

CSR Reporting - Methodology

The aim of this document is to explain the Corporate and Social Responsibility (CSR) reporting methodology used by Société Générale Group.

Reporting protocol

The information given on the Société Générale CSR website, whether related to 2007 or previous years, is based on the contributions of the Group's internal network of sustainable development correspondents that have been validated by their respective managers in line with the Group's CSR initiatives program. It is also based on the data contained in the Planethic Reporting tool which is used for the standardized collection of management indicators for the different initiatives. Lastly, the information and its collection are coordinated by the Sustainable Development Department which reports to the Group's General Management.

In 2004, Société Générale defined a protocol of CSR indicators for its different businesses, its social relations and its environmental, charity and sponsorship work. The working group in charge of this project, chaired by the Group's Corporate Secretariat and managed by the Sustainable Development Department, was made up of the different managers concerned (business lines, Compliance Department, Risk Division, Human Resources Department, Purchasing Department, Corporate Center, etc.). The list of indicators was defined on the basis of the principles of the Global Compact, the French NRE Decree, the GRI guidelines and the other international standards governing CSR reporting. It was also based upon the benchmarking of best practices and was reviewed by the consulting firm, Ernst & Young.

The information published on this site reflects Société Générale's concern for transparency along with its desire to objectively outline those actions - past, present and future – that demonstrate its ongoing commitment to CSR. The website does not, however, list all of the Group's CSR information or initiatives. The procedures used in the collection of CSR information and indicators are reviewed each year (work meetings between the Sustainable Development Department and the main contributors) and regular efforts made to heighten awareness amongst the Group's contributors and managers in order to encourage their adoption of the reporting process and tool and thus improve the accuracy of the data to hand.

Collection of data and responsibilities

In order to make its CSR indicators more accurate and improve the collection of the relevant data, Société Générale chose, in 2005, to equip itself with an automated reporting tool developed by the CSR solutions software editor *Ivalua* (*Indicia* software) and adapted and customized to suit the Group's specific parameters and constraints. This intranet solution available in French and English can be directly accessed by the majority (about 88% for the environmental part and 97% for the social part) of Société Générale Group entities (subsidiaries, branches, representative offices, points of sale, etc.). Planethic Reporting allows for the entry, collection and consolidation of data and the visualization of indicators at every level of the Group's structure (Group, division, department, subsidiary, etc.), as well as for a certain number of consistency checks and statistics.

Several profiles have been defined for contributors to the Planethic Reporting tool such as those who collect the data, those who validate it and those who manage it. Some contributors may even fulfill several roles.

Data collection is coordinated by the Sustainable Development Department in collaboration with:

- five division administrators for the different environment and sponsorship indicators;
- seven division administrators for the different social indicators;
- the contributors in charge of collecting the different business line indicators.

The administrators supervise those entities that fall within their scope (management of contributor authorizations, coordination of information on indicators and follow-up of those in charge of collecting and validating the data).

A formal memo was addressed to all contributors at the start of the collection campaigns specifying the deadlines therein and the list of indicators concerned. It reminded the definitions and the scope of the indicators. Some entities of the banking network outside of France attended indicator review meetings via conference calls and visio conferences with the Planethic reporting administrators and the Group CSR team.

Data collection campaigns are currently carried out on a yearly basis and consist of two key stages:

- collection: the contributors enter the indicators and submit them for validation. Contributors can consult the definition for each indicator at any time and can also enter comments to explain the data entered;
- validation: those in charge of validation then verify the coherence of the data entered and decide whether to validate or reject it. When data has been validated, it may be consulted by all authorized users and is consolidated at

a Group level. Where data is rejected, the person in charge of validation must provide a valid explanation so that the contributor can amend or confirm the data and submit it for validation a second time.

An IT audit trail is used to track all recordings and enables the administrators to identify the contributors in charge of collecting and validating the data at each different stage.

Timeframes covered by the data collected

In order to analyze the HR indicators for the year, social indicators are collected for an eleven month period at the end of November.

For environmental indicators, contributors are asked to furnish data for the calendar year (January to December) wherever possible. By default, data is collected over a sliding period of twelve months. Business line and sponsorship data is provided over the calendar year.

Scope and key management rules

Social indicators:

For 2007, the Group's Human Resources Department applied the same scope as its Finance Division: the aim being to achieve a rate of coverage of 97% of employees per department for all fully consolidated entities.

Social data are entered directly into the Planethic Reporting tool by local contributors or are imported from the central information systems by the HR correspondents of each division.

Business line indicators:

These indicators relate to specific business lines or departments. However, although the scope is specific to each indicator, it nonetheless aims to cover all of the entities concerned by the issue at hand. The scope is specified in the related text.

Environmental indicators:

In 2007, the scope of data collection was extended as a result of the Group's significant external growth, with new entities taking part for the first time (2S Banca, Bank Republic, Banka Popullore, Delta Credit, Euro VL, Komercni Pojistovna, Mobiasbanca, Modra Pyramida, N.S.G.B., Ohrisdska Banka, Podgoricka Banka, SG Algeria, Sogelife).). These entities represent 7,994 occupants..

Société Générale estimates the scope covered of 118,183 occupants at approximately 88 % of employees. For all environmental data collected, the scope in question is specified.

Around 55 000 items have been covered related to 6,000 buildings (office building, branches, warehouses, IT centers). The calculation of the data is based on bills, statements or estimates.

In 2007, variation controls compared to the year before were implemented for water and energy indicators. An alert message requested the contributor to check the data recorded. The environmental indicator protocol specifies that any variation of plus or minus 40 % compared to Group average figures should be accompanied by a relevant explanation.

Qualitative criteria (multiple choice questions or written comments) were also integrated within Planethic Reporting in 2006 in order to better define the different scopes applying to the data collected. Contributors are asked to note all best practices and explain any discrepancies from one year to the next. An improved understanding of local practices and factors should allow for greater accuracy in data consolidation.

At the end of the campaign, the Group's Sustainable Development Department performs consistency checks on the environmental data of the main entities based not only on Group averages but also on data for previous years.

As regards energy consumption, a ratio per occupant is defined. Moreover, consumption levels (water, energy, paper) are measured according to number of occupants and surface area (expressed in m²). Wherever possible, the number of occupants concerned corresponds to the average number of Société Générale employees or subcontractors working on site during the reporting period or end of 2007. Review covers 25 105 occupants for the central headquarters was carried out in September 2007.

Data centralised :

In 2007, part of the data on transport and paper was carried out by the Group CSR department :

- business trips by cars : ALD Automotive is the long-term vehicle leasing supplier for Société Générale Group in the countries where the former carries out an activity. For such entities, if no reliable mileage reckoning is

available, data furnished by ALD is taken. The mileage declared by ALD is based on the drivers' statement (when purchasing fuel or declaring theoretical mileage as per the leasing contract)

- business trips by trains : the Group travel agency in France has given out statement based main destinations used by the employees working in France from January to September 2007. An estimate was then made for 12 months on the scope covered based on the number of train tickets.



- business trips by planes : the Group travel agency in France made a statement for each entity based on the mileage as per the agreed grid (short, medium and long distances). For these entities and if no reliable mileage reckoning is available, the number of kilometres given by the travel agency is taken into account.



- paper consumption : Lyreco, stationary and office equipment supplier referenced by the Group, has given a reporting on the quantity of paper bought per entity during 2007. For these entities, and if no other reliable record is available, the amounts given by Lyreco is taken into account.

Sponsorship indicators:

Cultural, educational, sporting and charity sponsorship data are entered into Planethic Reporting but are not exhaustive in that they do not cover all of the initiatives carried out at a local level.

External control

At the request of Société Générale and as part of its remit as one of the Group's statutory auditors, Ernst & Young has verified the Group's global reporting process as well as the main CSR data published. Information that has been verified is indicated by the following symbol  for 2007 and the symbol  for 2006.

Furthermore, Société Générale has chosen to apply other relevant performance indicators which underline the importance that the Group attaches to the integration of social and environmental criteria within each of its businesses. The checks carried out by Ernst & Young confirm the Group's adherence to the indicators in question which are indicated by the following symbol  for 2007 and  for 2006. The report furnished by Ernst & Young is available in the Investors and Analysts section of the website.