

AN ACCELERATED EXIT FROM THE COAL SECTOR

Press release

Paris, July, 1st 2020

Faced with the climate emergency, Societe Generale decided to accelerate its exit from the coal sector.

The Group supports a responsible and pro-active energy transition, in line with the 2015 Paris Agreement, through the gradual reduction of its exposure to fossil energies and an increase in its support of renewable energies.

Since 2016, Societe Generale has been one of the first banks to reduce its exposure to the coal sector and made a commitment as early as 2019 to exit from the thermal coal sector completely by 2030 for companies with assets in the European Union or the OECD, and by 2040 for the rest of the world. In order to achieve this goal, **Societe Generale encourages its clients to accelerate their own energy transition and reinforces its selection criteria for financing.**

The Group will henceforth no longer offer products and services, with the exception of those exclusively dedicated to the energy transition, to the following companies:

- **Companies generating over 25% of their revenues in the thermal coal sector and which do not have a credible exit strategy from the coal sector;**
- **Companies developing new mining, power plant or infrastructure projects related to thermal coal.**

The new thermal coal policy detailing these measures and how they will be implemented will be published in July 2020.

Since 2016, Societe Generale has been one of the first banks to take on commitments in line with the energy transitions scenarios of the International Energy Agency (IEA). The Group achieved earlier than scheduled its goal of reducing its exposure to coal mining. In 2019, coal represented just 11.5% of the electric mix financed by the Group (the initial objective was set for 19% at the end of 2020) and renewable energies increased to 51%.

This new stage in our exit from the coal sector is part of the Group's overall approach to defining a trajectory to align all our activities in the most emissions-intensive sectors (oil, gas, transportation, etc.) with the scenarios for limiting global warming. In this context, Societe Generale is one of the 5 international banks that signed the Katowice Commitment. It is also a founding signatory of the Principles for Responsible Banking, alongside 170 other banks, and joined the Collective Commitment on Climate in September 2019, along with 37 other banks.

In parallel with the decisions to gradually reduce exposure to fossil fuels, Societe Generale continues to increase its support for renewable energies and has committed to raising €120 billion for the energy transition between 2019 and 2023. Over the 2016-2019 period, the Bank contributed to raising €100 billion to fund renewable energies, exceeding its initial objective.

With the ambition of being a leader in responsible finance, Societe Generale's efforts are regularly recognised in international rankings. Recently, Infranews ranked Societe Generale #1 in the financing of renewables in the EMEA area. In September 2019, the annual RSE ranking of RobecoSAM placed Societe Generale #1 in the world on the environmental dimension and 6th in Europe across all ESG (Environmental, Social and Governance) factors, out of a total of 175 banks analysed.

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Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth. Committed to the positive transformations of the world's societies and economies, Societe Generale and its teams seek to build, day after day, together with its clients, a better and sustainable future through responsible and innovative financial solutions.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 138,000 members of staff in 62 countries and supports on a daily basis 29 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

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

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

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