

**CLIMATE:
SOCIETE GENERALE JOINS
THE NET-ZERO BANKING ALLIANCE
TO ACHIEVE CARBON NEUTRALITY
BY 2050**



Press release

Paris, 21 April 2021

Societe Generale has strengthened its position as a leader in the ecological transition by joining the UNEP-FI Net-Zero Banking Alliance as a founding member, and undertakes to align its portfolios with trajectories aiming at carbon neutrality by 2050 with the ambitious goal of limiting global warming to 1.5 degrees Celsius.

Frédéric Oudéa, Chief Executive Officer of Societe Generale Group explains: *"We collectively need to accelerate and step up the global ambition to meet the Paris Agreement goals. At Societe Generale, we believe in the driving role of banks and in the power of coalitions to pave the way for impactful progress. In line with our corporate purpose and after having been a Founding Signatory of the Principles for Responsible Banking and the Collective Commitment for Climate Action, we are committed now to join the Net-Zero Banking Alliance to build a sustainable future as well as a manageable transition for our economies. This robust international coalition and common frameworks will create a true momentum, alongside our clients and other stakeholders, to limit global warming for generations to come."*

In joining the Net-Zero Banking Alliance, Societe Generale undertakes to:

- **Proactively manage its financing portfolios accordingly with trajectories aiming at achieving carbon neutrality by 2050**, consistent with limiting global warming to a more ambitious target of 1.5 degrees Celsius by 2100:
 - Societe Generale has already been working for several years to gradually align all of its portfolios in accordance with the objectives of the Paris Agreement. With this new commitment, the Bank will speed up its efforts accordingly.
- **Steer this alignment on the basis of robust climate scenario models and measurement methodologies** in line with the Collective commitment on climate action's guidelines for goals settings :
 - The [methodology established as part of the Katowice Commitment](#) by Societe Generale and four other banks falls within this rigorous framework.
- **Prioritise portfolios with the highest emission levels and which will have the biggest impact and set out intermediary alignment targets for 2030:**
 - Societe Generale has already begun to set precise alignment targets for each of its portfolios starting with those sectors with the highest emission levels.
 - Since 2011, the Group has been applying a **gradual policy of disengagement from the [coal sector](#)**, which led to its announcement in 2019 of a goal to reduce its exposure to

the thermal coal sector to zero by 2030 at the latest for companies with extraction or electricity production assets in EU and OECD countries, and by 2040 for companies located elsewhere.

- The Group is committed to reducing the carbon intensity of its financing activities linked to electricity production by 18% by 2025 and by 76% by 2040 compared with the levels at the end of 2019.
 - Societe Generale was one of the first global banks to announce a concrete and measurable target to **reduce its portfolio exposed to oil and gas extraction** by 10% by 2025.
 - The Group will strengthen its ambition in order to express its new Net Zero commitment and continue to work on the other sectors.
 - In parallel to the alignment of its portfolios, Societe Generale aims to play a leading role in the energy transition. At the end of 2020, Societe General had already achieved 67% of its new target to help raise €120 billion between 2019 and 2023 using a range of sustainable financing solutions (loans, bonds, advisory). At the end of 2020, the Group was ranked #1 worldwide for advisory and #2 in the financing of renewable energies (IJGlobal).
- **Full transparency with annual publication of progress made in relation to our alignment work:**
- For the second year, the Group has published all of the Bank's commitments, achievements and climate risk management in a dedicated [Climate Report](#) based on the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) and the NFRD (Non-Financial Reporting Directive), which we were one of the first banks in the world to publish last year. The Group also published [the first report of its commitments made with the Principles for responsible banking](#).

As a leader and pioneer, the Bank has initiated or participated in the world's leading cross-sector **initiatives and coalitions** with a view to defining a framework for the energy transition and stimulating collective momentum. In addition to its commitment as part of the [Katowice Commitment](#), Societe Generale is notably [a founding signatory, under the aegis of UNEP-FI, of the Principles for a responsible banking sector, a member of the Collective Commitment on Climate and the CFO Principles, a founding signatory of the Poseidon Principles for the decarbonisation of the maritime transport industry and a member of the Hydrogen Council](#).

In participating alongside 42 other international banks in the Net-Zero Banking Alliance, Societe Generale continues to be at the forefront of green finance at the global level. The Bank demonstrates once again its leading role in the energy transition, focusing at all times on how to help its clients in achieving their own transition in order to build their own future.

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Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified and integrated model, the Group brings together financial solidity, leading edge innovation and a strategy of sustainable and responsible growth. By engaging in positive transformations of companies and economies, Societe Generale works with its teams on a daily basis, helping to build together with its clients a better and more sustainable future through responsible and innovative financial solutions.

As an important player in the real economy for more than 150 years, with a solid foothold in Europe, and connected to the rest of the world, Societe Generale employs more than 133,000 people across 61 countries and supports 30 million individual customers, corporate clients and institutional investors worldwide on a daily basis, offering a broad range of tailored advisory and financial solutions, supported by three complementary core businesses:

- **Retail Banking in France, with the Societe Generale**, Credit du Nord and Boursorama brands, offering a comprehensive range of multi-channel financial services at the leading edge of digital innovation;
- **International Retail Banking, insurance and financial services** serving corporate clients with networks in Africa, Russia, Central and Eastern Europe, and leading specialised businesses;
- **Global Banking & Investor Solutions**, with recognised expertise, top international rankings and integrated solutions.

Societe Generale features in the leading sustainable development indices: DJSI (world and Europe), FTSE4Good (world and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indices and MSCI Low Carbon Leaders Index (world and Europe).

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