

November 5, 2024

Slawomir Krupa
Chief Executive Officer
Société Générale

Subject: Open letter urging Société Générale to stop supporting the expansion of oil and gas projects

Dear Mr. Krupa,

We are writing to you to urge Société Générale to review its oil and gas policy and to adopt measures that are urgently required to prevent the expansion of fossil fuels, which is key to enabling the energy transition and containing global warming to a maximum of 1.5°C.

As required by its Net Zero Banking Alliance (NZBA) membership, Société Générale adopted decarbonization targets for the oil and gas sector¹ and has repeatedly made commitments to exclude ever-larger segments of the sector. Unfortunately, these measures are not sufficient to curb Société Générale's direct and indirect support to fossil fuel expansion as demonstrated by the US\$14.1 billion of financing that your bank provided to companies involved in oil and gas expansion between 2021 and 2023.² Also, Société Générale's policy for the oil and gas sector was not strong enough to stop the bank from participating in deals with TotalEnergies, Enbridge, Cheniere and Energy Transfer in 2024 - companies all planning to develop new oil and gas projects.

Ending financial support for oil and gas expansion is essential to limit global warming to a maximum of 1.5°C and, as the Intergovernmental Panel on Climate Change (IPCC) has repeatedly warned, to avoid catastrophic changes to the environment and human life. The International Energy Agency's (IEA) Net Zero Emissions (NZE) scenario has long projected an end to the development of new oil and gas fields, and since 2022 an end to the development of new LNG export terminals.³ Besides, the projected peak in oil and gas demand by 2030 alongside renewable energy growth and electrification could render new oil and gas investments stranded assets in the near future.⁴

In the face of the severe climate and economic risks posed by oil and gas expansion, and in line with their net-zero pledges, some banks are opening avenues by adopting strong measures targeting oil and gas producers. French banks BNP Paribas and Crédit Agricole announced in May 2024 that they would no longer participate in issuing conventional bonds for companies involved in oil and gas production.⁵ Although these measures remain insufficient to stop financial services to oil and gas expansion,

¹ Analysis suggests that the targets that are most likely to put pressure on oil and gas companies to change their business models are those which set meaningful reductions in financing to oil and gas companies that fail to set a 1.5°C-aligned transition plan. While Société Générale committed to a 50% reduction of its exposure to oil and gas upstream segment by 2025 and 80% reduction by 2030, this target does not cover capital markets activities. See Reclaim Finance, [Targeting Net Zero: The need to redesign bank decarbonization targets](#), September 2024.

² Reclaim Finance, [European Banks and Transition: Time for a Reality Check](#), November 2024

³ IEA, [World Energy Outlook 2023](#), October 2023, p.139.

⁴ IEA, [World Energy Outlook 2023](#), October 2023.

⁵ Reclaim Finance, [BNP Paribas and Crédit Agricole say no to bonds for the oil and gas sector](#), May 2024.

especially in terms of LNG infrastructures, they could hint at the end of all conventional support to upstream oil and gas developers in the years to come.⁶

While Société Générale's policy measures leave integrated companies untouched, the announcements from BNP Paribas and Crédit Agricole address both pure-play companies and diversified oil and gas firms. Although these companies are often depicted as committed to the decarbonation of their activities, their current and future investments plan do not suggest any progress. In fact, some majors, including BP and Shell, have scaled back their emissions reduction targets, and all have invested on average less than 9% of their CAPEX, or 3% of overall investments, in "low carbon" activities in 2022.⁷ On the contrary, they are among the 96% of upstream oil and gas companies which keep on exploring and developing new fields and the 246 companies which are planning new LNG terminals.⁸ Besides, the analysis of your bank's financing to the six European majors reveals that, on average, 68% of the total amount supported fossil fuel development. These figures leave no room for doubt: any non-targeted financing will primarily contribute to maintaining our dependence on fossil fuels and will enable the development of new oil and gas projects.

For these reasons, and in solidarity with the people affected by the exploitation of fossil fuels and the impacts of climate change, we as civil society organizations call on your bank to commit to immediately:

1. Extend the commitment to end all dedicated support to the financing of new oil and gas fields to the financing of all new LNG export terminals, beyond existing commitments.
2. End all corporate financing in the form of loans and bonds issuance to companies that are listed in the Global Oil and Gas Exit⁹ List as developing new oil and gas fields and new LNG export terminals.

We hope that your bank will finally follow through on the imperative to stop supporting oil and gas expansion.

We remain at your disposal and that of your teams if you wish to discuss this topic.

Yours faithfully,

List of signatories:

Morgane Créach

Executive Director at Réseau Action Climat

Katrine Ehnhuus

Sustainable Finance Advisor at ActionAid Denmark

Extinction Rebellion France

Amandine Favier

⁶ The cessation of conventional support by BNP Paribas to oil and gas producers has already been observed for a year and a half, thanks to the combination of its announcement regarding bonds and a strong target to reduce its exposure to the sector. BNP Paribas only supported a US\$3,3 billion Sustainability Linked Loan (SLL) to Eni in December 2023.

⁷ Bloomberg, [Big Oil's Pullback From Clean Energy Matters Less Than You Might Think](#), June 2023.

⁸ Urgewald, [The 2023 Global Oil & Gas Exit List: Building a Bridge to Climate Chaos](#), November 2023.

⁹ See the [Global Oil & Gas Exit List](#) on Urgewald's website.

Head of Sustainable Finance at WWF Switzerland

Johan Frijns

Executive Director at BankTrack

Sébastien Godinot

Head of Sustainable Finance, WWF European Policy Office

Julia Gsell

Energy Campaigner at Campax

Christian Lüthi

Executive Director at Klima Allianz

Jeanne Martin

Head of Banking Programme at ShareAction

Angela Mattli

Head of Department, Commodities - Trade – Finance at Public Eye

Morgane Nusbaumer

Campaigner at BreakFree Suisse

Lucie Pinson

Executive Director at Reclaim Finance

Camilla Schramek

Senior Communications Strategist at The Sunrise Project

Heffa Schücking

Executive Director at Urgewald

Laura Sena

Executive Director at ReCommon