

4 Placing CSR at the heart of our businesses

SOCIÉTÉ GÉNÉRALE POLICY ON THE FINANCING OF NUCLEAR ENERGY

Introduction

The energy sector has potentially large environmental and social impacts, but also plays a key role in meeting the energy and development needs of both mature and emerging markets. If managed responsibly, Société Générale considers that the sector, and in particular civilian nuclear power, can play an important part in the movement towards a sustainable low carbon economy, which is a key step in countering the increasing threat of climate change.

Société Générale's approach to the civilian nuclear power sector

Société Générale has adopted this set of rules and principles upon which it is prepared to consider the provision of financial services to support civilian nuclear power projects worldwide.

These rules and principles apply to all forms of financial services, including debt and equity capital market activities and advisory work. They provide the environmental, social responsibility and safety standards framework used by Société Générale to consider its involvement in transactions in the civilian nuclear power sector.

They are complemented by a more comprehensive project evaluation process covering amongst other things social, environmental and safety aspects, which is performed internally on each transaction in which the bank is considering being involved.

Policy and Standards

Société Générale's civil nuclear rules and principles are consistent with its long-term commitment to sustainable development, as illustrated for example by its adoption of the Equator Principles and other international development standards (e.g. Global Compact and UNEP FI guidelines) and by the corporate & investment bank's Social and Environmental Responsibility Approach. Société Générale may consider providing financial services to clients and / or projects in the civilian nuclear power sector which comply, amongst others, with the following requirements:

International Safeguards

As a minimum, Société Générale will require that the host country of a nuclear project is:

- An active member state of the International Atomic Energy Agency (IAEA) that observes the standards of the IAEA; and
- A signatory of the Non Proliferation Treaty (NPT). An equivalent bilateral treaty could also be considered.

Legal and Regulatory Framework

As a minimum, Société Générale will expect the host country to have an acceptable legal and regulatory regime governing the nuclear sector and its key stakeholders, in line with the principles set out in IAEA standards, and covering:

- the development, construction, operation and decommissioning of nuclear installations;
- the management (including transportation) of nuclear fuel and nuclear waste during operations and the back-end of the cycle;
- nuclear accidents and third party liability.

Social and Environmental Responsibility

Société Générale will always require a nuclear project it finances to comply with the relevant environmental and social requirements of those bilateral and multilateral financial institutions typically involved in such transactions (e.g. export credit agencies, EBRD). Société Générale will work with its clients to meet these requirements.

Conclusion

Société Générale is committed to supporting the energy industry in a responsible manner, including where appropriate the civilian nuclear power sector. It will work with clients who meet or aim to meet its sustainability standards. Société Générale reserves the right to review its commitment to any transaction where such standards are not or no longer met.

Source: <http://www.socgen.com/csr/#sector-financing-> . Found 6 May, 2008-05-06