer associations and neighbouring communities.

The free and amicable ombudsman services to which Societe Generale customers have had access since 1996, and which were institutionalized by the legislator in 2002, are broadly publicised by the bank and are even outlined in the permanent insert on the back of account statements.

Societe Generale Group has undertaken to comply in full with all decisions taken by independent ombudsman, Mrs. Christiane Scrivener who also acts as ombudsman for the Crédit du Nord Group, and Customer Relations Centers have been set up in each of the 12 regions in France in which the Group and its subsidiaries are present.

In 2012, the number of written claims handled by the Customer Relations Centers fell in relation to 2011. As regards satisfaction levels, 60% of customers received a total or partial positive response to their requests.

In 2012, the number of cases handled by the ombudsman fell 14% on 2011. Disputes linked to financial investments decreased and accounted for 24% of claims, with the remainder linked to a very wide variety of other issues.

Customers of Societe Generale's other business divisions in France may also request the intervention of Group ombudsman, Mrs Scrivener, or a public ombudsman (AMF, FFSA, etc.). For its subsidiaries overseas, customers have recourse to a local ombudsmen appointed by the bank (where required by local legislation) or to a local ombudsman appointed by a professional body.

The ombudsman's report to Societe Generale is available on the Group website for individual customers.

Greater transparency

See Chapter 7, "Fair practices" and "Measures in favour of consumer health and safety", page 188.

For further details on dialogue with SME customers, see Chapter 7, "Financing future entrepreneurs", page 174.

Investors and Shareholders

Societe Generale's department in charge of institutional investor and individual shareholder relations is responsible for overseeing the Group's financial communications and disclosure and for ensuring that investors and shareholders are kept up-to-date with its strategy and results.

In 2012, around 110 days of road shows/conferences were organised with analysts and investors around the world (56 days in Europe, including 12 days in Paris; 24 days in the United States and Canada; 22 days in Asia and 8 days in the Middle East).

In addition to the General Meeting attended by 850 shareholders on May 22, 2012, three meetings organised by the Retail Banking division provided an opportunity to meet with 700 individual shareholders in Reims (in March), close to 800 individual shareholders in Rouen (in June) and close to another 800 individual shareholders in Grenoble (in September). Societe Generale also took part in three information meetings in partnership with other issuers in Orléans in May, Nantes in June and Aix-en-Provence in November, each of which was attended by between 200 and 300 participants.

Each quarter, the Group publishes its Letter to Shareholders (140,000 copies) and keeps its shareholders informed through a variety of channels: Shareholders Club, toll-free number, letters, dedicated website, etc.

Lastly, to make sure it continues to meet the needs and expectations of its individual shareholders, the Group has set in place a Shareholders' Consultative Committee whose primary role is to advise on the Group's individual shareholder relations and communications policy.

SRI Investors

Group Chairman and Chief Executive Officer, Frédéric Oudéa, took part for the first time in the SRI Roadshow held in La Défense in November 2012 which brought together 15 SRI analysts from the biggest asset management firms on the Paris stock market. The presentation given during the meeting can be downloaded from the Societe Generale website.

The Group's Sustainable Development Department meets with SRI analysts on a regular basis and answers their different questionnaires.

Employees

- an "employee satisfaction" survey has been in place since 2009 (see Chapter 6, "Feedback and employee satisfaction survey", page 144);
- 304 agreements were signed worldwide in 2012 (see "Employee relations", page 158).

See Chapter 6, "Caring about employees", page 144 and Chapter 7, "Health and safety", page 158.

Suppliers and SMEs

Signed by Societe Generale in 2007, the SME Pact is designed to help innovative small and medium-sized businesses in France penetrate the large corporates market. The Group has also signed the Charter of Intercompany Relations drawn up in 2010 by the French National Credit Mediation Office and CDAF (association of purchasing managers in France). Appointed to the Board of Directors of the SME Pact, its active participation in the various working groups and commissions make it a productive and responsible partner. In October 2012, the Group hosted the yearly seminar of the SME Pact association which brought together 50 major corporate groups and various professional bodies, competitiveness clusters and SMEs.

Societe Generale's Corporate Secretary is also the ombudsman appointed on the signing of the Charter of Intercompany Relations.

In 2012, Societe Generale took part in a supplier survey on the quality of relations between SMEs and major groups (in collaboration with the SME Pact), and was ranked second best corporate group for the quality of its supplier relations by the SMEs surveyed.

In December 2012, Societe Generale was accredited by the *Médiation Inter-entreprises* (French Government Business Relations Mediation Scheme) for its responsible supplier relations (Label Relations Fournisseurs Responsables). This accreditation recognises those French companies that have successfully established lasting and balanced relations with their suppliers.

See Chapter 7, "Subcontractors and suppliers", page 186.

Rating agencies

Regular talks with financial and extra-financial rating agencies are held throughout the year to understand their methodology and to report on the Group's achievements.

Societe Generale answers numerous questionnaires from extra-financial rating agencies, some of which are then used as indicators for the Group's CSR initiatives.

Regulators and supervisory bodies

Societe Generale regularly meets with the banking and financial authorities of each of the countries in which it operates, and constantly seeks to collaborate with regulators, both directly and via the sector's national and international governing bodies. In 2012, the Group stepped up its coordination of the legal and regulatory matters affecting the banking and finance industry, not only to better understand and anticipate future legislative change, but also to contribute to that change by actively taking part in public consultations by the relevant authorities.

Non-Governmental Organisations (NGOs)

Societe Generale Group is committed to working closely with the different NGOs that can help it integrate controversial issues and successfully adapt its policies and practices.

As a member of the Equator Principles, Societe Generale makes every effort to promote constructive talks and exchange best practices with stakeholders (NGOs, UNEP-FI⁽¹⁾, the OECD⁽²⁾, the ORSE⁽³⁾, Export Credit agencies, the IFC⁽⁴⁾, the EBRD⁽⁵⁾ and the World Bank, etc.), and to factor in any recommendations or alerts by NGOs regarding projects, sectors or companies in its decision-making processes.

Societe Generale Group took part in several working sessions with NGOs over the course of 2012:

- organisation with UNEP-FI of a presentation/debate in October 2012 on the theme of water prior to the publication of the UNEP-FI report "Chief Liquidity Series 3 Extractives Sector Water-related Materiality Briefings for Financial Institutions";
- participation in a working group with the WRI⁽⁶⁾, WBCSD⁽⁷⁾, UNEP-FI, other French and foreign banks and NGOs on reporting and disclosure requirements for CO₂ emissions linked to different types of financing;
- continuation of the consensus-building process that began in 2011 with several NGOs (BankTrack, Amis de la Terre, etc.) on the environmental and social policies it applies to its business activities, and on its policies in sectors that are deemed to be sensitive;
- presentation along with several other French banks that are part of the ORSE of E&S guidelines for sector policies which are based on international best practices within the industry;

(1) NGO: Non-governmental organisation - UNEP-FI: United Nations Environment Programme - Finance Initiative.

(2) OECD: Organisation for Economic Co-operation and Development.

(3) ORSE: Observatoire de la Responsabilité Sociétale des Entreprises (French Study Centre for Corporate Social Responsibility).

(4) IFC: International Finance Corporation.

(5) EBRD: European Bank for Reconstruction and Development.

(6) WRI: World Resources Institute.

(7) WBCSD: World Business Council for Sustainable Development.

- participation in the public consultation days organised by the OECD on the convergence of E&S standards recommended by the OECD for export credit agencies and by the World Bank/IFC for those banks that have adopted the Equator Principles;
- on certain projects, the Group met with representatives from various NGOs on several occasions, organised interviews and answered specific requests. These meetings have improved dialogue, introduced additional mitigation measures and served as a springboard for the incorporation of environmental and social concerns by the various participants in these projects;
- organisation with various NGOs of meetings on the topics of human rights, corruption, financial transparency and tax havens in order to address their specific concerns and respond to their questionnaires, bearing in mind that the Group is not present in any countries that are classed as uncooperative by the OECD or under French or European law;
- organisation of an internal presentation with Crésus (a network of associations specialising in providing assistance to individuals with excessive or poorly structured debt) on the role of lending institutions in preventing individuals from getting too far into debt and assisting people in difficulty.

The Group has also set up a number of partnerships with various associations. See the section on “Partnerships and corporate sponsorship” below.

Within the Group, CGI-CGL and ALD France are preparing for ISO 26000 evaluation from French standards body, AFNOR, placing them amongst the first French companies to seek outside certification for their corporate social responsibility.

Partnerships and corporate sponsorship

At Societe Generale, solidarity, art and music and sports sponsorships are a day-to-day commitment. The Group's priorities are to cement and strengthen the links that it has forged with its partners, with the emphasis on providing as many people as possible - particularly young people - with the tools they need to better integrate society and the professional world.

Solidarity and citizenship

Societe Generale Group's sponsorship and citizenship programmes are developed by the Societe Generale Corporate Foundation for Solidarity which works to improve and encourage the professional integration of those at risk of exclusion from the job market, notably by supporting young people at the start of their careers and by working to combat illiteracy.

In 2012, the Foundation worked alongside 93 associations, contributing EUR 1,993,630 in funding to a number of nationwide projects and local initiatives. At the start of the year, the Foundation elected a new Selection Committee. All committee members are current or former employees of the Group and, this year, some were elected by the Board of Directors for the agenda they presented on submitting their applications.

Since 2008, Societe Generale has partnered non-government organisation, CARE, in financing projects that give underprivileged children in Peru, Mali, Bangladesh, Morocco and Benin access to education. Assigned an initial budget of EUR 1 million for 2008-2010, the partnership was renewed for a further three years and EUR 1.5 million in 2011. Since 2008, SG CIB employees have worked tirelessly in partnership with CARE, organising charity and fundraising events to help develop these 5 projects such as the “Paris to London Bike Ride” charity challenge.

Overseas, Societe Generale's subsidiaries continued to develop their citizen commitment, setting up new programmes and solidarity projects, and/or supporting local associations and their projects in collaboration the Foundation. Certain subsidiaries also set up their own foundations, including the Societe Generale Institute in Brazil, the Fondation Jistota in the Czech Republic and the SG UK Group Charitable Trust in the United Kingdom.

All in all, i.e. including the initiatives launched by the Foundation and those implemented at a local level, the Group donated over EUR 9 million⁽¹⁾ to different solidarity projects in 2012.

For other examples of the partnerships in place to encourage employment/professional integration, see Chapter 7, “Jobs and regional development”, page 176.

See also “Over-indebtedness - Partnership with CRÉSUS”, page 189.

(1) Including EUR 0.475 to Handisport.

Employee commitment at Societe Generale

Above and beyond its invaluable financial support, Societe Generale's Foundation gives Group employees the opportunity to get involved in its projects, whether by donating their time and efforts or by lending their skills and expertise.

- Since April 2012, the Group has organised "Pro Bono days" during which volunteer staff work as a team for partner associations on resolving a pre-identified problem and providing a tangible solution in the very limited space of one day. More Pro Bono days are planned for 2013 in different Group entities.
- Held in June 2012, the fifth edition of Societe Generale's Citizen Commitment Week mobilised around ten thousand employees in 113 Group entities around the world. In Europe, Africa, Asia and South America, 211 solidarity operations raised EUR 678,000 for the Group's partner charities in 2012 thanks to the massive implication of Societe Generale staff across 41 countries.
- Launched in 2011, the Citizen Commitment Awards, which recognise the involvement of employees in all Group entities, were held again in 2012 and singled out three projects:
 - Combating illiteracy in Burkina Faso: organised by the association Les Amis de Kantchari (Friends of Kantchari) in collaboration with Talents & Partage - the charity association set up by past and present Societe Generale staff - the project involved the construction of 2 new secondary school classes and a primary school with 3 classes in the Kantchari area.
 - Social and professional integration through training and qualifications for young people and adults in Romania: funded by the *Ateliere Fara Frontiere* charity association which is supported by Societe Generale's subsidiary in Romania, BRD, the Inser&TIC project created 10 new jobs in 2012 in the integration workshops that specialise in the recycling and re-conditioning of IT equipment.
 - Professional integration and training for 150 young people from the "favelas" slums of São Paulo in Brazil: via the Luciole project developed by the association *Caza Do Zezinho* which is supported by Societe Generale Brazil. The aim in 2012 was notably to find partners to begin classes in tourism which would allow a significant increase in the number of young people able to follow the training and offer new possibilities for integration on the job market.

The Foundation also allows employees to volunteer to sponsor a variety of associations. In 2012, Societe Generale became a founding partner in the association, Capital Filles, which signed an agreement with the French government in April to encourage the professional integration of young women from underprivileged backgrounds who attended priority education schools or attended schools in rural areas. Today, over 70 women at Societe Generale have volunteered to sponsor school girls to help them pursue their studies, particularly in fields where women are under-represented. This partnership is just one in a list of many through which Societe Generale employees are able to sponsor young people as they enter the job market, including: Nos Quartiers ont des Talents, Mozaïk RH, Proximité, Solidarités Nouvelles face au Chômage and Frateli.

All told, the initiatives by the Foundation and local Group entities in 2012 represented over 1,650 working days during which Group employees were able to devote their time to charity work.

Culture

Classical music and contemporary art are the two foundations of Societe Generale's cultural sponsorship.

All Group initiatives combined (at a central level or at a local, subsidiary level), more than EUR 9 million was devoted to cultural sponsorship in 2012.

Contemporary art

Since it first began in 1995, Societe Generale's contemporary art collection has grown to feature some 350 original works. Structured around three main media - painting, sculpture, photography - it combines the works of both established and new artists. Open to all audiences, emphasis is also placed on fun and educational guided tours for younger visitors. Outside of the Group's walls, the works are regularly loaned to museums in France's largest towns and cities, as well as to foreign institutions.

Overseas, Rosbank is a key partner for various modern and contemporary art museums in Moscow (EUR 0.45 million), and Societe Generale Morocco supports Moroccan artists through acquisitions (EUR 0.33 million).

Classical music

Societe Generale Group's Mécénat Musical Societe Generale (MMSG) is an association that encourages the creation and development of classical music in France through a yearly budget of EUR 1.5 million. As well as funding orchestras and musical training, the association lends instruments to young musicians, awards grants to students of the national conservatories in Paris and Lyon (more than 900 students in 25 years), and organises teaching programmes to introduce children to classical music from early on. Societe Generale's contribution over the years makes it a benchmark sponsor of classical music in France today that is unanimously respected throughout the profession. The Group has been the principal partner of the Salle Pleyel concert hall since 2006.

Sport

Societe Generale is committed to forging sports partnerships alongside its other activities around the world. A fervent supporter of today's sporting heroes and international competitions, and committed to bringing sports to younger generations, Societe Generale is a privileged partner of national federations and local clubs alike. Primarily involved in rugby, golf and sports for the disabled, the Group allocated EUR 15 million to its sports partnerships in 2012, including EUR 0.475 million to sports for the disabled alone.

Subcontractors and suppliers

Incorporation of CSR criteria in the Company's purchasing policy

Societe Generale's socially responsible purchasing policy is implemented through a series of multi-annual action plans that seek the proactive involvement of all stakeholders in the value chain (prescribers, purchasers and suppliers).

These actions plans, known as the *Ethical Sourcing Program* (ESP 2006-2010) and then the *Sustainable Sourcing Program* (SSP 2011-2015), demonstrate determination to make CSR a fundamental part of its processes. This commitment is reflected in different key initiatives:

- the signing of compliance rules governing purchasing by 100% of purchasers;
- the inclusion of a sustainable development clause in all contracts that commits all suppliers to uphold any employment laws (and where no such laws apply, to at least comply with the provisions of the ILO) or environmental legislation in force in the countries in which they operate;
- environmental and social risk mapping on products and services purchased (49 out of 132 purchasing categories are classed as presenting a risk);
- the evaluation of suppliers prior to each purchase which has a minimum weighting of 3% in the selection criteria (1,050 suppliers were invited to undergo the Group's CSR evaluation in 2012);
- the incorporation of CSR objectives by all purchasers in a CSR initiative specific to their purchasing category (contracts with protected sector companies, inclusion of environmental criteria in specifications);
- the launch of a CSR-specific "Purchasing and Sustainable Development" training module in in-house training (40 people completed the training course in 2012).

Societe Generale's socially responsible purchasing policy is based on three core pillars:

- Economic pillar: commitment to SMEs that makes it less difficult for them to win Societe Generale procurement contracts and to establishing a framework of mutual trust with suppliers.

Achievements in 2012:

- accredited by the Médiation Inter-entreprises (French Government Business Relations Mediation Scheme) for its responsible supplier relations ("Label Relations Fournisseurs Responsables"). Societe Generale signed the Charter of Intercompany Relations in 2010;
- since 2008, the Group has taken part in 8 SME Pact seminars, putting 70 innovative small and medium-sized businesses in touch with the bank's business lines and divisions. Today, purchases from SMEs that took part in the seminars amount to more than EUR 13 million;
- supplier survey on the quality of their relations with the Group (in collaboration with the SME Pact);
- SMEs account for 30% of the Group's purchases in France (EUR 880 million).

See also the section on "Suppliers and SMEs", page 183.

- Social pillar: promotion and use of subcontractors within the protected and adapted enterprise sectors.
Achievements in 2012:
 - mail room management awarded to 9 protected sector companies at over 60 Group sites (budget of EUR 2.5 million);
 - outsourcing of building management and video encoding of cheques to protected sector companies;
 - referencing of protected sector companies in the approved list of suppliers for IT services and for audio-visual production.
- Environmental pillar: participation in the Carbon Neutrality Plan through the inclusion of environmental criteria in the selection process for products and services.
Achievements in 2012:
 - A4 paper: selection of paper according to its environmental footprint through the integration of criteria to analyse the life cycle of the product in the technical specifications (raw materials, transport, pulping and paper-making process, waste management). On-site audits are also carried out on pre-selected suppliers;
 - furniture: creation of CSR product sheets that list their composition, the materials used, their origin, the proportion of recycled materials used in the product and the recyclability rate. Furniture that has reached the end of its life is managed by ARES (Association for Economic and Social Reintegration).

Importance of outsourcing and incorporation of CSR criteria in relations with suppliers and subcontractors

In order to cover the largest possible cost base in the CSR supplier selection process, an approach was formally defined in 2006. When an invitation-to-tender is sent out, all suppliers are assessed and given a CSR rating. Once the evaluation is complete, the CSR rating is factored into the selection criteria, with a minimum weighting of 3%.

Since 2011, Societe Generale has worked with independent firm, Ecovadis, recognised for its expertise in sustainable development. Suppliers invited to bid are surveyed by Ecovadis using a questionnaire that is adapted to their business sector and the size of their company as well as their geographic coverage.

The methodology and criteria used in the Ecovadis questionnaires are consistent with international CSR standards (Global Reporting Initiative, United Nations Global Compact, ISO 26000, ILO Conventions).

In 2012, 1,050 suppliers were invited to take part in the Ecovadis CSR evaluation, i.e. a purchasing scope of more than EUR 3 billion. The average score for suppliers was 4.52/10.

Fair practices

Anti-corruption initiatives

By 2000, Societe Generale had already taken on a series of commitments linked to the United Nations Global Compact and the Wolfsberg Group.

Its anti-money laundering measures include monitoring potential abuse of the banking system for the purposes of corruption. Oversight is based primarily on know-your-customer processes and on the use of transaction filtering tools. Transactions likely to represent acts of corruption are analysed and may result in a suspicious transaction report being filed with the competent authorities in charge of combating money laundering (in France, this authority is Tracfin).

Societe Generale's normative framework was updated again at the end of 2011, with a new directive replacing the one enforced since 2009 which imposes stricter obligations for the Group's operating entities when it comes to controls, the oversight of third parties and anti-corruption training for employees.

A compulsory e-learning module to raise awareness amongst Group's employees on combating corruption was set in place in July 2012. Over the second half of the year, more than 32,000 employees primarily in France completed the training which will continue to be rolled out to all subsidiaries in 2013.

In terms of controls, the prevention of corruption is now a separate priority in the Group's audit plans. In 2012, for example, two audit missions were specifically devoted to the prevention of corruption.

Additional work on upgrading procedures and contractual documents (in particular, concerning third-party agents) is currently in progress, and a report submitted to the Group Compliance Committee every two months.

See Chapter 8, "Special feature of the anti-money laundering system" page 199 for more information on anti-money laundering and the fight against terrorism at Societe Generale Group".

Measures in favour of consumer health and safety

Remuneration for customer advisors

Societe Generale Group's remuneration policy is devised to avoid there being any incentives that might provoke a conflict of interest between its employees and its customers. The principles and rules of governance applying to remuneration are set out in the normative documentation linked to the Group's policy for managing conflicts of interest.

In France, remuneration for employees of the Retail Banking arm is made up of a fixed part and a variable part. For employees in contact with bank customers, variable remuneration is assessed according to several criteria, notably their sales performance, their commitment in terms of quality and customer satisfaction, and their managerial qualities where applicable. Variable remuneration may not exceed 15% of an employee's global remuneration.

Customer advisors at Crédit du Nord are not currently paid any fee-for-service remuneration.

See Chapter 6, "Acknowledging performance", page 143.

Responsible lending

Societe Generale Group has a "Responsible lending" policy that ensures borrowing customers are respected at every stage in the life of a loan, from the day it is granted right up until repayment. It applies as much to consumer loans as to mortgage lending for individual customers and will be rolled out to the entire Group. The aim of the policy is to go beyond legal requirements such as the Lagarde Act in France, and to identify and assist persons with excessive debt.

Inspired by an initiative led by Franfinance in France in 2010, Societe Generale Consumer Finance (SGCF), which specialises in consumer loans, has committed all of its subsidiaries to a common charter for "Successful lending" translated into each language used by its subsidiaries. Through the charter, Societe Generale Consumer Finance undertakes to respect 6 win-win responsible commitments: to examine all loan applications carefully and professionally, to know when to say no, to recommend insurance to protect against the unexpected, to be flexible, to be clear, and to work with each customer throughout the life of a loan.

Over-indebtedness

Societe Generale's Retail Banking network means it is necessarily affected by the phenomenon of over-indebtedness and, since 2004, has set in place the resources needed to quickly identify this category of customer in order to be able to offer them a responsible solution. In fact, because it has always been a precursor in the field, the new law governing consumer credit that entered into effect in November 2010 and that altered the regulatory framework for over-indebted people did not require any radical changes to the procedures in place within the Group.

Since 2011, Societe Generale has been testing a new procedure for vulnerable customers which is to be rolled out to all branches by the middle of 2013.

The procedure is based on:

- the identification of all customers that meet certain vulnerability criteria (credit limits exceeded over long periods of time, missed payments on loans, etc.);
- the systematic transfer of these customers to a platform of specialist advisers who temporarily take over from the branch;
- the search, with the customer, for solutions to progressively resolve the situation in order to avoid any legal disputes and to transfer them back to the branch.

The benefits of this procedure is assessed according to the rate of repayment, customer satisfaction and the professional development of an activity so that is better equipped to adapt to today's changing economic and legal environment.

Franfinance, the Group's subsidiary which specialises in consumer loans, has also introduced various measures to prevent over-indebtedness which include:

- the implementation of an early warning system to detect vulnerable customers: since 2010, Franfinance's customer relationship management tool has an "advice alert" for all customers whose probability of default is likely to exceed a set threshold. This enables customer advisors to target those vulnerable customers identified and propose solutions that suit their situation;

- the proposal of tailored, amicable and long-term solutions: Franfinance contacts the customer as soon as they miss their second payment, systematically diagnoses their situation and offers them long-term solutions (restructuring of debt and renegotiation of the terms of their loan).

An over-indebted person is vulnerable and should not be granted any further credit. Having said that, access to a bank account and payment methods means they are not totally excluded from society in general. See also Chapter 7, “Customers in difficulty”, page 179.

Partnerships with CRÉsus

In 2010, Franfinance and CGI signed a partnership agreement with Crésus, a network of associations founded in 1992 that assists individuals with excessive or poorly structured debt. Today, the Group’s two French subsidiaries specialising in consumer loans recommend that financially vulnerable clients contact their local Crésus association. A charter, signed by the association and the voluntary client, leads to an analysis of the customer’s finances and situation and the definition of a budget, followed by on-going close support to help them maintain their financial footing.

Renewed in 2011 and again in 2012, the partnership which was first tested in two regions in France has been extended further afield. At the end of 2012, more than 500 Franfinance customers were put in touch with Crésus, 268 of which accepted the help of the association. At CGI, because the formal terms of the partnership were a little different, 235 customers were contacted in 2012, 164 of which accepted to meet with Crésus.

A sponsorship agreement has also been signed with the Crésus network.

Financial education

Aware that the intelligent use of bank products and services requires a financial “education” and access to clear information on these products and services, Societe Generale’s entities and subsidiaries look to develop the tools they can use to improve the financial expertise of their customers.

Over the course of 2012, the Group’s subsidiaries specialising in consumer credit undertook a number of initiatives intended to enhance the financial understanding of their customers and improve the transparency behind the services and information provided:

- Eurobank in Poland developed “Household budget with Eurobank”, an educational programme on managing a family budget that is accessible via the Eurobank website as well as via another very well-known portal (Money.pl). The programme includes articles written by Eurobank experts that are easy to understand, FAQs and different tools such as calculators and a glossary that can be downloaded;
- Banco Cacique has created an iPhone and Android app, “Meu Assistente Financeiro” (My Financial Advisor), that can be used to calculate the price of a loan and the monthly cost, and that gives users immediate access to information on the amount of the monthly payments, the amount of the loan and the interest rate;
- Eqdom in Morocco has a budget calculator for customers that immediately tells them whether or not they would qualify for a loan based on their current income and outgoings;
- SG Vietfinance in Vietnam has introduced training on loans for workers that explain the terminology used for loans and how they work. Individuals who follow this training before being granted a loan qualify for a preferential rate;
- Rusfinance organised various open days for the children of socially vulnerable families to explain how banks work (loans, deposits, types of banking products, etc.). In the Rusfinance branches, Borrower Guidelines documents explain all of the facts that a borrower must take into consideration before signing up for a loan;
- CGI has introduced an e-learning tool for the sales teams and advisers of its partners on the legal aspects of loans (Lagarde Act and Intermédiation en Assurance directive). The main aim is to ensure that the employees of its partners understand the legislation that applies to credit and insurance activities, and that their transactions comply with regulations and protect the interests of the consumer;
- Franfinance (as part of the “Successful lending” commitment’) has introduced a series of initiatives to continue to improve the assistance and support provided to the customer: training for partner brands to improve their capacity to sell credit and explain how it works, an online calculator for customers to help them determine whether or not they can realistically pay back a loan, and an online teaching section for customers where they can learn about different types of loans and how they work.

In France, Societe Generale has launched *abcbanque.fr*, a fun and educational website designed to teach children between the ages of 6 and 10 more about money: the basics, what is it for, how is it made, etc. The website also has an online dictionary containing simple and clear definitions to money-related terms: what is an overdraft, what are shares, how do loans work, etc.

Mediation

See Chapter 7, "Claims and ombudsman", page 181.

Other human rights initiatives

Societe Generale Group conducts its business with the utmost respect for fundamental human and workers' rights and for the environment - wherever it is in the world. It acts and cooperates in compliance with the international programmes to which it is signatory, such as the United Nations Global Compact and the Statement by Financial Institutions on the Environment & Sustainable Development (United Nations Environment Programme).

The Group has made a number of commitments:

- Environmental and Social (E&S) General Guidelines (see "Responsible Finance", p. 174) commit it to carrying out all of its activities in a responsible manner, notably by respecting by the values and principles of:
 - the Universal Declaration of Human Rights and associated covenants (namely, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights);
 - the main conventions of the International Labour Organisation;
 - the UNESCO World Heritage Convention;
 - the OECD Guidelines for Multinational Enterprises.
- the OECD due diligence guidelines clearly refer to the importance of respect for Human Rights and their explicit integration in projects. Societe Generale intends to follow the recommendations of Professor John Ruggie and the OECD regarding due diligence with explicit reference to human rights, as much for its customers as in its day-to-day activities;
- the Group's 2012-2015 CSR strategy includes the constitution of a panel of stakeholders whose objective is to work on integrating CSR issues in its everyday business, particularly the importance of human rights;
- E&S issues (including human rights) are a fundamental priority for Societe Generale Group in developing relations and activities with other multinational groups and counterparts in other countries. When analysing E&S risks and criteria (See "Responsible Finance", page 174), particular attention is paid to working conditions (see, for example, International Finance Corporation (IFC) performance standard 2: "Labor and Working Conditions").

See also the initiatives to provide healthcare for Group employees and their families, notably those linked to HIV/AIDS under "Health and safety in the workplace" page 158, and "Caring about employees", Chapter 6, page 144.

METHODOLOGY

The purpose of this note is to explain the reporting methodology used by the Societe Generale Group for matters relating to Corporate Social Responsibility (CSR).

Reporting protocol

The information contained in this Registration Document, on the CSR website and via other communication media, as well as in the Group management and sustainable development report, either pertaining to the 2012 fiscal year or previous years, is prepared on the basis of contributions from the Group's internal network of sustainable development officers, and in accordance with the Group's CSR reporting protocol and CSR initiatives programme. It is also prepared on the basis of data from the "*Planethic Reporting*" tool used for the standardised collection of the indicators used to keep track of the various initiatives. The entire reporting protocol is coordinated by the Group Sustainable Development Department which reports to the Corporate Secretary.

The CSR indicator and data collection process is reviewed and optimised every year (at meetings between the Sustainable Development Department and the key contributors). Regular efforts are made to bring contributors and managers on board and familiarise them with the reporting protocol and the tool in the interest of increasing data reliability.

Reporting period

Social and corporate sponsorship data:

Subject to exceptions, quantitative indicators are calculated for the period running from January 1, 2012 to November 30, 2012 (11 months), with data taken at November 30, 2012.

Environmental and business data:

Subject to exceptions, quantitative indicators are calculated for the period running from December 1, 2011 to November 30, 2012 (12 months), with data taken at November 30, 2012.

CSR consolidation scope

Entities included in the reporting scope meet at least one of the following criteria:

1. entities in which the parent company, Societe Generale SA (SGSA), directly or indirectly holds a controlling interest exceeding 50%. By definition, branches are wholly-owned;
2. entities in which the parent company, SGSA, holds a controlling interest of at least 20% and no more than 50% and has a clear influence on their management and financial policy, in particular entities with management teams appointed by Societe Generale and which are regularly monitored by the Group's business divisions.

Between 2011 and 2012, changes were made to the reporting scope following the disposal of entities in 2012.

The CSR consolidation scope comprised 132 companies at December 31, 2012, including:

- 125 companies included in the Group's financial consolidation scope at December 31, 2012;
- 7 subsidiaries, not included in the Group's financial consolidation scope at December 31, 2012, whose activities are relevant from a CSR reporting standpoint.

Data collection

The following data collection methods are used for the scope defined above:

- for social, environmental and corporate sponsorship data, most quantitative indicators are collected by each Group entity via the "*Planethic Reporting*" tool, then consolidated at Group level by the Sustainable Development Department;
- other data are collected directly from CSR officers of the business divisions or from the relevant departments (Purchasing Department, Risk Department, Human Resources Department) by the Sustainable Development Department.

Tool

The vast majority of data is collected via the "*Planethic Reporting*" tool, available to all Societe Generale Group subsidiaries. The tool is used to input social, environmental and societal data.

Planethic Reporting has several levels of control:

- collectors enter data from their subsidiaries;
- validators check and validate the data entered from their entity;
- administrators check and validate the data from their business division;
- central administrators perform final checks at Group level before consolidation.

Indicators

During a formal communication campaign, all contributors were informed of the data collection schedule and protocol for each category of indicators. The protocol serves as a reminder of indicator definitions and application criteria. *Planethic Reporting* contributors and the Sustainable Development Department reviewed the indicators during conference calls and videoconferences held for this purpose.

The 2012 indicators were chosen in respect of information requirements under the “Grenelle II” Law (in accordance with Article L. 225-102-1 of the French Commercial Code).

The indicators are provided for a global scope. However, some of these indicators cannot be consistently applied to a global scope. In such cases, the indicators were analysed for the scope of France or Societe Generale SA in France (excluding subsidiaries).

Scope and main management rules for social indicators (Chapters 6 and 7)

The Bucharest and Bangalore shared service centres were included solely for the global headcount indicator and its breakdown by business division and region. In terms of other global-scope indicators, only those measuring departures and staff hired under permanent and fixed-term contracts included the shared service centre in Bangalore.

Overall turnover due to resignations is the ratio between the number of resignations of staff on permanent contracts in 2012 relative to the total number of staff on permanent contracts at end-2012.

The frequency rate of accidents in the workplace is the ratio between the number of accidents in the workplace (as defined by local regulations), relative to the total number of hours worked.

The rate of absenteeism is the ratio between the number of days absent relative to the total number of days paid, as a percentage. It is counted in calendar days and is calculated based on number of employees present (multiplied by 335).

The scope of the charts on page 155 (“Breakdown of staff by age bracket”) and 156 (“Breakdown of staff by seniority”) is the CSR consolidation scope as defined above, to which should be added the headcount of the shared service centres in Bucharest and Bangalore, and of the following 16 countries excluded from CSR consolidation (as the relevant companies in these countries do not meet the selected consolidation criteria): Australia, Azerbaijan, the Bahamas, Chile, Cyprus, Estonia, Hungary, Jordan, Kazakhstan, Latvia, Lebanon, Lithuania, Malaysia, Mexico, Saudi Arabia and Slovakia.

Scope and main management rules for environmental indicators

In 2012, the data collection scope was adjusted following the partial acquisition of Rosbank. In 2012, only the Moscow region was taken into account. Only professional transport indicators covered all of Rosbank in 2012. Given the size of this new subsidiary, the goal is to have 100% coverage for this structure by 2014.

For Rosbank (excluding transport data) and Societe Generale's subsidiary in Equatorial Guinea, SGBGE, 2011 data were reported in 2012, as these subsidiaries had not completed their 2012 figures.

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 headcount of Societe Generale.

With 154,009 employees counted, Societe Generale estimates that the total data collection scope – i.e. accounting for at least the data on occupants and surface area – covers approximately 92% of the workforce, i.e. lower than 2011 due to the incorporation of Rosbank.

The data table lists the data for the reference year 2007, and the years 2010, 2011 and 2012 without the incorporation of Rosbank, and 2012 with the incorporation of Rosbank (i.e. the Moscow area).

Environmental data: general rules

Environmental data are calculated on the basis of invoices, direct readings, information received from suppliers and estimates.

In 2012, checks on variation compared to last year were performed for all environmental indicators. Contributors received alerts asking them to check the recorded data (+/-30%).

The data collected on energy, office paper and transport were compared to the number of occupants declared by entity. Energy consumption (electricity, steam, chilled water, oil, gas) is also compared to the surface area (in m²). Wherever possible, the number of occupants concerned corresponds to the average number of Societe Generale employees or contractors working on-site during the reporting period or at November 30, 2012.

Coverage of the data collection scope for each indicator is the ratio of the headcount of all entities having completed the indicator to the total headcount of Societe Generale.

With the exception of the French Network, most subsidiaries consolidate their data in the reporting tool. The detailed data of each subsidiary are not available centrally. In order to complete the picture provided by the centralised data, the reporting rate on water and waste data for about 5,100 branches (excluding the French Network) was estimated. Such data are often very difficult to obtain either because there is no meter or because agencies generate low volumes of waste that are treated by local authorities. The reporting rate for a sample of 90 branches was 65%. The coverage rate of the scope given in the water and waste data report was therefore weighted by this reporting rate.

New indicators were added in 2012: electricity consumption of data centres in France (in kWh), total amount of paper (in metric tons) - photocopy paper, paper for customers, account statements, envelopes, etc. – transport of goods in France (in tons of CO₂ equivalent) fluorinated gas emissions by central departments (in tons of CO₂ equivalent).

Environmental data quality:

In the interest of continually improving the reliability of data, qualitative questions (answers in multiple-choice or written form) are used to identify different scopes of data and best practices, and to understand year-to-year variations.

Centralised environmental data:

Transport and paper consumption data for France are centralised by the Sustainable Development Department *via* the Purchases Department:

1. Transport data:

- Business travel by car: ALD Automotive is the long-term vehicle leasing supplier for the Societe Generale Group in the countries where ALD Automotive operates. Since 2011, ALD Automotive has reported on mileage (in km), consumption and type of fuel, and CO₂ emissions. ALD Automotive also provides emission data for the entire fleet outside France according to three criteria:
 - Societe Generale ALD fleet data by subsidiary or by country;
 - average data for ALD Automotive customer fleets by country;
 - the previous year's fleet data in *Planethic Reporting* by subsidiary or by country.
- Business travel by train: for each entity, the Group-approved travel agency in France provided data on the main destinations of employees working in France. This data is including in the reporting process.
- Business travel by air: for each entity, the Group-approved travel agency in France provides data on air mileage as per the definitions used by Societe Generale (short-, medium-

and long-haul). For some entities (particularly outside France), the definition of short-, medium- and long-haul air travel mileage differs from the *reporting* protocol definition (<500km, <1,600km, > 1,600km).

2. Paper consumption:

In 2012, the reporting scope on paper consumption was expanded to include photocopy paper, paper for customers, account statements, envelopes and other types of paper.

The Group-approved office supplier, Lyreco, provided data on the quantities of office paper and blank envelopes purchased in 2012 in France and by entity.

Calculation of CO₂ emissions

Due to the inclusion of new environmental data in 2012, the GHG emissions scope was broadened to include fluorinated gases, transport of goods, and all the paper and energy consumption of data-centre providers.

Calculation of the Group's CO₂ emissions is now broken down into three categories:

- Scope 1 includes direct emissions related to energy consumption and fugitive emissions of fluorinated gases by the central departments.
- Scope 2 includes indirect emissions related to energy consumption (external electricity, steam and chilled water).
- Scope 3 includes GHG emissions related to office paper consumption and business travel. For 2012, the scope was expanded to include paper, transport of goods within France and the energy consumption of data centres in France.

CO₂ emissions are calculated according to the GHG Protocol method.

INDEPENDENT VERIFIER'S ATTESTATION AND ASSURANCE REPORT*

Societe Generale - Year ended December 31, 2012

To the General Management,

Pursuant to your request and in our capacity as independent verifier of Societe Generale, we hereby report to you on the consolidated social, environmental and societal information presented in the management report issued for the year ended December 31, 2012 in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code (Code de commerce).

Management's Responsibility

The Executive Board is responsible for the preparation of the management report including the consolidated social, environmental and societal information (the "Information") in accordance with the requirements of Article R. 225-105-1 of the French Commercial Code (Code de commerce), presented as required by the entity's internal reporting standards (the "Guidelines") and available at the Company's Headquarter, a summary of which is provided on pages 191 of this management report ("Methodology").

Our Independence and Quality Control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession (Code de déontologie) and Article L. 822-11 of the French Commercial Code (Code de commerce). In addition, we maintain a comprehensive system of quality control including documented policies and procedures to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent verifier's responsibility

It is our role, on the basis of our work:

- to attest whether the required Information is presented in the management report or, if not presented, whether an appropriate explanation is given in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Code de commerce) and Decree no. 2012-557 dated 24 April 2012 (Attestation of presentation);
- to provide limited assurance on whether the other Information is fairly presented, in all material respects, in accordance with the Guidelines (limited assurance).

I. Attestation of presentation

Our engagement was performed in accordance with professional standards applicable in France:

- we compared the Information presented in the management report with the list as provided for in Article R. 225-105-1 of the French Commercial Code (Code de commerce);
- we verified that the Information covers the consolidated perimeter, namely the entity and its subsidiaries within the meaning of Article L. 233-1 and the controlled entities within the meaning of Article L. 233-3 of the French Commercial Code (Code de commerce) within the limits specified in the methodology note of the management report;
- in the event of the omission of certain consolidated Information, we verified that an appropriate explanation was given in accordance with Decree no. 2012-557 dated 24 April 2012.

On the basis of our work, we attest that the required Information is presented in the management report.

II. Assurance report

Nature and scope of the work

We conducted our engagement in accordance with ISAE 3000 (International Standard on Assurance Engagements) and French professional guidance.

We performed the following procedures to obtain Limited assurance that nothing has come to our attention that causes us to believe that the Information is not fairly presented, in all material respects, in accordance with the Guidelines. A higher level of assurance would have required more extensive work.

Our work consisted in the following:

- we assessed the appropriateness of the Guidelines as regards their relevance, completeness, neutrality, clarity and reliability, taking into consideration, where applicable, the good practices in the sector;
- we verified that the Group had set up a process for the collection, compilation, processing and control of the Information to ensure its completeness and consistency;

* Independent on social, environmental and societal informations.

- we examined the internal control and risk management procedures relating to the preparation of the Information. We conducted interviews with those responsible for social and environmental reporting;
- we selected the consolidated Information to be tested⁽¹⁾ and determined the nature and scope of the tests, taking into consideration their importance with respect to the social and environmental consequences related to the Group's business and characteristics, as well as its societal commitments.
 - Concerning the quantitative consolidated information that we deemed to be the most important:
 - at the level of the consolidating entity and the controlled entities, we implemented analytical procedures and, based on sampling, verified the calculations and the consolidation of this information;
 - at the level of the sites that we selected⁽²⁾ based on their business, their contribution to the consolidated indicators, their location and a risk analysis:
 - we conducted interviews to verify that the procedures were correctly applied;
 - we performed tests of detail based on sampling, consisting in verifying the calculations made and reconciling the data with the supporting documents.
- The sample thus selected represents on average 15% of the workforce and 19% of the quantitative environmental information tested.
- Concerning the qualitative consolidated information that we deemed to be the most important, we conducted interviews and reviewed the related documentary sources in order to corroborate this information and assess its fairness. Regarding information related to fair operating practices, interviews have been conducted at consolidated level and selected sites level.
- as regards the other consolidated information published, we assessed its fairness and consistency in relation to our

knowledge of the company and, where applicable, through interviews or the consultation of documentary sources;

- finally, we assessed the relevance of the explanations given in the event of the absence of certain information.

Comments on the Guidelines

Societe Generale has continued to improve the reliability of its reporting process, consistent with the CSR strategy plan (p. 153). We wish to make the following comments on this reporting process:

- regarding the strategic pillar “Responsible finance” p. 153, the process and the related indicators for the Equator Principles, Finethic project (including sector policies) and Green Finance, should be continued; additional indicators related to the socio-economic and ex-post impacts of project financing could be integrated;
- regarding the strategic pillar “Responsible solidarity banking” p. 153 and current action plans, additional indicators could be developed to assess more accurately the progress and impacts of this approach.

Comments on the Information

We would like to draw the reader's attention to the perimeter restrictions detailed in the methodology note on p.191, particularly:

- social information covers the period from January 1st to November 30th 2012;
- environmental information regarding Rosbank (which represents 10% of the Group total headcount) is collected on a limited perimeter.

Conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Information is not fairly presented, in all material respects, in accordance with the Guidelines.

Paris La Défense, February 19, 2013,

The Independent Verifier
Ernst & Young et Associés
Cleantech & Sustainability
French original signed by: Eric Duvaud

(1) Information verified with limited assurance: Headcount and distribution of employees; hiring and dismissals; salary and their evolution; training policies and total number of training hours; the company's organization to take into account environmental issues; GHG emissions; energy consumption; measures taken to improve energy efficiency and renewable energy use; territorial, economic and social impact of the company; fair operating practices.

(2) Crédit du Nord group (France), Eurobank S.A. (Poland), Societe Generale Expressbank (Bulgaria) et Banca Romana pentru Dezvoltare (Romania).