



INTEGRATED REPORT 2018-2019

THE FUTURE
IS YOU  SOCIETE
GENERALE



INVESTING FOR THE FUTURE

Editorial	02
A European leader in financial services	04
An international bank with European roots	06
Interview with Frédéric Oudéa	08
Our long-term vision	10
The major transformations shaping our sector	12
A balanced model serving our stakeholders	16
A comprehensive, integrated performance	18
A strategy for profitable and sustainable growth	20
Corporate Social Responsibility at the heart of the strategic plan	22
Innovation, a catalyst for transformation	24

BUILDING THE FUTURE TOGETHER

OUR STAKEHOLDERS

Giving our customers the means to build the future	28
Making our staff the agents of their own success	30
Nurturing dialogue with our stakeholders	32

OUR GOVERNANCE

Board of Directors: committed and expert	34
General Management: focused on our customers	36
Governance guided by a duty of exemplarity	38
An effective and responsible risk management system	40
Identifying and managing risks	42

INVENTING THE FUTURE

OUR PERFORMANCE

Making important progress	46
French Retail Banking: continuing the transformation	48
International Retail Banking and Financial Services: steady and profitable growth	50
Global Banking and Investor Solutions: refocusing on our strengths	52

OUR POSITIVE IMPACT

Acting responsibly for the climate	54
Placing our trust in entrepreneurs	56
Supporting regional development	58
Contributing to sustainable development in Africa	60
Supporting young people building their future	62
Creating a more inclusive future	64

EMPOWERING THOSE WHO WANT TO MOVE THE WORLD FORWARD



**Lorenzo Bini Smaghi,
Chairman of the Board
of Directors**

**“We are guided by
our long-term vision of
supporting our customers
in the positive transformations
of the world.”**

In a complex macroeconomic environment and a European banking sector that continues to transform, we remain determined to implement the strategic, financial, and extra-financial plan we defined in 2017. In this we are guided by our long-term vision of supporting our customers in the positive transformations of the world, and by our values of team spirit, innovation, responsibility, and commitment. Our role as bankers rests on this foundation, promoting responsible, sustainable growth, driven by the will to have a positive impact for all our stakeholders.

The Board of Directors works closely with the General Management to apply this vision to the supervision of our operational activities. In 2018, our work focused on three main topics. Firstly, the execution of the Transform to Grow strategic plan: progress was made in different priority areas, combining growth initiatives, the transformation of the businesses, and refocusing the Group. While we are staying true to our chosen course, the more difficult than expected context has led us to adjust some of our targets.

The year of 2018 was also marked by the settling of litigation issues, where we entered into several agreements with the American and French authorities in the interest of the company and its shareholders. Lastly, we are continuing to entrench a culture of responsibility in the way we do business so as to meet the best standards of ethics and compliance.

“We need to stay focused and agile to continue to anticipate the trends of tomorrow and continually adapt.”

This is the point of deploying our internal Culture & Conduct programme, which continued in 2018, as well as improving our Compliance setup. At the same time, this culture of responsibility, which is at the core of our strategic priorities, is reflected by the inclusion of Corporate Social Responsibility (CSR) matters to all of our businesses. Contributing to economic prosperity, regional development - particularly in Africa - social inclusion of young people, and financing the energy transition are all commitments to our stakeholders that we are strengthening through the commitment of our staff. Further illustrations can be seen through our landmark achievements, for example in the area of climate change, where 69% of our targets for 2020 have been achieved with regards to the energy transition, or development in Africa, with the November 2018 launch of the Grow with Africa initiative, whose purpose is to contribute to sustainable development on the African continent in partnership with local stakeholders.

In 2019, we are going to keep true to our long-term aims and proceed with strategic and operational adjustments where needed. We need to stay focused and agile to continue to anticipate the trends of tomorrow and continually adapt to new uncertainties. Faced with political unpredictability in areas such as Brexit and the European elections, as well as economic risks - slowing growth, the timing and conditions for raising interest rates - we are highly vigilant and disciplined in managing our risks and resources. We will continue to build on our strengths and performance drivers: keeping our clients at the centre of our priorities, staying focused on innovation, pursuing efficiency, and strengthening our control mechanisms, while never forgetting the significance of our responsibility and our role as a trusted third party. We are building the future together, with all our members of staff, with and for our customers, remaining in deep dialogue with our shareholders, alongside our suppliers and all our stakeholders. We seek to be the partnership bank of all those who want to build the world of tomorrow. We would like to thank all our stakeholders for their trust. It is their support that feeds our desire for progress and pushes us toward the future with optimism and determination.

**Frédéric Oudéa,
Chief Executive
Officer**



A EUROPEAN LEADER IN FINANCIAL SERVICES

As one of the principal European financial services groups, we fully assume our role as bankers: giving all our customers the means to have a positive impact on the future.



A SOLID, RESILIENT GROUP

€25,205m

Group revenues,
+0.6% on 2017

€389bn

Customer loans

9.7%

Group ROTE

€3,864m

Group net income,
+37.7% on 2017

€399bn

Customer deposits

10.9%

Fully-loaded CET 1 ratio

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, aiming to be the trusted partner for its clients, committed to the positive transformation of the world.

THREE COMPLEMENTARY CORE BUSINESSES

FRENCH RETAIL BANKING,

encompasses the Societe Generale, Crédit du Nord and Boursorama brands, each offering a full range of financial services with an omnichannel setup at the cutting edge of digital innovation.

- No. 3 RETAIL BANK IN FRANCE
- No. 1 ONLINE BANK IN FRANCE

INTERNATIONAL RETAIL BANKING, INSURANCE AND FINANCIAL SERVICES TO CORPORATES,

with networks in Europe, Russia and Africa, and specialised businesses that are leaders in their markets.

- CENTRAL AND EASTERN EUROPE: BRD, No. 1 private retail banking network in Romania; KB, No. 3 retail bank in the Czech Republic
- RUSSIA: Rosbank, No. 2 foreign-owned banking group
- AFRICA: among the three international banks with the largest presence on the continent; named "Best Bank in Africa 2018" by Euromoney
- FINANCIAL SERVICES: one of the world leaders in fleet management services and equipment finance

GLOBAL BANKING & INVESTOR SOLUTIONS,

with recognised expertise, key international positions and integrated solutions.

- GLOBAL MARKETS: a leader in equity derivatives, structured products, and cross-asset investment solutions
- FINANCING & ADVISORY: leadership position in structured finance
- ASSET MANAGEMENT: Lyxor is No. 3 in exchange-traded funds (ETFs) in Europe
- GLOBAL TRANSACTION BANKING: leadership position in international trade, cash management, and treasury products
- CAPITAL MARKETS: No. 2 in euro corporate debt capital markets (DCM), No. 3 in euro DCM

RECOGNISED FINANCIAL AND EXTRA-FINANCIAL PERFORMANCE

FINANCIAL RATINGS⁽¹⁾

- DBRS A (high)
- Fitch Ratings A+
- Moody's A1
- R&I A
- Standard & Poor's A

EXTRA-FINANCIAL PERFORMANCE

- DJSI (World and Europe) - RobecoSAM Index
- FTSE4Good (Global and Europe)
- Euronext Vigeo (World, Europe and eurozone)
- STOXX ESG Leaders indexes
- MSCI Low Carbon Leaders Index (World and Europe) and Socially Responsible Index (World and Europe)

Societe Generale features in the leading sustainable development indices.

COMMITTED TO POSITIVE IMPACTS

€100bn

dedicated to financing
the energy transition
over 2016-2020⁽²⁾

No. 2

in the Dealogic rankings for
renewable energy financing
in the EMEA⁽³⁾ region

€11.9bn

in Sustainable Positive
Impact Finance origination

€11.8bn

in Sustainable & Positive
Investments

€7.1bn

of new financing has undergone
in-depth environmental
and social reviews⁽⁴⁾

+60%

in outstanding loans
to African SMEs by 2023

€14m

in lines of micro-credit released
in partnership with ADIE in France
and French Overseas Territories

21 microfinance

institution clients of African
subsidiaries, for a total of €81.4m
(vs. €71.3m in 2017)

OUR VALUES

TEAM SPIRIT

In our fast-changing world, clients want a bank that is a responsible, trustworthy and flexible partner. We can meet their requirements by working as a team, thanks to our spirit of service, enhanced by the diversity of each person's skills and knowledge. We want to become the benchmark in relationship banking and work with our clients in the same way as we work with one another, through listening, co-construction, transparency, encouraging contributions and showing solidarity in both successes and problems.

INNOVATION

We want to continually improve our clients' experience by taking action together, so we can adjust our solutions, practices and relationships to the needs of the future, in particular by taking advantage of technological innovations. In keeping with our entrepreneurial spirit, we are changing our working methods while fostering a spirit of sharing, experimentation and thinking outside the box. We learn from our successes as well as from our failures.

RESPONSIBILITY

As bankers, we contribute to the economic, social and sustainable environmental development of the regions where we work. We want to help our clients to complete their projects, while remaining attentive to all types of risk. Our responsibility and our ethical standards consist of meeting our clients' requirements quickly, and in protecting the long-term interests of all of our stakeholders, while strictly complying with all the rules governing our businesses. Our responsibility is also reflected in our courage to take responsibility for our actions and decisions, and to express our opinions in a transparent manner. Lastly, responsibility means attaching as much importance to the manner in which results are achieved as to the results themselves.

COMMITMENT

Our commitment is driven by the long-term satisfaction of our clients, and by the pride that we take in our businesses and in our Group. We seek to make a difference on a daily basis, in order to contribute to our clients' success as well as that of our own projects. We encourage the involvement and professional fulfilment of all our staff. We maintain relationships based on trust and mutual respect externally and internally.

(1) Underlying data at 31/12/2018.

(2) Of which 69% achieved in 2018.

(3) Europe, Middle East and Africa.

(4) Of which €3.4bn in the scope of the Equator Principles.



FIND OUT MORE

> Registration Document, Chapter 1
> [www.societegenerale.com/en/
about-us/identity-and-strategy](http://www.societegenerale.com/en/about-us/identity-and-strategy)

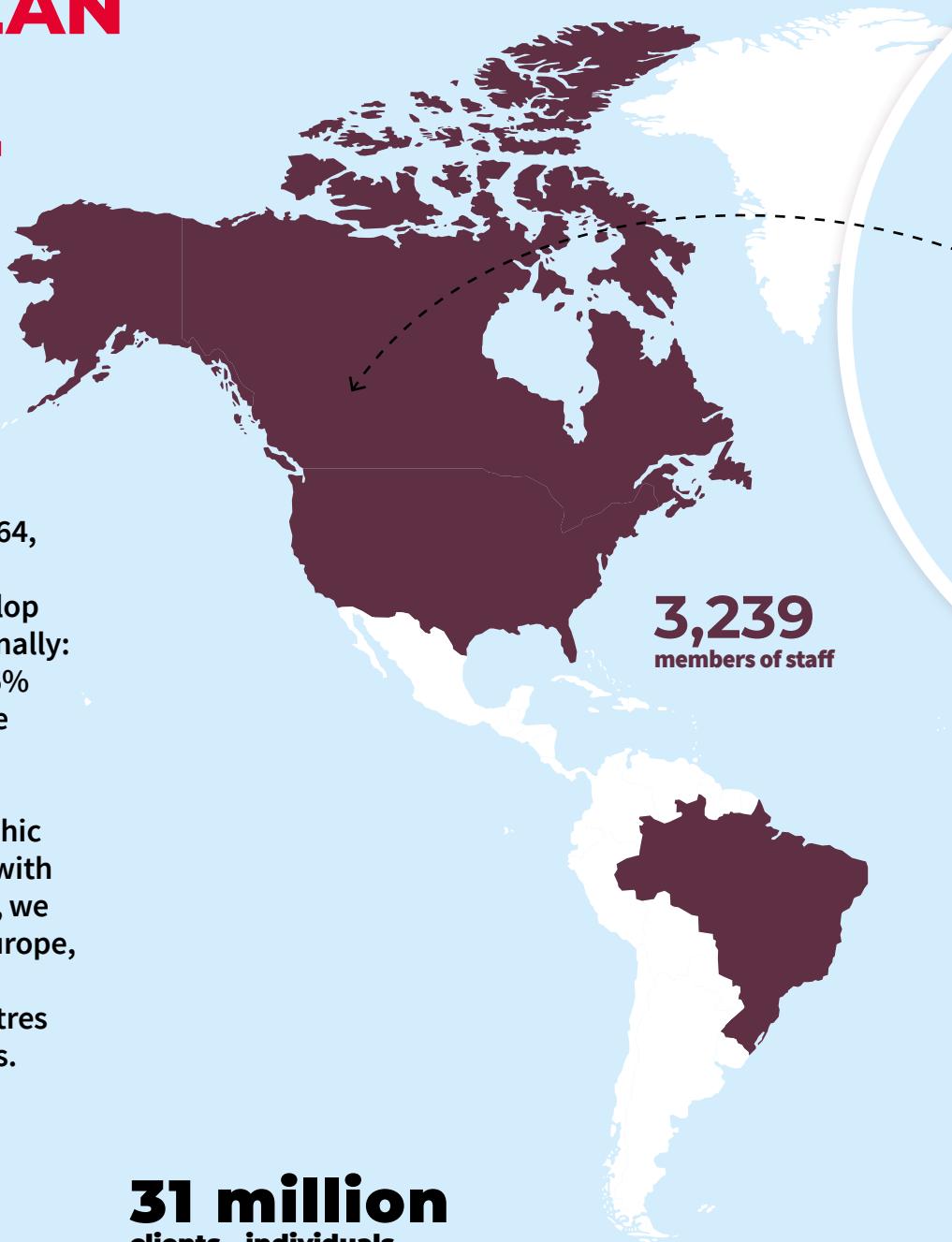
AN INTERNATIONAL BANK WITH EUROPEAN ROOTS

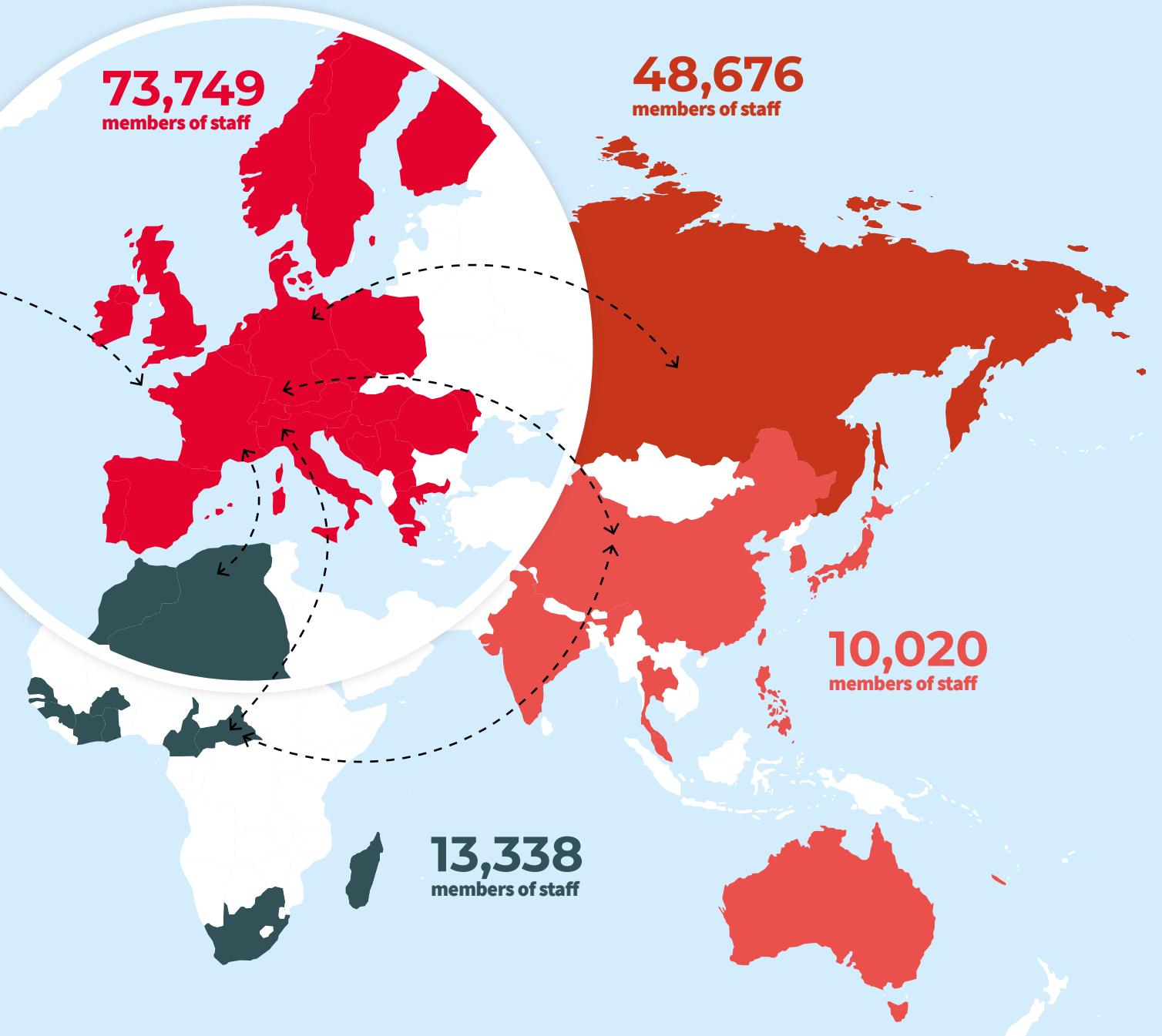
Since our creation in 1864, we have built on our European roots to develop our business internationally: today, the Bank does 75% of its business in mature markets and 25% in emerging countries. With its unique geographic positioning, combined with its leadership positions, we are a hub connecting Europe, Russia, and Africa with the global financial centres in Asia and the Americas.

149,000
members of staff⁽¹⁾

(1) Headcount at end of period, excluding temporary staff.
(2) Excluding clients of the Group's insurance companies.

31 million
clients - individuals,
businesses and
institutional investors⁽²⁾





142
nationalities

67
countries



FIND OUT MORE

> Registration Document, Chapter 1
> www.societegenerale.com/en/about-us

“WE WANT TO BUILD A EUROPEAN LEADER SERVING OUR CLIENTS AND PROMOTING POSITIVE TRANSFORMATIONS”

Frédéric Oudéa,
Chief Executive Officer

What is your assessment of the first year of your strategic plan?

2018 was an intense and productive year for our Group, one that proved demanding and brought mixed results. In a complex environment, we launched the execution of our Transform to Grow strategic plan and moved forward with determination on various fronts: our growth initiatives, refocusing our activities, reinforcing a culture of responsibility, our optimisation strategies, and the profound transformation of our business lines, to be notably at the cutting edge of digital services and technology. We are already beginning to reap rewards from this. We also turned the page on the financial uncertainties surrounding past legal disputes, and are fully focused on strict remediation plans designed to protect us in the future. We have made inroads on making Corporate Social Responsibility (CSR) issues central to our activities, with significant achievements in supporting the energy transition and sustainable development in Africa. I would like to thank the teams for their contributions and commitment, which have moved us in the right direction for all of our projects.

Financially speaking, the results are mixed.

How do you explain this?

Our results reflect the reality in the markets and environments. Our performance is holding up well in French Retail Banking: commercial activity has been good overall, and the ambitious network transformation is progressing as planned. However, having interest rates still so low has continued to drag down revenues. In International Retail Banking and Financial Services, we are seeing a sharp increase in income, which confirms the sustainable growth potential of our geographic locations and our specialised businesses.



Finally, in Global Banking and Investor Solutions, Financing and Advisory are doing very well. Conversely, the performance by Global Markets is more disappointing, in a difficult environment for all banking players. The trend in Global Markets demands a response.

How do you view the changes in the economic environment and the European banking sector?

There has been a total change in the environment since mid-2018, which was confirmed by market tensions at the end of the year. Many indicators are pointing to rising risks and a slowdown in growth in 2019 and even more so in 2020. In these conditions, which are less favourable for the European banking sector as a whole as well as for us, we anticipate there will be a long-term downturn on certain Global Markets, and that rates will stay low for longer than we thought. On top of this are regulatory tightening, increased capital requirements and an uncertain political outlook in the eurozone.

What are the necessary adjustments to continue with the execution of your strategic plan?

We are confirming our long-term strategy. But we've got to adapt the execution of our strategic plan and our financial



targets for 2020 in light of the new economic, financial, and regulatory horizons. Taking into account the reduced growth in our revenues and the weight of regulatory requirements, we will be even more selective in our capital allocation. As is expected of us, we will prioritise the Group's areas of excellence to continue improving our profitability and our level of capital. In our retail banking activities in France and internationally, we will globally follow our roadmaps, which are going in the right direction. However, we will be adjusting our strategy and our Global Banking and Investor Solutions setup, particularly on Global Markets. Following a detailed review of our activities, we have decided to focus on our areas of strength, where we have lasting and differentiating competitive advantages. Our leading position in Europe, the depth of our corporate client portfolio, as well as our global equity derivatives and structured finance franchises mean we can position ourselves as a provider of high value-added solutions, drawing on our financial engineering expertise that is at the heart of our DNA. These trends should help to reduce our capital consumption by €10 billion in outstanding risk-weighted assets and generate €500 million in additional savings to improve our structural profitability. We will implement these adjustments in the strictest compliance with our ongoing dialogue with staff

members and our agreement on employment in France, which does not include any forced departures. These adjustment measures, though demanding and difficult, are necessary for generating sustainable and profitable growth in 2020 and beyond, and also regaining investment capacity and agility for our customers' needs.

“As a responsible bank, we seek to play our role and help to build positive impacts for the world of tomorrow.”

What is the long-term strategic direction of Societe Generale?

We want to build a European leader serving our clients and promoting positive transformations. Our new slogan, “The Future Is You”, perfectly reflects the role we want to play and our ambition for the future. Societe Generale is a bank that builds, a bank of pioneers, which has developed “champions” over the years in structured finance and equity derivatives, or with ALD and Boursorama, not to mention our presence built over the long term in Africa and Russia, for example.

We are developing the competitive, differentiated business model of a diversified bank that is appropriate for our corporate and individual customers, to whom we want to bring real added value through our geographic locations and our products and services. We act as a trusted partner and put our expertise to work in synergy. This diversified banking model, which we aim to make more compact, more coherent and more manoeuvrable, will continue to stand out for its growth potential. Our ambition is also to remain an innovative, disruptive bank, as demonstrated by the spread of our innovative spirit through the twenty or so internal startups created through our Internal Startup Call programme. As a responsible bank, we are aiming for the highest ethics and compliance standards, and fully incorporate CSR matters into our activities. We intend to play our role alongside our customers, and more broadly in the service of our economies and our societies, by giving everyone the means to have a positive impact on the future. With the new General Management team and the commitment of all our staff, we are determined to capitalise on our assets to continue the transformation work we started and make our contribution to building the world of tomorrow by creating value for our stakeholders.

OUR LONG-TERM VISION

Being a trusted partner of our customers, active in the positive transformations of the world: this long-term vision guides our ambition in the service of profitable and sustainable growth.

In keeping with our original mission defined over 150 years ago to “support the development of trade and industry”, we are fully committed to the positive transformations of society and the economy. We will remain faithful to our culture of optimism and progress, driven by the desire to put our businesses and skills to work for our clients’ projects. Creating, innovating, daring, and acting: this pioneering spirit is in our DNA. It is the common thread of the innovative solutions we develop to deal with the issues of every kind that are disrupting our world.

We are rising to the challenge of creating services adapted to new ways of use, of contributing to the development of the regions where we are based, and of fighting climate change.

We stand side-by-side with our customers, who are creating and building their businesses, becoming

home-owners, saving for their children’s education and interested in supporting renewable energy.

Our role as bankers committed to all these positive transformations has four pillars that make up our long-term vision: being a trusted partner, adopting an open banking platform and open architecture in order to be fully connected to innovative ecosystems, providing a better customer experience through the use of 100% digital technologies, and playing a leading role in the European banking industry.

This commitment to serving our customers, the economy and society



is reaffirmed through our new signature: “The Future is You”. This is more than an intention, it is a demanding promise, and one that captures the deeper purpose of our banking profession: to build the future together, with all our stakeholders.



FIND OUT MORE

- > Registration Document, Chapter 1
- > [www.societegenerale.com/en/
content/strategic-and-financial-
plan-transform-grow](http://www.societegenerale.com/en/content/strategic-and-financial-plan-transform-grow)

LONG TERM

SHORT / MEDIUM TERM



Our business model: a diverse and integrated model founded on three core businesses

French Retail Banking

International Retail Banking and Financial Services

Global Banking and Investor Solutions

Trusted partner

Open banking platform and architecture

A fully digital bank for a better customer experience

A winner in the race for leadership in Europe

Responsibility

Commitment

GENERATE PROFITABLE AND SUSTAINABLE GROWTH

Our long-term commitment to positive transformations

Our values

Our ambition

THE MAJOR TRANSFORMATIONS SHAPING OUR SECTOR

In a particularly changeable banking market, we are constantly attuned to the world's major developments so that we are ready to provide suitable solutions and help make them positive transformations.

NEW REGULATORY REQUIREMENTS

As a trusted third party, the Bank plays a major role in ensuring the overall stability of the economic and financial system.

At a macroeconomic level, we ensure proper monetary circulation in cooperation with governments and the central banks. At a microeconomic level, we are crucial to the proper development of our customers' projects. These different responsibilities are framed by an increasingly demanding body of regulations applicable to all components of banking activity, on a national and international scale. Prudential requirements, transparency and reporting regulations, fiscal transparency, anti-money laundering, fighting against the financing of terrorism, fighting

corruption, protecting customers' assets, and securing investments: the banking system is governed by many complex and constantly evolving laws. In addition, since 2018 there has been a set of regulations on personal data and assets, as well as increased requirements regarding the respect of human rights across the three dimensions of Human Resources, Businesses and Purchasing, control of the value chain (due diligence), the fight against corruption (Sapin II Law), and extra-financial performance reporting (DPEF).





THE TECHNOLOGICAL REVOLUTION

The technological revolution is a cultural and industrial revolution. It touches all avenues of the lives of our customers and staff, opening up new horizons for players in the financial sector.

Customers expect greater proximity, responsiveness, availability, flexibility, and personalisation. They want to co-construct made-to-measure and modular products, have access to banking services at any time via a variety of channels, receive expert advice quickly, mix and match solutions and interact at a distance. More than ever, relationship quality and customer experience are now solid expectations among different user groups. Meanwhile, new ways of working are being developed, such as teleworking

options, agile methods and collaborative tools, distance learning, web conferences, and more. To support the expansion of data volumes related to these changes, new technology is constantly raising the bar on performance, and new IT infrastructures are increasingly powerful. Cybersecurity continues to be a major issue, including the solidity of IT systems and defensive measures against cyber-attacks, which are growing more common and more sophisticated.

\$20bn

Estimated size of the Blockchain technology market in 2024, vs. \$315.9m in 2015⁽¹⁾

40%

increase in global productivity thanks to AI* by 2035⁽²⁾

90%

of data currently available in the world was created in the last two years⁽³⁾

7.7bn

Number of active smartphones in 2018, which exceeds the 7.4bn inhabitants of Earth⁽⁴⁾

*Artificial intelligence.

(1) Source: Transparency Market Research.

(2) Source: Accenture.

(3) Source: Planetoscope.

(4) Source: Planetoscope.



ECONOMIC, SOCIAL AND ENVIRONMENTAL CHANGE

The major demographic balances are changing quickly: an ageing Europe is prompting a rethink of the savings market as well as the housing and health insurance markets.

At the same time, the population of emerging countries is growing, with migration towards urban areas. According to the World Bank, more than 50% of the global population now lives in urban areas, and virtually all future growth will be concentrated in medium-sized cities in emerging countries.

Co-construction by communities, businesses, and citizens is on the rise, with the ambition of building interdependent ecosystems in cities and towns alike.

Meanwhile, the fight against climate change and the financing of the energy transition have become global priorities that demand new infrastructures.

The circular and local economy is developing as new practices appear, creating new expectations, in the mobility sector, for example.

In response to the emergence of these alternative modes of consumption, positive-impact finance products are emerging to support responsible development: green energy, sanitation solutions, sustainable farming, and more.

8.6bn
people on Earth
expected in 2030, or
1.2bn more than in 2015

\$335bn
Size of the sharing
economy in 2025,
vs. \$15bn in 2016⁽¹⁾

\$2.5bn
Estimated annual
deficit to achieve
the United Nations
Sustainable
Development Goals, of
which \$1.3bn for Africa

(1) Source: DGCCRF.

ECONOMIC OUTLOOK

**Michala Marcussen,
Group Chief Economist**



Trade tensions, Brexit fog, Fed rate hikes, the tightening of past policy in China and a marked slowdown of the global auto sector all combined to trigger a sharp decrease in global growth in late 2018. A prompt shift to a more dovish tone from the major central banks eased financial market volatility and stemmed the decline in risky asset prices, but the available evidence suggests that the peak of the current economic expansion has passed. On a positive note, emerging economies, broadly speaking, showed resilience to these headwinds, thanks to past structural reform efforts.

While a trade deal between the United States and China would lift some of the prevailing uncertainty, global businesses are likely to remain wary of potential future trade tensions and economic sanctions. Just how costly uncertainty can be, has been clearly illustrated by Brexit, with UK business investment showing successive declines in each quarter of 2018. High levels of debt remain a challenge, but policymakers across the major economies prefer, for now, to place the emphasis on short-term stimulus rather than debt reduction, be it the United States, China or Europe. However, heading into 2020, we expect fiscal policy in the US to turn less accommodative as appetite in Congress for significant new fiscal easing is set to be limited against a backdrop of burgeoning federal debt. Slower growth prospects and the need to contain the costs of serving high debt levels will keep benchmark bond yield curves lower and flatter for longer, marking a headwind for banking profits across the globe.

A STILL INCOMPLETE EUROPEAN ARCHITECTURE

Zooming in on Europe, 2019 marks the 20th anniversary of the introduction of the euro with much to celebrate. However, further work is needed, not least the finalisation of the Banking Union and Capital Markets Union. Furthermore, the current fragmented state of the euro area's financial sector presents a triple headwind. Top of the list is the absence of a single jurisdiction, which sets a high hurdle to the emergence of fully integrated cross-border European banks. The result is a very high level of regulatory costs, and this at a time of potentially greater competition from the United States. Finally, the fragmentation of the financial sector is overburdening the European Central Bank and keeping significant proportions of core member states' yield curves at sub-zero, thus further squeezing the net interest margins of banks.

Ensuring a major leap forward on European integration is a key challenge for the new European Commission and Parliament which takes office later in 2019. Delivering the European agenda will not only foster growth but can also ease social inequality, and not least in terms of the Digital Single Market and the Energy Union, and the finance sector has a key role to play for both initiatives.

NEW TECHNOLOGIES, CLIMATE CHANGE AND AFRICA HOLD CHALLENGES AND OPPORTUNITIES FOR EUROPE

Looking first at new technologies, Europe's Digital Single Market aims to deliver digital opportunities for people and businesses, and enhance Europe's position as a digital

leader. By being a key player in the digital transformation, the financial sector is not only improving the skillset of its own staff but also delivering new financing solutions, securing innovation and growth.

Government reforms favouring lifelong learning and financing for new technologies can further enhance this dynamic and ensure that the benefits are shared in an equitable fashion.

Like new technologies, climate change presents both challenges and opportunities. Europe's Energy Union is made up of five areas, covering security, integration, efficiency, climate and innovation. Once again, finance has an important role to play, both in financing renewables and in ensuring a smooth transition from fossil fuels, thus avoiding costly economic and social shocks that would only serve to further aggravate inequality.

Europe's key partnership with Africa also deserves mention in this context, with the joint Africa-EU Strategy being given a new impetus in 2017 to further enhance the relationship. The ties between Africa and Europe extend well beyond the official sector, with numerous European companies looking to Africa as a future growth driver, a positive direction at a time when global expansion is slowing.

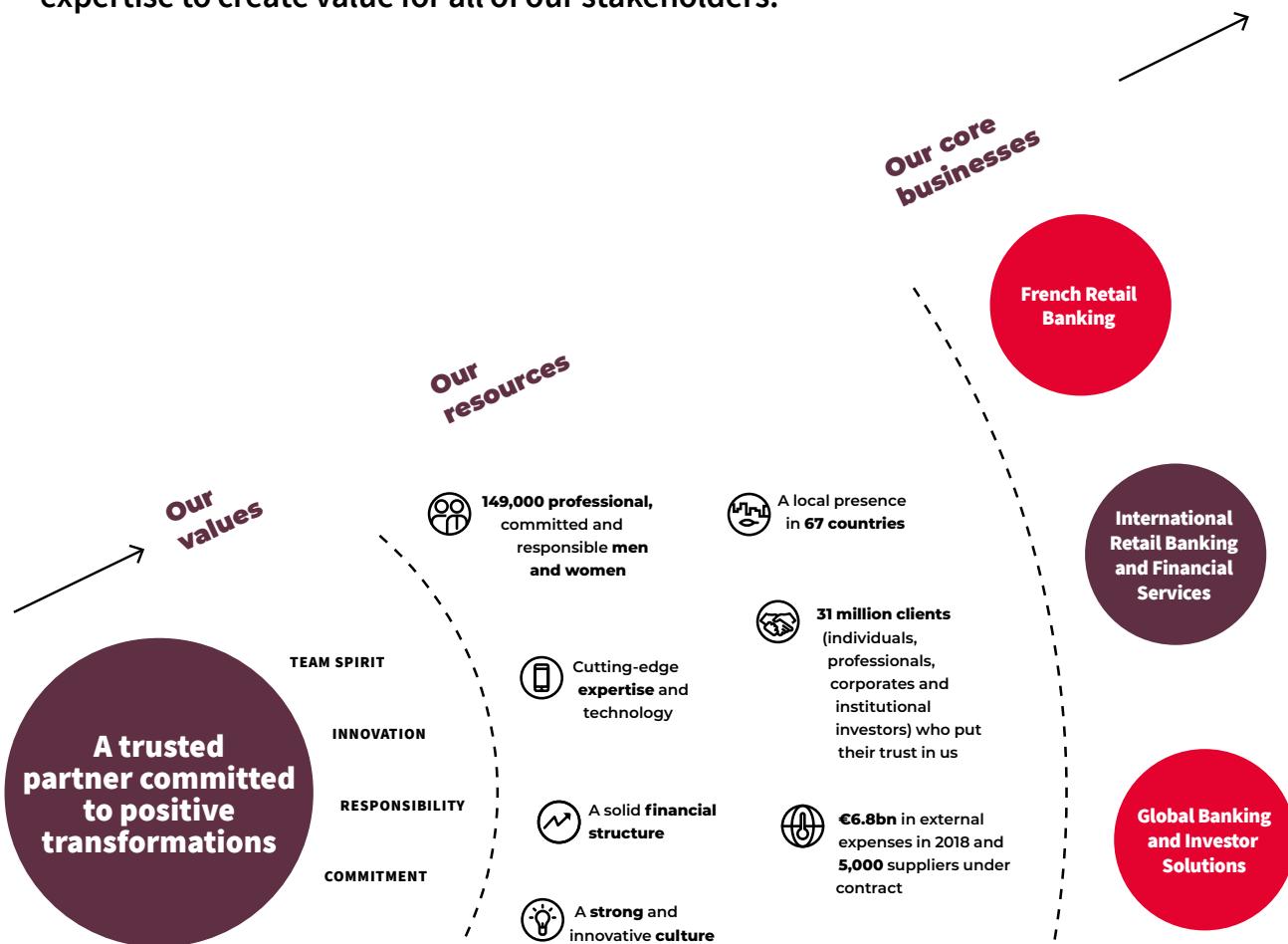


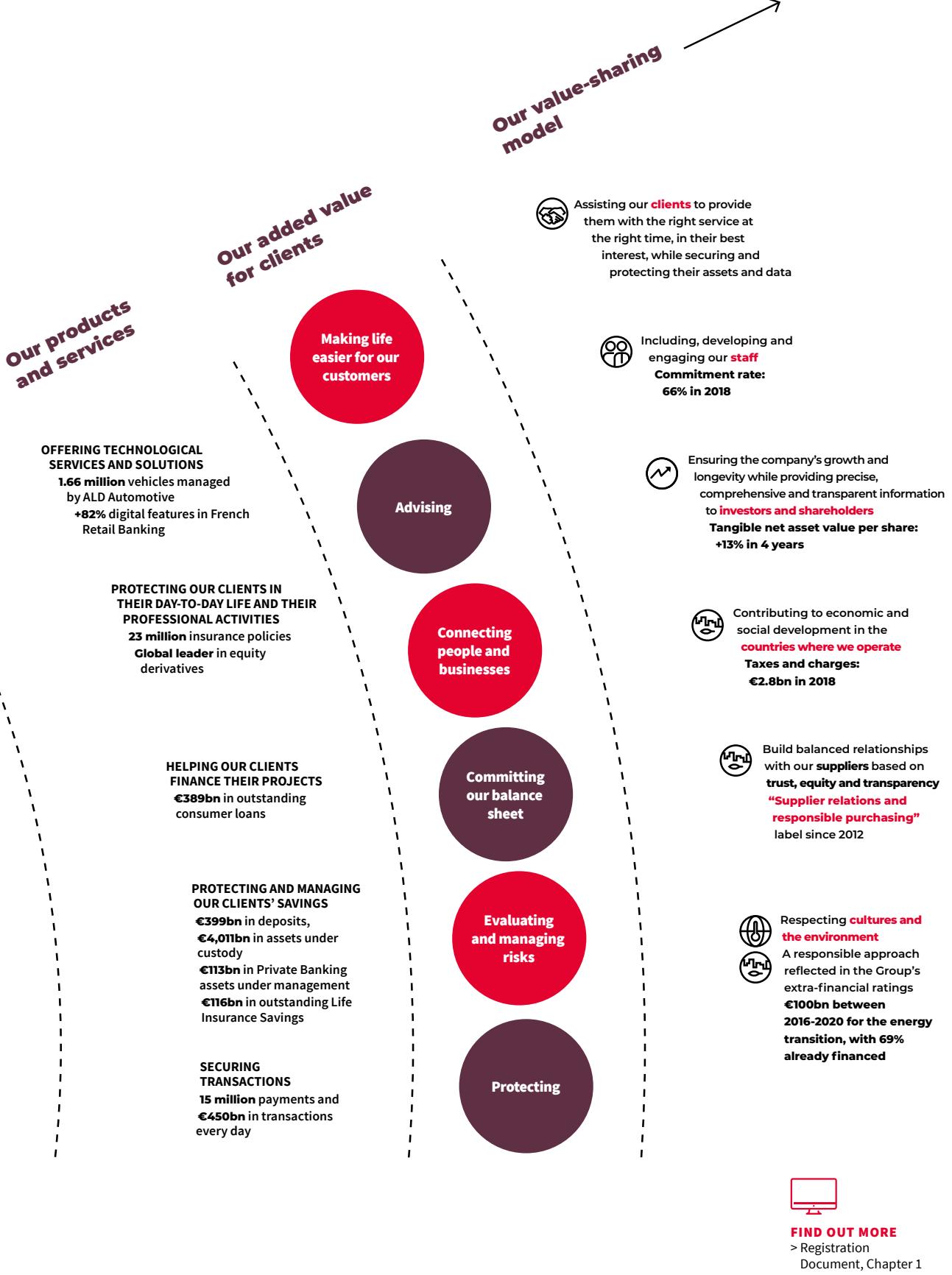
FIND OUT MORE

> Registration Document, Chapter 1
> www.societegenerale.com/en/news-and-media/economic-studies

A BALANCED MODEL SERVING OUR STAKEHOLDERS

Building on the strength of over 150 years of expertise in serving our customers and developing the real economy, we based our banking model on our vision and our values. We draw on our resources, our three complementary core businesses and our technological expertise to create value for all of our stakeholders.





A COMPREHENSIVE, INTEGRATED PERFORMANCE

OUR 2020 OBJECTIVES	
INVESTING FOR THE FUTURE	Grow Pursue growth for the businesses (NBI in €bn)
	Foster a culture of responsibility Achieve an extra-financial rating that ranks in the top quartile and maintain that position over the long term (MSCI above BBB)
	Transform Automate 80% of the 25 key processes in French Retail Banking
	Deliver on costs Group ROTE of between 9 - 10%
	Complete the refocusing 80 - 90 basis points of impact on CET 1 ⁽¹⁾
	Satisfy and protect our customers Invest €650 m in IT security by 2020
	Be a responsible employer Attain a 67% commitment rate from staff in the employer survey
	Reduce gender inequality (minimum score of 75/100 in the Gender Equality Index)
	Incorporate ESG risk management into our ethics and governance Deploy the E&S risk management system in all 17 Business Units (100%)
	Have sufficient equity available (CET 1 ratio⁽¹⁾) 12%
BUILDING THE FUTURE TOGETHER	Ensure return on equity (RONE⁽²⁾) French Retail Banking: 11.5% - 12.5% International Retail Banking and Financial Services: 17% - 18% Global Banking and Investor Solutions: 11.5% - 12.5%
	Redistribute value to our shareholders Pay-out ratio of 50% with a dividend per share of at least €2.20
	Be a key player in the fight against climate change Mobilise €100bn for the energy transition
	Limit the percentage of coal in the Group's electrical energy mix financing to 19%
	Reduce carbon emissions per occupant by 25%
	Support societal innovations Invest €2.5bn to fund the Grand Paris project
	Contribute to sustainable development in Africa⁽³⁾ Increase structured finance commitments by 20% by 2021
	Double outstanding loans to Microfinance Institutions by 2022
	Provide access to banking and non-banking services for 1 million farmers by 2023
	Support for SMEs (+60% in outstanding loans to African SMEs by 2023)

(1) Common Equity Tier One capital ratio. (2) Return On Normative Equity: determines the average regulatory return on equity allocated to the Group's businesses.

(3) As part of the Grow with Africa programme.

In order to track the progress of our development and transformation plan, we have set ourselves a series of indicators that reflect all the aspects of our performance, be it financial, economic, environmental, or societal.



OUR 2018 PERFORMANCE

OUR KEY CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

€25.205bn

RobecoSAM: **79** — Sustainalytics: **75** — MSCI: **A**

50% of processes automated

9.7%

37 basis points on CET 1

This is a commitment made in 2018

16

Peace, justice and strong institutions

66%

5

8 Gender equality
Decent work and economic growth

85/100

This is a commitment made in 2018

Vigilance plan deployed

16

Peace, justice and strong institutions

10.9 %

French Retail Banking: **11%**

International Retail Banking and Financial Services: **18.1%**

Global Banking and Investor Solutions: **7.8%**

2018 earnings per share: **€4.24**

Proposed dividend stable at **€2.20**, with share payment option

69% of target achieved

7

Affordable and clean energy

100% of target achieved

13

Climate action

75% of target achieved

12

Responsible consumption and production

This is a commitment made in 2018

11

Sustainable cities and communities

This is a commitment made in 2018

1

No poverty

21 IMF clients for **€81.4m**

8

Decent work and economic growth

This is a commitment made in 2018

1

No poverty

This is a commitment made in 2018

9

Industry, innovation, and infrastructure

A STRATEGY FOR PROFITABLE AND SUSTAINABLE GROWTH

As the first year of the Transform to Grow strategic plan comes to a close, we confirm our long-term ambition: to deliver profitable and sustainable growth with a robust, diversified banking Group that is more compact and resolutely customer-oriented.

In 2018, we made sound headway in the implementation of our strategic plan. While the Culture & Conduct programme continues to be deployed, the Bank has been able to remove the financial uncertainty of its litigation settlements. The digital transformation is continuing successfully, as evidenced by our first-place eCAC 40 ranking in 2018.

Refocusing is also well underway: the Group has continued to adjust its portfolio to focus on profitable synergistic activities in markets where we hold leadership positions. In 2018, these optimisation efforts were focused on Eastern Europe, and acquisitions were made according to the principles of selective capital allocation.

While growth initiatives in French and

International Retail Banking, as well as solid gains in Financing and Advisory, the Bank has adjusted the execution of its strategic plan due to the less favourable economic, financial and regulatory environment, and the more mixed performance by Global Markets.

To continue to meet shareholders' expectations, the Group will be even more selective in its capital allocation, prioritising its areas of strength. It will continue to work on its operational efficiency with an additional cost-cutting plan and reduced capital consumption in Global Banking and Investor Solutions.

The Group has continued to adjust its portfolio to focus on profitable synergistic activities in markets where we hold leadership positions.



FIVE STRATEGIC PRIORITIES



DELIVER ON COSTS

Pursue rigorous, disciplined cost management, primarily by automating processes and setting up a €1.1 billion efficiency programme by 2020, while continuing to make the necessary investments to grow our businesses. The Group is also implementing an additional €500m cost reduction programme for Global Banking and Investor Solutions.

TARGET 2020

Group ROTE⁽¹⁾ of between 9-10%

COMPLETE OUR REFOCUSING

Optimise our capital allocation by selling or closing businesses that have not reached critical mass and/or do not generate synergies. The programme is already well underway, with announced disposals representing an effect of 40 basis points⁽²⁾ on the CET1 ratio. The target has been raised from 50-60 basis points to 80-90 basis points.

TARGET 2020

Effect of +80-90 basis points on the CET1 ratio

FOSTER A CULTURE OF RESPONSIBILITY

Bring the whole Group in line with the highest control and compliance standards in the banking sector, fully roll out the Culture & Conduct programme – sponsored by the Chief Executive Officer under the supervision of the Board of Directors – across all levels of the Bank and integrate our Corporate Social Responsibility commitments into our business development goals.

TARGET 2020

Maintain our top quartile position in extra-financial ratings over the long term.

GROW

Maintain responsible and profitable growth by building on client satisfaction, quality of service, added value and innovation. This growth, which will be achieved while maintaining strict discipline in risk management, will be generated by a series of ambitious commercial development initiatives, while adapting our setup to the changing needs of our customers.

TRANSFORM

Accelerate the transformation of the relationship model, particularly in French Retail Banking, to improve the customer experience, increase operational efficiency and enhance security. Adapt the strategy for Market Activities in order to integrate regulatory and economic structural developments.

TARGET 2020

Automate 80% of the 25 principal processes in French Retail Banking



FIND OUT MORE

> Registration Document, Chapter 1
www.societegenerale.com/en/investors/investor-day

(1) Return On Tangible Equity.

(2) Figure at 31 March 2019.

(3) Common Equity Tier One capital ratio.

CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF OUR STRATEGY

Engaged in positive transformations, we have fully integrated our Corporate Social Responsibility (CSR) into the Group's strategy. Today, our ambition is inherent in all our businesses, for whom it is both an innovation driver and a sustainability factor.

AN APPROACH FOUNDED ON BROAD CONSULTATION

At the end of 2017, on the basis of consultation with our internal and external stakeholders, the Group defined the six key areas of our CSR approach.

Three cross-functional areas form the foundation and provide the framework for our actions: ethics and governance, responsible employer issues, and customer satisfaction and protection. The remaining three areas are drivers of the positive transformation that the Group seeks to support: the fight against climate change, societal innovations and the sustainable development of the African continent.

AN AMBITION CONTRIBUTING TO THE SUSTAINABLE DEVELOPMENT GOALS

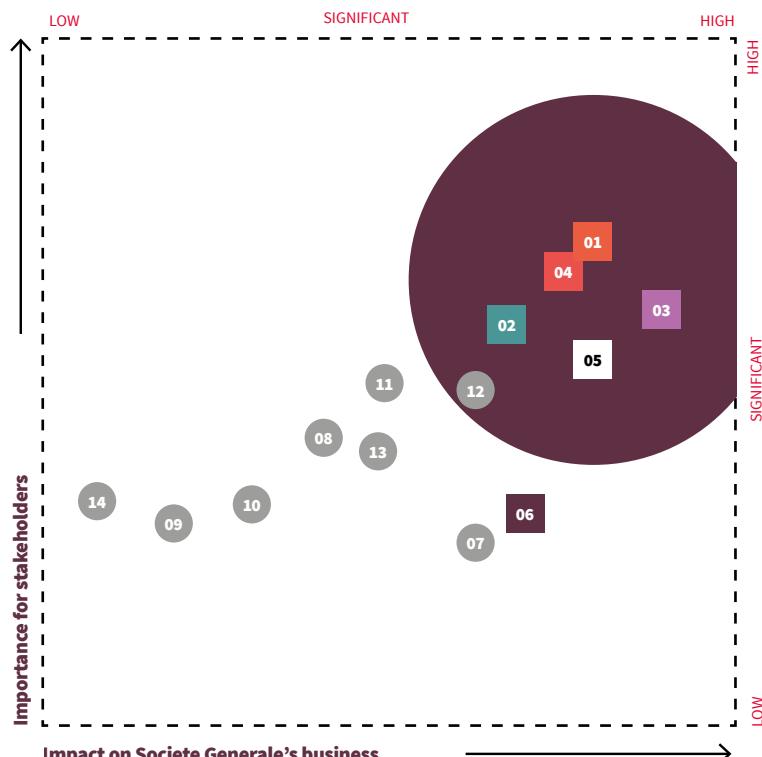
With its geographic footprint, in all countries in which it operates, through the diversity of its businesses and by its commitment as a responsible bank, Societe Generale is helping to meet the UN's Sustainable Development Goals (SDG).



FIND OUT MORE

> Registration Document, Chapter V
> www.societegenerale.com/en/measuring-our-performance/csr/responsible-finance
> See also the Scorecard on page 18

MATERIALITY MATRIX



- 1 ■ Customer satisfaction and protection
- 2 ■ Climate change
- 3 ■ Responsible employer
- 4 ■ Ethics and governance, including management of Environmental, Social and Governance risks
- 5 □ Social trends and innovation
- 6 ■ Contribution to sustainable development in Africa
- 7 ■ Sustainable development projects
- 8 ■ Local support for SMEs and the social economy
- 9 ■ Access to banking and financial services
- 10 ■ Development of collaborative practices
- 11 ■ Human rights
- 12 ■ Education and consultancy
- 13 ■ Dialogue and transparency
- 14 ■ Sustainable innovation

AN AMBITION DEVELOPED IN SIX AREAS

Customer satisfaction and protection



As a trusted partner, Société Générale applies itself each day to protecting and satisfying its customers by aiming for the highest security and service quality standards.

- French Retail Banking voted Best Customer Service of 2019 by Viséo Customer Insights for the sixth consecutive year

See also
pp 28-29

Responsible employer



This area is developed in three priority fields: guiding changes in the Bank's businesses by developing the necessary skills to adapt to these changes; developing a responsible banking culture, based on shared values; and fostering staff commitment, a gauge of performance and unity.

- Ranked 14th (the No.1 French bank) among over 3,000 companies in the international ranking of the NGO Equileap for gender equality

See also
pp 30-31

Ethics and governance



The Group asks its staff to follow the highest standards of integrity in everything they say and do. This condition is essential to the smooth operation of the Bank's activities. This approach, which integrates environmental, social, and governance risks, underpins all the decisions taken at every level of the company.

- A Culture & Conduct programme, reporting to General Management and placed under the supervision of the Board of Directors

See also
pp 38-39

- A Group Code of Conduct translated into 15 languages and two complementary codes: a Tax Code of Conduct and a Code governing the fight against corruption and influence peddling

- 12 sector policies covering sensitive sectors

Climate change



As a pioneer in financing renewable energy, committed since 2015 to aligning its activities by 2020 to a path aimed at limiting global warming to 2°C, the Group has a proactive and responsible climate strategy based around two priorities: guiding its customers in their energy transition and progressively reducing our activities connected to the most carbon-intensive energies.

- Commitment of €100bn dedicated to the energy transition by 2020, this was 69% achieved in 2018

See also
pp 54-55

- The No. 2 global bank in the renewable-energy sector in 2018 for the Europe, Middle East and Africa region, as both financing arranger and financial advisor

- Target of a 25% reduction in carbon emissions per staff member over the 2014-2020 period; a 19% reduction already achieved in 2018

Societal innovations



While the Bank's clients, whether investors, corporations or individuals, are looking for solutions to new environmental and societal challenges, Société Générale is paying special attention to emerging societal trends and so provide appropriate solutions. Through support for the social and solidarity economy, assistance for entrepreneurs, development of sustainable cities and mobility, as well as inclusion, the Bank helps embody a responsible and interdependent future.

- €2.5bn committed to the Grand Paris project, incorporating a high standard in terms of CSR

See also
pp 56-59

- First Positive Impact bond issue from the Group's subsidiary ALD Automotive: €500m to fund a fleet of hybrid and electric vehicles

Sustainable development of Africa



With roots in African countries for over 100 years, the Group has made sustainable and low-carbon development on the continent a top priority and has fully incorporated these goals into our strategy. Société Générale is capitalising on our diversified and integrated model to rise to major challenges, including support for SMEs, banking inclusion and funding of infrastructure, renewable energy, and agribusiness.

- In 2018, the Grow with Africa programme was launched

See also
pp 60-61

- 375,000 clients for the mobile money application YUP (70% of whom had no prior access to banking services)

INNOVATION, A CATALYST FOR TRANSFORMATION



Innovation is in our DNA. As pioneers, we have been exploring all paths to progress from the outset. As both an industrial and a cultural revolution, our digital transformation is accelerating to draw the most benefit from the latest technological advances and provide a better customer experience.

INVENTING THE SOLUTIONS OF TOMORROW

In 2018, with the digital transformation a priority of the Transform to Grow strategic plan, Societe Generale sparked a new momentum in its innovation policy with a three-point strategy: foster disruptive innovations, create new business models and equip ourselves with new digital skills and agile methods.

The keyword for this strategy is open innovation. To prepare for the world of tomorrow and provide customers with different and original services, the Bank is opening up to new players. Through partnerships and investments, we weave close ties with the global innovative ecosystem of startups and enhance our presence in ever more broad and diverse fields. For example, ALD Automotive partnered with the American startup Vinli, which connects vehicles to a range of mobile apps. The Group also invested in the startup Reezocar, which specialises in second-hand car sales, and acquired Fintechs.

The creation of Societe Generale Ventures gives the Bank a fund of €150 million to invest in internal or external startups in support of the development of the Group's businesses.

STAFF AS DRIVERS OF INNOVATION

As the basis for this strategy, Societe Generale has solid internal resources: development of the Cloud and APIisation; integration of key skills, specifically in data and artificial intelligence; and spaces dedicated to innovation, such as the Group's Les Dunes technology hub and the innovation centres located in numerous countries around the world. The Group is reinventing our ways of working, prioritising agile and collaborative methods to facilitate the development of ever more innovative services. Launched in 2017, the intrapreneurial programme Internal Startup Call is one of the spearheads of this internal innovation policy. Its goal is to foster the disruptive entrepreneurial projects that are the green shoots of future products and services. In response to a call for applications, more than 600 projects were submitted and 144 startups invited to present their ideas to members of the Group Management Committee. Sixty of those startups were selected and incubated for six months in the innovation ecosystem, mentored by a member of the Group Management Committee, and, currently, more than 20 have confirmed their potential to pursue the adventure.



FIND OUT MORE

> [www.societegenerale.com/en/about-us/
innovation-tech](http://www.societegenerale.com/en/about-us/innovation-tech)

No. 1 in the eCAC 40⁽¹⁾ Awards

which recognise the digital maturity of leading French corporations

>250
experiments with
startups

€650m
invested in IT security
over 3 years

60%
of infrastructure hosted
in the Cloud

>1,500
Application
Programming
Interfaces in production

(1) Organised by the editorial team of Echos Executives and Gilles Babinet, France's Digital Champion at the European Commission.



TECHWEEK: SHARING INNOVATION

Organised by the Group's IT division, the purpose of TechWeek is to infuse new technology into the Bank's businesses and present issues around digital transformation with concrete applications. In France, the event was held in the Les Dunes technology hub as well as the Group's head office at La Défense, where over 10,000 people attended. For three days, staff explored the Group's six strategic IT areas of disruptive innovation, platform, data-centric, cybersecurity, digital & Cloud workspace and new operating models through 150 workshops, 60 booths, conferences and guest speakers who came to share their experiences.



SOCIETE GENERALE VENTURES: FINANCING DISRUPTIVE INNOVATION

Societe Generale Ventures is a €150 million fund that invests in internal and external startups. Nine areas are prioritised in synergy with the Group's activities, such as payments and e-commerce, Open Banking, and services to small and medium-sized businesses, or in connection with forward-looking societal issues (mobility, e-health, and more). The acquisition of the Fintech Treezor, a pioneer in Banking-as-a-Service in France, illustrates Societe Generale's open banking approach. This deal positions the Bank as one of the leading providers of solutions for Fintechs and Neobanks.



GLOBAL MARKETS INCUBATOR: SUPPORTING GLOBAL MARKETS FINTECHS

Global Markets Incubator, the incubator launched in October 2018 by Societe Generale Corporate and Investment Banking's Global Markets division, illustrates a pioneering approach. After a call for candidates, six Fintechs were selected with a diverse range of expertise connected to the Bank's activities, including anomaly detection, risk management and automated information extraction. Expert guidance will be provided for the development of these innovative solutions, along with direct access to our trading room, the largest in Continental Europe.



ONE OF THE MOST INNOVATIVE INSURTECHS

Societe Generale Assurances, one of France's leading bancassurers, and Roadzen, a leading international Insurtech in mobility and artificial intelligence, forged a strategic partnership to accelerate the development of Moonshot-Internet, the internal startup of Societe Generale Assurances specialising in digital contextual insurance. Moonshot-Internet develops a wide range of affinity insurance products via its solution, which is unique in France and one of the few in Europe. For players in e-trade, payment and travel, this Insurtech delivers innovative, modular services in the form of an API (Application Programming Interface).

BUILDING THE FUTURE TOGETHER

Our customers, our staff, our shareholders, our suppliers, and our partners: it is with and for our stakeholders that we build the future. Our governance drives and structures the Group's actions and ensures that we meet the expectations of our various audiences while respecting the highest standards in ethics and integrity.





GIVING OUR CUSTOMERS THE MEANS TO BUILD THE FUTURE



Individuals, professionals, businesses, and communities: all around the world our customers are creating change. And we place them at the centre of our actions, giving them the means to have a positive impact on the future.

THE BEST OF HUMAN AND DIGITAL RESOURCES SERVING THE CUSTOMER RELATIONSHIP

The Group's transformation is based on its key objective to constantly improve the experience for all our customers. To achieve this, Societe Generale is building a new relationship that combines the advances made by new technology with the quality of human relationships.

The ongoing digital transformation is already proving to be successful. The range of solutions and services available online or via applications is constantly expanding, thanks to innovations developed with the startup ecosystem. This approach is further supported by the implementation

of robust systems to protect customers' data and assets.

Far from being disembodied, this new relationship prioritises the human dimension and the quality of the relationship. Adapted to the requirements and issues of the different target groups, it combines the proximity and business expertise of banking advisors and experts to provide tailored services in Retail Banking and Corporate and Investment Banking. The suitability of this approach is attracting serious recognition.

For the sixth consecutive year, the Societe Generale retail banking network in France has been awarded Best Customer Service of the Year in light of the complementary nature of its relationship channels that create a fluid and qualitative customer experience. The Bank's services are also widely recognised in Africa, where we received the Best Bank in Africa award from Euromoney.

63

new services launched worldwide in 2018

150,000

individual customers, 15,000 professional clients and 3,500 SMEs surveyed in 2018 in France on whether they would recommend the bank and their overall level of satisfaction



SERVICES ADAPTED TO SUIT EVERY NEED

In the near future, every customer will want access to the services that match their way of living and consuming. At Societe Generale, ever attuned to our environment, we use our innovation policy to provide tailored responses to emerging needs. Many such solutions were rolled out in 2018: *Paylib entre amis* (Paylib between friends), a free money-transfer service that requires no banking information; Apple Pay mobile payment; automobile-related custom insurance for occasional drivers offered by Boursorama; the iPad cash solution for restaurants; or the creation of a medical teleconsultation service. Mobile banking apps were also launched in the Czech Republic with Aukapay. Rusfinance Bank offers Russian customers a new digital service that reduces the time it takes to process a loan request.



INSURANCE IN A FEW CLICKS

Today, Societe Generale is the only bank in France offering home and auto insurance quotes and subscription via its mobile app or website. This is one of the ways it is digitalising the bank insurance experience, simplifying customers' daily lives.



SG MARKETS: THE B2B MARKETPLACE FOR INTEGRATED FINANCIAL SERVICES

To support our large Corporate and Investment Banking clients in their day-to-day business, Societe Generale has made the development of the SG Markets platform, the pioneering marketplace in business-to-business financial solutions, a key component of its Global Banking and Investor Solutions (GBIS) innovation strategy. With a unique interface, SG Markets offers tailored solutions adapted to the needs and risk profiles of each customer in terms of financial research, execution, reporting, cash management and financing. The platform, available via secure access to customers, staff and partners, already has nearly 80 financial services, and never stops expanding. At the cutting edge of technology, it permits a simple, high added-value user experience while meeting the highest standards in terms of security and data protection.



CONSTANT PROGRESS IN CUSTOMER SATISFACTION

As a core focus of our commercial approach and banking offer, customer satisfaction is closely followed by everyone in the Group. Surveys, unannounced visits to branches and questionnaires: many measurement processes have been established to gain a 360° view of perceived service quality. This analysis and measurement process is rewarded by the continuous progress in satisfaction scores: on the corporate market in France, the overall satisfaction score in the annual survey has risen for two years, positioning Societe Generale among the market's leading banks. Crédit du Nord is routinely placed in the top three businesses in terms of customer recommendations. 90% of customers say they would recommend Boursorama Bank to their friends and family. Meanwhile, Corporate and Investment Banking clients say that relationship management is the Bank's strongest feature.

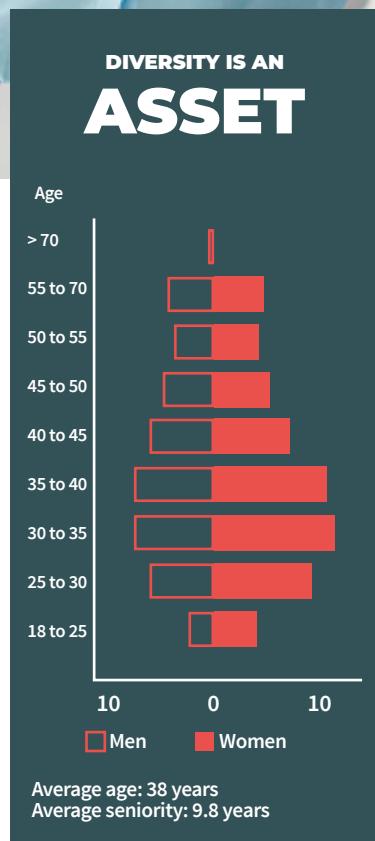
MAKING OUR STAFF THE AGENTS OF THEIR OWN SUCCESS

Our confidence in the future and the success of the Group's transformation are thanks to our 149,000 members of staff around the world. Staying attentive to the quality of life in the workplace, diversity and the professional development of our teams are essential factors in encouraging our staff's commitment to the Bank and ensuring a high level of performance.

Societe Generale strives to provide its staff with a working environment that enables their commitment and well-being, as well as their contribution to the Bank's performance. It does this by offering varied career paths that can be adapted to their requirements through a dynamic and transparent internal mobility market. Against the backdrop of the Bank's transformation, this approach is based on a training programme organised around three major areas: anchoring a culture of responsibility; digitalising and diversifying learning methods; and making staff members the agents of their own development and employability. In addition, many initiatives are rolled out to tackle the



issues of how to attract and retain talent: our compensation policy includes performance recognition, employee shareholding, employee savings plan, and the ability to commit to various forms of skills sponsorship. Societe Generale's recruitment policy is developed according to the businesses, activities, and geographic areas, based on new features provided by technology and digitalisation (online testing, digitalisation of profile selection, recruitment via social media, etc.) and pays special attention to the integration of recent graduates. Another key cross-functional component is Societe Generale's responsibility as an employer, which is also reflected in the concrete commitments it has made to diversity (fighting discrimination, promoting women and international applicants), social inclusion, professional equality and social dialogue.



ENCOURAGING GENDER EQUALITY

Societe Generale is committed to diversity, particularly gender equality. In France, a new Societe Generale agreement, signed on 19 December 2018, confirms the Group's proactive policy on this issue, with the continuation of the programme eradicating unjustified wage gaps between women and men, along with a €7 million budget for 2019-2021. The Group is convinced that helping women pursue their projects is the best way to promote growth in Africa, and supports several initiatives aimed at improving women's place in the professional world. These include Africa Women 4 Tech, in which an all-women panel discusses women's representation

in the digital ecosystem, and Women in Business Meeting, which was attended by 150 influential women in a unique networking and personal-development event.

PROMOTING TELEWORKING

The Bank has developed alternative working modes that strike a better work/life balance, as well as environments and methods that stimulate innovation. For example teleworking: nearly 80 of the Group's entities offer teleworking based on procedures appropriate to their local environment, with more than 23,000 members of staff around the world opting to work this way at the end of 2018 (+56% compared to 2017).

BEING THE AGENT OF CHANGE

The Group has developed a self-reporting tool for staff interests, skills and experience. The ACE tool enables staff to be the main agents in their professional development and employability. ACE was deployed to 22,000 staff members in France and internationally in 2018. Based on machine learning and a dynamic skills benchmark, it combines data provided by staff with job vacancies in the Group's job market (Job@SG).

Ranked No. 1 French bank

in Equileap's Gender Equality Global Report (14th place in the overall ranking of more than 3,000 companies)

25%

of senior management positions are held by women (Top 1,000)

€104m

dedicated to training in 2018, for 4.2 million hours

18,668

Group staff members participated in skills sponsorship programmes offered by the Bank during their working hours to support partner associations



FIND OUT MORE

- > Registration Document, Chapter V
- > www.societegenerale.com/en/measuring-our-performance/csr/responsible-employer
- > <https://societegenerale.africa/en/committed-bank/promoting-equity/>

NURTURING DIALOGUE WITH OUR STAKEHOLDERS



Listening to our internal and external stakeholders informs our view of the world, our ambition and our strategy. It helps us stay connected to our environment, understand the expectations of each stakeholder and provide the right responses.

Clients, shareholders, investors, rating agencies, civil society, staff, suppliers, regulators and supervisors: Societe Generale has structured specific dialogue processes and channels for each of its stakeholders.

Shareholders and investors are regularly informed via dedicated media and scheduled meetings.

Driven by a Shareholders' Advisory Committee, the environmental, social, and governance aspects of this dialogue have been strengthened through engagement meetings with the Chairman of the Board of Directors, in Europe and the United States.

Aware of the growing expectation of civil society and NGOs on climate-related issues, the Group has decided to make the Corporate Social Responsibility (CSR) department the central intake point for letters and requests from NGOs or other stakeholders wishing to raise awareness of the environmental and social impacts of the Bank's financing and other services. In 2018, in working sessions with a dozen NGOs (Friends of the Earth, BankTrack,

Amnesty International, Oxfam, WWF, and others) there were discussions on issues such as the energy transition and human rights in the financial sector.

The Group is also participating in forums and market initiatives to promote respect for human rights and deepen the understanding of the resulting challenges for the financial sector.

In addition, Societe Generale provides a "Dialogue & Transparency" area on its corporate website for open and responsive discussion. Within this framework, the Group systematically responds to any controversy it may face.



DIALOGUE PROCEDURES DETAILED BY STAKEHOLDER

STAKEHOLDER INVOLVED	DIALOGUE FRAMEWORK IN PLACE
With our customers	<ul style="list-style-type: none">• Measuring and analysing customer satisfaction
With our staff	<ul style="list-style-type: none">• Staff survey• Dialogue with staff representative bodies
With our shareholders and investors	<ul style="list-style-type: none">• Investor meetings• Events and meetings with shareholders• Distribution of dedicated communication publications (<i>Shareholders' Letter and the dedicated area of the corporate website</i>)• Shareholders' Advisory Committee
With rating agencies	<ul style="list-style-type: none">• Study and analysis of financial and extra-financial performance reviews• Regular discussions and follow-up with extra-financial analysts
With civil society	<ul style="list-style-type: none">• Regular meetings with NGOs• Monitoring of projects, businesses or sectors, whether or not they are financed by the Bank, that are the subject of controversy or public campaigns by civil society• “Dialogue & Transparency” area on the corporate website
With our suppliers	<ul style="list-style-type: none">• Responsible sourcing policy• The Positive Sourcing Programme action plan that favours VSEs/SMEs and the social and solidarity economy
With regulators and supervisors	<ul style="list-style-type: none">• Close working relations with banking and financial supervisory authorities and regulatory bodies• Participating in marketplace consultations and events

BOARD OF DIRECTORS: COMMITTED AND EXPERT

Societe Generale's Board of Directors brings together the best combination of knowledge and skills to oversee the Group's transformation and adapt to the changing environment. The Board approves the Group's strategy and ensures its implementation.

THE BOARD OF DIRECTORS' DUTIES

The Board of Directors considers and approves the Group's decisions and strategy and ensures they are duly applied. It reviews the strategic guidelines at least once a year. These strategic guidelines include the main points of the Group's policies in terms of Corporate Social Responsibility (CSR), Human Resources, IT systems and organisation, all in line with the Group's core values and our Code of Conduct. The Board ensures that Societe Generale has a solid organisational structure that allows for a clearly defined, transparent and consistent sharing of responsibilities. They establish the conditions needed to apply clear and effective risk management procedures: efficient risk detection, management, monitoring and reporting processes; a satisfactory internal control system; sound administrative and accounting procedures; and fair remuneration policies and practices. The main topics the Board addressed in 2018 were the annual strategic plan for the Group and its main business lines, changes to the Culture & Conduct programme, CSR policy, innovation, information systems and IT security, customer satisfaction, compliance and Human Resources issues.

AN INDEPENDENT AND DIVERSE BOARD

In 2018, the Annual General Meeting of Shareholders renewed Lorenzo Bini Smaghi's term as Chairman of the Board of Directors.

COMPLEMENTARY EXPERTISE

	Directors
Risk	8
Finance, Accounting	9
Governance, Business Management, Shareholder Relations, CSR, Strategy	8
Banking, Insurance	10
Regulations, Legal, Compliance	5
Internal Control, Audit	6
Marketing, Customer Service	7
IT, Innovation, Digital	4
International	12
Industry	4

The Board is mainly comprised of Independent Directors. The composition of the Board aims to achieve a balance between its members' independence, professional and international experience and expertise while observing gender parity and diversity. The Board members' complementary profiles cover the entire spectrum of the Bank's business activities and the risks incurred.

14

Directors, including 2 elected by staff

OVER 90%

Independent Directors

42.9%

women

8

nationalities represented⁽¹⁾

13

meetings in 2018

93%

attendance

5 years

average seniority on the Board

(1) taking into account dual nationalities.



FIND OUT MORE

> Registration Document, Chapter III
www.societegenerale.com/en/about-us/governance

THE BOARD OF DIRECTORS' COMMITTEES

The Board of Directors is assisted by four committees, each of which has at least four members.
No Director is a member of more than two committees.
The Compensation Committee includes one member who is a Director representing the staff and one Director who is also a member of the Risk Committee

RISK COMMITTEE



Nathalie Rachou,
Chair of the Risk
Committee

Anticipates new risks and ensures the quality of the risk management system

Duties: to assist the Board with its overall strategy and appetite for all types of current and future risks and with the supervision of the overall implementation of this strategy.

Main issues addressed in 2018: risk appetite, Brexit, changes to the Compliance function, GDPR⁽¹⁾, IT risks and cyber security, EBA (European Banking Authority) stress tests.

5 members

100% Independent Directors

10 meetings

98% average attendance rate

COMPENSATION COMMITTEE



Jean-Bernard Lévy,
Chair of the Compensation
Committee

Ensures fair compensation taking into account regulatory standards, objectives, risks and the requirements of the Group's Code of Conduct

Duties: to prepare Board decisions on the compensation of Executive Officers and staff who have an impact on risk and risk management within the Bank.

Main issues addressed in 2018: compliance of the compensation policy, terms of employment of new Executive Officers, quantitative and qualitative objectives for 2018.

4 Directors, including 1 representing staff

75% Independent Directors

8 meetings in 2018

97% average attendance rate

AUDIT AND INTERNAL CONTROL COMMITTEE



Alexandra Schaapveld,
Chair of the Audit and Internal
Control Committee

Verifies the quality of accounting and financial information

Duties: to address issues relating to the preparation and control of accounting and financial information and the effectiveness of internal control systems and risk assessment, monitoring and management processes.

Main issues addressed in 2018: impact of the US tax reform, IFRS 9 and IFRS 16, compliance with the Volcker Rule, customer satisfaction survey, KYC, permanent control system.

4 members

100% Independent Directors

10 meetings

90% average attendance rate

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE



Gérard Mestrallet,
Chair of the Nomination
and Corporate Governance
Committee

Selects the best talent for the Bank's supervision and management

Duties: to assist the Board with the appointment of Directors, members of Board committees and with succession planning for Executive Officers; to review and prepare discussions of issues relating to corporate governance and corporate culture.

Main issues addressed in 2018: the draft update to the Board's Internal Rules, preparations for the appointment of new Directors, preparations for the renewal of the Group's General Management team.

4 members

100% Independent Directors

7 meetings in 2018

82% average attendance rate

(1) General Data Protection Regulation.

GENERAL MANAGEMENT: FOCUSED ON OUR CUSTOMERS

General Management manages and represents the Bank in its dealings with third parties. It exercises its authority and oversees the entire Group through specialised committees.

A NEW TEAM

The Board of Directors renewed the General Management team in May 2018. The Chief Executive Officer, Frédéric Oudéa, is assisted by four Deputy Chief Executive Officers: **Diony Lebot**, primarily responsible for supervising the control functions (Risk, Finance and Compliance); **Philippe Aymerich**, responsible in particular for supervising the activities of French Retail Banking and its Innovation, Technologies and IT department as well as Group Resources (IT, Real Estate and Sourcing); **Séverin Cabannes**, responsible in particular for supervising Global Banking and Investor Solutions activities; and **Philippe Heim**, responsible in particular for supervising the activities of International Retail Banking, Financial Services and Insurance. Each Executive Officer directly oversees several Business or Service Units. The Board of Directors has asked the Annual General Meeting of Shareholders in May 2019 to renew Frédéric Oudéa's mandate for four years.

SPECIALISED COMMITTEES TO ASSIST GENERAL MANAGEMENT

General Management Committee: The Group's General Management Committee comprises the Chief Executive Officer and the Deputy Chief Executive Officers and meets every week. Reporting to the Chief Executive Officer, it submits the Group's general strategy to the Board of Directors and supervises its implementation.



From left to right: Séverin Cabannes, Diony Lebot, Philippe Heim, Frédéric Oudéa and Philippe Aymerich.

Group Strategy Committee: Comprising the Chief Executive Officer, Deputy Chief Executive Officers, some Heads of Business Units and Service Units, and the Head of Strategy, the Group Strategy Committee is responsible for implementing the Group's strategy. It reports to the Chief Executive Officer and meets every two months.

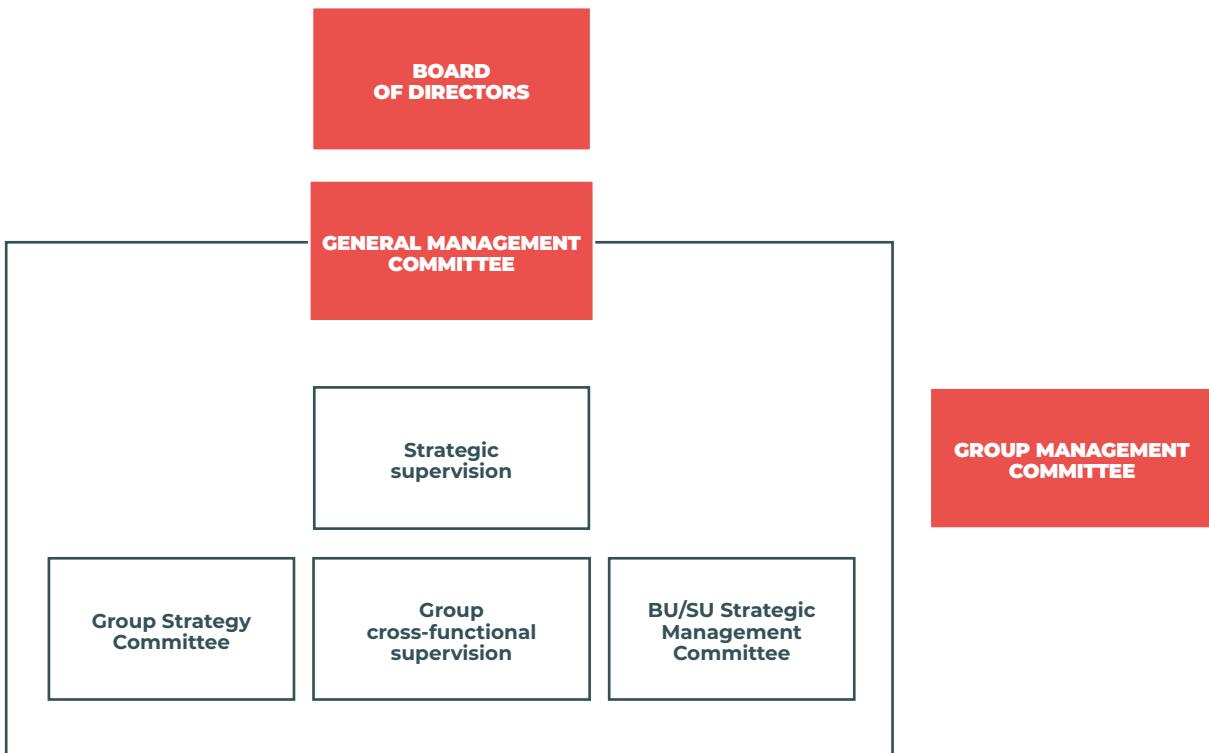
Strategic Management Committee for the Business and Service Units: Comprising General Management, the Head of the Business Unit or Service Unit in question, the Head of Strategy, and the Heads of some Business Units and Service Units, this committee meets at least once a year for each Business Unit and Service Unit.

GROUP MANAGEMENT COMMITTEE, REFLECTING THE GROUP'S DIVERSITY

The Group Management Committee is made up of executives from the Service Units and Business Units appointed by the Chief Executive Officer. It debates strategy and other matters of general interest to the Group. Its members share joint objectives that reflect the Group's overall performance in strategic areas including its annual financial performance, customer protection and satisfaction, staff engagement and CSR. The committee meets at least once every quarter.

A MORE COMPACT AND AGILE STRUCTURE

In 2017, the Group organised itself into Business Units (business lines, regions) and Service Units (support and control functions) so as to better apply its strategic priorities. This organisational structure fosters agility and closer relationships with customers, enabling the Group to better meet their requirements while facilitating cross-business cooperation and ensuring the control functions remain fully independent.



60

members of the Group Management Committee,

of which

23% are women

24% have an international profile

A REMUNERATION POLICY ALIGNED WITH THE GROUP'S STRATEGY

The remuneration policy for Executive Officers is set by the Board of Directors and approved by the Annual General Meeting of Shareholders. It seeks to reward officers' experience and responsibilities and takes into account market practice. To align Executive Officers' interests with those of the Group and its shareholders, their fixed compensation is rounded out by an annual variable remuneration.

The variable amount depends on quantitative criteria linked to the Group's financial performance and qualitative criteria based on the implementation of the Group's strategy, operational efficiency, risk management, enhancement of the Group's capacity to innovate and the CSR policy. Members of the Group Management Committee also receive variable remuneration, a significant portion of which

depends on shared performance criteria covering financial and non-financial metrics set at Group level including the Group's annual financial performance, customer satisfaction, staff engagement and CSR.

GOVERNANCE GUIDED BY A DUTY OF EXAMPLARITY

Ethics and compliance are the cornerstones of our business. It is our duty to ensure we observe the law and ethical principles, that we act with integrity and that we incorporate careful risk management in all our actions. This is our duty, indispensable to earning our stakeholders' trust.

THE CULTURE & CONDUCT PROGRAMME IN ACTION

The Culture & Conduct programme was launched in 2016 to enhance our stakeholders' trust in the Group. As a strong driver of the Group's cultural transformation, it places our core values, the Leadership Model and integrity at the centre of our activities. The programme includes several initiatives: raising senior managers' awareness (Top 300), appropriation of the Group's Code of Conduct and additional codes by all members of staff via workshops and e-learning training courses (mandatory training each year), awareness-raising communications on how to resolve dilemmas, defining a dashboard of indicators enabling General Management to oversee conduct and culture, integration of conduct risk

12

Environmental
and Social (E&S) sector
policies

€7.1bn

in new financing
covered by
an E&S review

in the Group's risk management system, ongoing efforts to align Human Resources processes with the Group's Culture & Conduct goals, assistance with the cultural transformation of the Business and Service Units, among others.

THE LEADERSHIP MODEL

Societe Generale's Leadership Model builds on the Group's values. It establishes the behaviour and abilities expected of members of the Group and gives equal importance to the way in which results are achieved as to the results themselves. The behavioural skills embodied in the Leadership Model are adapted to the Bank's three main levels of responsibility (senior managers, managers and

non-managerial staff members) and apply across the Group. Our four core values are designated in key areas of expertise, which are in turn embodied in observable and measurable behaviours.

THE HIGHEST ETHICAL STANDARDS

Societe Generale reinforced the supervision of its Compliance system by creating a separate division in January 2018, doubling the number of Compliance staff over the past three years and increasing training budgets. The Group's responsibility and its ethical commitment are reflected in the strict principles set out in specific documents: the Group's Code of Conduct, which forms the basis of the Group's ethics and professionalism, the Sustainable Sourcing Charter, the Code Governing the Fight Against Corruption and Influence Peddling, the Charter for Responsible Advocacy and the Tax Code of Conduct.

THE DUTY OF CARE PLAN

Ever stricter regulatory requirements are providing the Group with the opportunity to further align its business model, its CSR ambitions and its Environmental and Social (E&S) risk

TRANSFORMING OUR VALUES INTO EXPERTISE



policies. Societe Generale has developed its Duty of Care plan around shared principles covering human rights, fundamental freedoms and the environment. Based on the plan and following the scope and methodology established in 2017, this approach is currently being rolled out with three pillars: "HR, Safety & Security", "Sourcing" and "Activities". The Group's E&S risk management system is being gradually updated to take the plan into account. Risk mapping was completed for each pillar in 2018.

PROTECTION FOR WHISTLE BLOWERS

The Group has enhanced its policy with a shared whistleblowing system that

meets the requirements of both the Sapin II law and the Corporate Duty of Care law applicable in France. The whistleblowing system is available to all staff and service providers via a secure platform available on the Group's website www.societegenerale.com. Trade union bodies in France were consulted on the implementation of the whistleblowing system, which was presented to French and European responsible parties in the second half of 2018.

INCORPORATING ENVIRONMENTAL AND SOCIAL RISKS IN OUR OPERATING PROCESSES

In recent years, Societe Generale group has voluntarily adopted procedures

and solutions for identifying, assessing and managing risks relating to breaches of human rights and the environment in the way human resources are managed, in its supply chain and in its business activities.

In accordance with the French Corporate Duty of Care law, the Group has further enhanced its procedures and is continuing to incorporate E&S risk management in the operational processes applied by its Business and Service Units.

AN EFFECTIVE AND RESPONSIBLE RISK MANAGEMENT SYSTEM

Taking risks for our clients and managing these risks is an intrinsic part of banking. Financing long-term projects, investing in innovative startups, expanding overseas: these activities require a strategy that combines responsibility, caution and performance. To achieve this, we observe strictly regulated processes under the supervision of the Board of Directors.

SETTING OUR RISK APPETITE

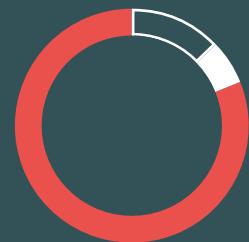
The Group reviews its risk appetite each year and obtains the Board's approval. The aim is to set a level of risk that is acceptable in terms of business development goals. All risks incurred are regularly assessed using methods adapted to each type of risk. To achieve sustainable growth and build a relationship of trust with its customers, the Bank has based its risk appetite on clear principles:

- an organisation based on Business Units that offer different products and services to clients in different geographical regions;
- a policy of balanced capital allocation between the different activities;
- a geographically balanced business model, with around 75% of revenues generated in mature countries and 25% in emerging countries;

- a targeted growth strategy focusing on our existing areas of expertise, quality business assets and the leveraging of synergies within a diversified banking model;
- environmental and social responsibility being placed at the centre of our strategy and our relationships with our stakeholders;
- constant attention made concerning our reputation, which we consider to be a valuable asset that needs to be protected.

**RISK-WEIGHTED ASSETS:
€376.1bn**

81% IN CREDIT RISK



13% □ OPERATIONAL RISK
6% □ MARKET RISK
81% □ CREDIT RISK

> 60% IN RETAIL BANKING AND FINANCIAL SERVICES



38% □ GLOBAL BANKING AND INVESTOR SOLUTIONS
32% □ INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES
26% □ FRENCH RETAIL BANKING
4% □ CORPORATE CENTRE

A STRICT INTERNAL CONTROL SYSTEM



RISK OVERSIGHT WITH THREE LINES OF DEFENCE

In accordance with the principles required by regulations, risk oversight is based on three lines of defence.

First line of defence: staff and management must observe the Group's Code of Conduct and the procedures that apply to their activities.

Second line of defence: independent control functions (Risk, Finance, Compliance) ensure the effectiveness of the first line of defence and monitor changes in the Group's risk profile.

Third line of defence: Internal Audit and General Inspection functions perform periodic controls.

Internal control coordination is also provided at Group level and is rolled out in each core business and Corporate Division.

“Being a responsible bank requires commitment and exemplary behaviour by us all on a daily basis. By carefully managing our risks, we earn the trust of our clients and all our stakeholders, and contribute to our Group’s profitable and sustainable growth.”

**Diony Lebot,
Deputy Chief Executive Officer**



FIND OUT MORE
> Registration Document,
Chapter IV

IDENTIFYING AND MANAGING RISKS

Responsible risk management relies primarily on clearly identifying and carefully managing all the factors that could impact our performance. We constantly monitor the emergence of new risks and regularly review our strategies and policies covering the acceptance, management, monitoring and mitigation of risks that could affect our activity or our clients' activities.

OUR MAIN RISK CATEGORIES

Credit and counterparty risk

Risk of losses arising from the inability of the Group's customers, issuers or other counterparties to meet their financial commitments.

Market risk

Risk of losses on financial instruments arising from changes in market parameters, their volatility or the correlations between them.

Operational risks

Risk of losses arising from inadequacies or failures in processes, personnel or information systems or from external events.

Model risk

Risk of losses arising from bad decisions made based on the results of internal modelling due to errors in development, implementation or use of these models.

Structural risk

Risk of interest margin losses or of a decline in value in the banking book in the event of fluctuations in interest or exchange rates.

Liquidity and funding risk

Liquidity risk is defined as the inability of the Group to meet its financial obligations at a reasonable cost. Funding risk is defined as the risk of the Group being unable to finance the development of its activities in line with its commercial objectives and at a competitive cost.

Strategy/business risk

Risk resulting from the Group's inability to execute its strategy and to implement its business plan for reasons that are not attributable to the other risks.

Risk of reduction in the value of equity holdings in certain companies

Reduction in the value of our equity investments.

Risk relating to insurance activities

Risk of losses inherent to insurance activities, to which the Group is exposed through its insurance subsidiaries. In addition to balance sheet management risks (interest rate, valuation, counterparty and exchange rate risk), these risks include premium pricing risk, mortality risk and the risk of an increase in claims.

Risk related to specialised finance activities

Through its specialised financial services activities, mainly in its operational vehicle leasing subsidiary, the Group is exposed to residual value risk.



FIND OUT MORE

> Registration Document, Chapters III and V

DESCRIPTION

MACROECONOMIC AND GEOPOLITICAL RISKS

The financial markets continue to be affected by considerable uncertainties which could have a significant adverse effect on the Group's activity, financial situation and results. Growing geopolitical risks are another source of instability that could stifle economic activity and reduce demand for credit, while increasing market volatility. For example, the application of protectionist measures could slow international trade.

CLIMATE CHANGE

The risks related to climate change can be of a physical nature (an increase in extreme climate events, long-term climate change, impact on ecosystems and water resources) or linked to the transition (measures to deliver the target of limiting global warming to 2 °C, regulations covering certain greenhouse gases).

CYBERCRIME

Societe Generale is exposed to a risk of cyber-attack in the form of data theft, a breach or the destruction of IT systems, misappropriation of funds, etc. The number of such attacks is rising and they are becoming ever more sophisticated. The growing digitalisation of our customer relations is making these risks more acute. Information security and IT systems security are a critical part of the relationship of trust that Societe Generale nurtures with its clients.

GREATER COMPETITION

The banking industry is facing ever-tougher competition, market concentration in some financial services sectors and the emergence of new players such as Fintechs.

RESPONDING TO EMERGING RISKS

IMPACT FOR SOCIETE GENERALE

METHODS USED

These risks, which can arise suddenly and the effects of which cannot be anticipated or hedged, could have a significant adverse effect on the Group's financial position, cost of risk and financial results. In addition, in view of its geographical diversification, any major change in the political, macroeconomic or financial situation in Europe, the United States of America or in emerging markets – in particular in Russia or Africa – could negatively impact the Bank's financial situation.

Societe Generale's Economic and Sector Research department constantly monitors the macroeconomic and geopolitical environment and reviews its strategic guidance as necessary. Accordingly, the Group recently adjusted the Transform to Grow strategic and financial plan, adopting a more selective capital allocation policy that prioritises business lines that are growing, operate in synergy and are profitable, combined with a heightened cost management ambition in order to achieve the target capital ratio.

Societe Generale is exposed to physical climate risk through its insurance activities and has a very limited exposure to countries at risk from climate change. The Bank could also be exposed to climate transition risk through its loan book in case of a sudden increase or interruption in climate change regulations. The positive impact of the Group's climate policy, which is set out in sector policies as part of its management of environmental and social risks, reduces its exposure to climate transition risks. The amount of market risk arising from the Group's exposure to the carbon trading market is very limited.

In terms of property and casualty insurance provided to customers, the risk policy limits the exposure to one year and the pricing policy is regularly updated to take into account statistical changes in physical risks. The Insurance division is also developing the use of reinsurance contracts to limit its residual exposure to extreme losses.

For the lending activity, the impact of energy prices and new regulations is already factored into analysis. The Risk division has measured the deterioration in credit risk under different climate scenarios in conjunction with the CSR department. In 2018, the Group strengthened its credit risk policy and governance to take better account of climate issues, for example by performing a climate vulnerability assessment for each client in sectors at risk, etc. Societe Generale applies the UNEP-FI's Principles for Positive Impact Finance and signed the Katowice Commitment Letter. It also follows the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

These attacks can impact the Bank's operations (business continuity), financial activities (the holding of our customers' assets, etc.) and its reputation.

The Group's cybercrime policy is coordinated by the Head of IT Systems Security and IT Operational Risk in the Innovation, Technology & IT division.

This approach is based on cybercrime prevention, protection, detection and response, and on raising awareness among customers and staff. Each of the Bank's offices has internal instructions and procedures that meet local regulatory requirements and set out the rules and processes to be followed to protect and ensure the security of our customers' data.

To guarantee data security and compliance with banking secrecy rules, Societe Generale is investing €650 million in cybersecurity over three years to enhance the protection of its customers' assets and transactions.

All the Group's activities face intense competition from both banks and non-banking rivals on their local and international markets. The Bank is therefore exposed to a risk of not being able to maintain or grow its market share in its different business activities. This intense competition can also put pressure on margins, making its activities less profitable.

The Group is drawing on its diversified and integrated banking model to leverage synergies and effectively meet customers' requirements. The digital transformation, which is fully incorporated in the strategic plan, and an ambitious policy of innovation allow all our business lines to continuously offer new products and services that differentiate us from our competitors. Societe Generale has a strong reputation for its constant focus on customer satisfaction, both in France and around the world.

INVENTING THE FUTURE

Societe Generale is firmly committed to positive transformation and creates financial and extra-financial value through our three core businesses while accompanying changes in the business environment. We are contributing to building the world of tomorrow, through the services we offer enabling our individual and business customers to finance their projects, or through our support of the energy transition, economic growth, regional development, the African continent and young people.



MAKING IMPORTANT PROGRESS

Launched in late 2017, our Transform to Grow strategic plan has allowed us to successfully achieve several key stages of our transformation. In a more challenging business environment than initially expected, our French and International Retail Banking and Financing and Advisory activities maintained a strong performance, supported by the transformation of the retail banking branch networks and the implementation of growth initiatives. Although Market Activities recorded a more contrasted performance, our revenues and our profitability are progressing.

SUCCESS FOR MOST OF OUR GROWTH INITIATIVES

In line with the roadmap set out in the five priorities of the Transform to Grow strategic plan, our growth initiatives have increased our Net banking income to €25.205 billion, up +5.2% in relation to 2017.

The contribution of each of the three core businesses was evenly balanced.

French Retail Banking generated Net banking income of €7.860 billion, penalised by low interest rates but nevertheless recording strong commercial activity driven by an increase in outstanding loans, the attraction of new customers for Boursorama and insurance activity. International Retail Banking and Financial Services recorded a sharp increase in Net banking income to €8.317 billion, confirming the potential for profitable growth in the Group's international activities – in particular in Europe, Africa and Russia – and in its Insurance, ALD Automotive and Equipment Finance business lines.



In a challenging market for banks, Global Banking and Investor Solutions turned in a more modest performance, with Net banking income of €8.846 billion.

Societe Generale has made progress in several areas of its roadmap, including digital transformation, its efficiency plan – which is on track to achieve the target of €1.1 billion in cost savings by 2020 –, risk management – cost of risk remaining at the lower end of the target range in 2018 at 21bp – and the execution of the refocusing strategy with the sale of activities that lack critical mass and/or the potential for synergies. Group net income amounted to €3.864 billion in 2018, compared with €2.8 billion in 2017. Underlying Group net income was down slightly from €4.491 billion in 2017 to €4.468 billion in 2018.

SHARING VALUE WITH OUR SHAREHOLDERS

Societe Generale shares the value we create with all our stakeholders, in particular shareholders and staff shareholders. The resilience of the Group's activities and the first positive effects of the strategic plan – in particular the quality of risk management, cost control and the success of growth initiatives – increased Net tangible assets per share between 2017 and 2018 and enabled the Group to maintain the amount of the dividend, which every shareholder can opt to receive in company shares.

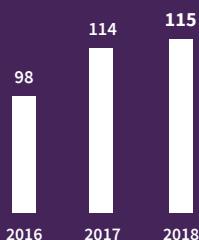
HELPING OUR CLIENTS REALISE THEIR PROJECTS

CUSTOMER DEPOSITS AND LOANS
(€ bn)

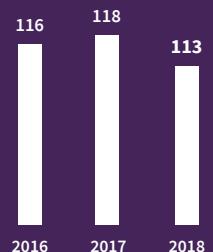


■ Customer deposits
■ Customer loans

**LIFE INSURANCE ASSETS
UNDER MANAGEMENT**
(€ bn)

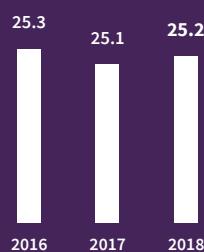


**ASSETS UNDER MANAGEMENT -
PRIVATE BANKING**
(€ bn)



INCREASING REVENUES

**NET BANKING INCOME
FOR CORE BUSINESSES**
(€ bn)



CONTRIBUTION OF CORE BUSINESSES TO NET BANKING INCOME

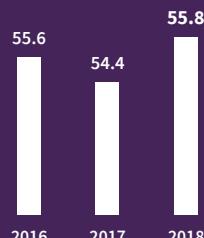
2018
(rounded %)



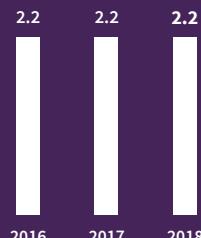
32% ■ FRENCH RETAIL BANKING
33% ■ INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES
35% ■ GLOBAL BANKING AND INVESTOR SOLUTIONS

REWARDING OUR SHAREHOLDERS FOR THEIR SUPPORT

NET TANGIBLE ASSETS PER SHARE
(euros)



DIVIDEND
(euros)



FIND OUT MORE

> Registration Document, Chapter II
> [www.societegenerale.com/en/
measuring-our-performance/
information-and-publications/
financial-results](http://www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results)

FRENCH RETAIL BANKING CONTINUING THE TRANSFORMATION

Societe Generale is the third largest retail bank in France. The activity's 2018 results show strong commercial momentum and a resilient financial performance. They reflect the far-reaching transformation underway in French Retail Banking business lines and the efficiency of growth drivers focused on expertise and increasingly customised solutions for its target client base.

French Retail Banking capitalises on its three complementary networks to offer customers a wide range of products and services: multi-channel relationship-focused banking at Societe Generale, serving individuals, professionals, businesses, local authorities and associations; Crédit du Nord, which builds on its local bank business model with a network of regional banks; and Boursorama, the leader in online banking in France, with a digital business model and a full range of products and services. In a still unfavourable environment of low interest rates, the three brands achieved a solid performance. Despite intense competition to attract savings, deposits amounted to €199 billion in 2018. With average loan outstandings of €186 billion, the three networks continued to support the French economy and to help their customers

finance and realise their projects. The three banks stepped up their transformation, offering innovative new services to streamline the user experience and enhance customer satisfaction.

Societe Generale: With nearly 5.7 million current accounts, individual customers form a significant portion of the Societe Generale network's customer portfolio, alongside business customers. Outstanding deposits amounted to €91 billion in 2018, compared with €88 billion in 2017. Outstanding loans totalled €78 billion in 2018, up 1% on 2017.

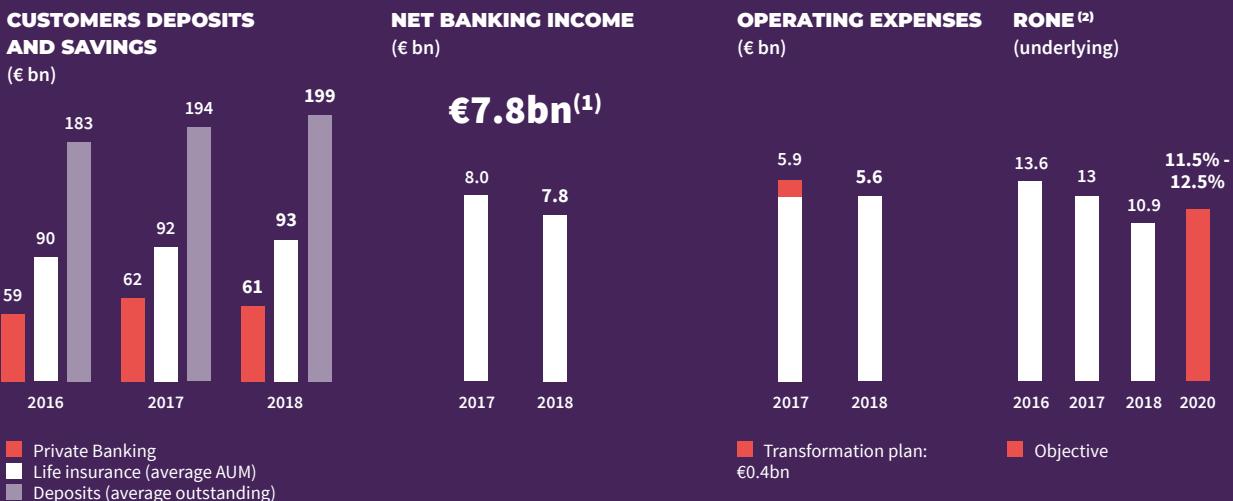
Crédit du Nord: The network of regional banks pursued its strategy of delivering quality services and robust results. Average outstanding deposits amounted



to €43.6 billion in 2018 (compared with €42.8 billion in 2017), while outstanding loans rose to €41.5 billion (versus €39.8 billion in 2017).

Boursorama: With nearly 1.7 million customers at the end of 2018, Boursorama continued to attract more and more people. In 2018, the customer attraction strategy benefited from the extension of the range of services to include vehicle insurance, vehicle leasing, eco-friendly loans and mobile payment solutions. The target to reach 2 million customers by 2020 will be achieved ahead of schedule in 2019.

DEPOSITS AND SAVINGS



(1) Excluding PEL / CEL home savings accounts (2) Return on Normative Equity measures the return on average normative equity allocated to the Group's business lines. The principle applied since 1 January 2016 consists in allocating each business line normative equity equal to 11% of its risk-weighted assets.

36,000
members of staff

€186bn
in loan outstandings

€1.2bn
contribution to Group net income (€1.1bn in 2017)

THE QUALITY OF THE CUSTOMER EXPERIENCE IS A CENTRAL PRIORITY

We are adapting to offer distinctive services to all our customers – individuals, professionals and businesses. For example, we are renewing our branches with dedicated customer areas and expert advisers, and are offering new services and simple, secure solutions (instant payments, account and document aggregation, a fully remote account opening process using facial recognition, online or remote subscription for insurance, consumer loans, home loans, among others).

“We make time to listen to entrepreneurs. The sooner we establish a relationship with them, the better we can help them structure their project and make it a success.”

**Houria Chaiblaine,
Head of Business Customer Markets, Societe Generale**



FIND OUT MORE

> Registration Document, Chapter II
www.societegenerale.com/en/measuring-our-performance/informationand-publications/financial-results

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

STEADY AND PROFITABLE GROWTH

Our International Retail Banking and Financial Services division confirmed its positive momentum with good results in 2018. The activities contributed to the Group's profitable growth through their leading positions on high-potential markets, their initiatives to boost operational efficiency and complete the digital transformation, as well as their capacity to generate synergies.

International Retail Banking and Financial Services includes the Group's retail banking activities in Central and Eastern Europe, Russia, Africa, the Mediterranean Basin and French Overseas Territories, as well as three specialised business lines: insurance, vehicle leasing and fleet management, and professional equipment financing. The division has undergone a major transformation in recent years with the refocusing of its business portfolio, the optimisation of its banking model and an improvement in its risk profile. With Net banking income of €8.3 billion, International Retail Banking and Financial Services' revenues increased sharply by 5.1%, with a strong commercial dynamic in all business lines and across all regions. Cost of risk was stable (+1%), reflecting tight risk control. Group net income reached a record €2.065 billion in 2018, up 6.5% on 2017.

International Retail Banking: Most International Retail Banking activities are located outside the euro zone and as such

they offer stronger growth potential as well as a more favourable interest rate environment, especially in Romania and the Czech Republic. The network of regional banks has confirmed its role as a key growth driver, with a 6.3% increase in revenues and a record level of Group net income, which rose by 13.9% in relation to 2017. There has been strong commercial momentum in all geographical areas, with outstanding loans up 5% and deposits rising 4.4% in 2018.

Insurance: Insurance activities combine an integrated 'bancassurance' business model in France and life insurance and personal protection insurance services outside of France. Revenues increased by 6.6% in 2018. All activities boasted a strong commercial performance, including life insurance, in a challenging market.

Financial Services for Corporates: With a 1% increase in Net banking income in 2018, these activities confirmed their strong commercial momentum. Since its stock market listing in 2017, ALD Automotive has seized growth opportunities in professional and individual



AWARDS FOR OUR TEAMS

- Societe Generale was named Best Bank in Africa by Euromoney
- ALD Automotive France was voted Best Customer Service of the Year 2019 in the vehicle leasing category in a BVA Group - Viséo CI survey carried out in May-July 2018
- Societe Generale Equipment Finance was named European Lessor of the Year at the 2018 Leasing Life Awards

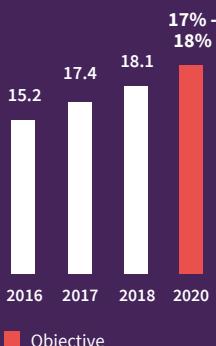
customer markets. Its operational vehicle leasing business for individual customers has expanded to boast a fleet of more than 100,000 vehicles at the end of 2018, marking a 10.1% increase in its total fleet in 2018. The professional equipment financing business recorded a 4.7% increase in outstanding loans to €17.9 billion (excluding factoring).

DEPOSITS AND SAVINGS

**CUSTOMERS DEPOSITS
AND SAVINGS**
(€ bn)



RONE⁽¹⁾
(underlying)



**BREAKDOWN OF NET
BANKING INCOME**



€8.3 bn

€7.9 bn in 2017

39%	Europe
20%	Africa and other
9%	Russia

(1) Return on Normative Equity measures the return on average normative equity allocated to the Group's business lines. The principle applied since 1 January 2016 consists in allocating each business line normative equity equal to 11% of its risk-weighted assets.

73,000
members of staff

€110bn
in loan outstandings

€2.1bn
contribution to Group
net income
(€1.9bn in 2017)

SUPPORTING SMALL BUSINESSES IN THE CZECH REPUBLIC

In 2018, the Group's Czech subsidiary, Komerční Banka, opened 48 Small Business Centers to offer its business customers dedicated services.

“Sustainable mobility is the key to making our activities carbon neutral. With our diversified range of products and services covering low-emission vehicles, we are helping our customers reduce their carbon footprint. We currently manage over 100,000 electric and hybrid vehicles around the world and are determined to further increase the number of electric vehicles in our fleet.”



FIND OUT MORE

> Registration Document, Chapter II
> www.societegenerale.com/en/measuring-our-performance/informationand-publications/financial-results

Stéphane Renie, Head of CSR at ALD Automotive, the Group's vehicle leasing and fleet management subsidiary

GLOBAL BANKING AND INVESTOR SOLUTIONS

REFOCUSING ON OUR STRENGTHS

Global Banking and Investor Solutions had a contrasting year in 2018. While Financing and Advisory activities confirmed their role as growth drivers, Market Activities disappointed in a challenging business environment for all banks.

Global Banking and Investor Solutions lies at the heart of economic flows between issuers and investors, offering integrated and tailored solutions to large corporates, investors and private clients. In 2018, this activity recorded Net banking income of €8.8 billion, down 3.6% on 2017, in a context of unfavourable market conditions. In response to the challenging environment and new regulatory constraints, the Group will focus its Corporate and Investment Banking model on our areas of strength, where we have lasting competitive advantages that set us apart from our competitors. Societe Generale's leading position in Europe, the depth of our corporate client portfolio and our global equity derivatives and structured finance franchises mean we are positioned as a provider of high value-added solutions, drawing on our financial engineering expertise. These adjustments will be combined with measures to improve efficiency in all activities, a simpler organisational structure and the digitalisation of processes to enable the Group to reduce costs and lower capital consumption so we can structurally improve profitability.

AWARDS FOR OUR TEAMS

- **Equity Derivatives House of the Year at the Risk Awards 2018 and Best House Equities in the Structured Retail Products awards by SRP**
- **Global Advisor of the Year by Project Finance International (PFI)**
- **Europe Investment-Grade Corporate Bond House of the Year by IFR Awards 2018**
- **Distinguished Provider of Transaction Banking Services by Flmetric for correspondent banking services**
- **Best Bank for Trade Finance in France, Western Europe and emerging markets, by Global Finance**
- **Best Cash Management Services, Best Treasury Services in EMEA and Best Factoring Services in Europe and EMEA by EMEA Finance**



financing, capital-raising operations, risk hedging and flow and/or payment management services.

Due to the strong performance of energy financing projects, the expansion of the Asset Backed Products platform and the good results of the Global Transaction Banking business, 2018 was a record year with revenues rising by 7.1% from 2017 to €2.673 billion.

Asset Management and Private

Banking: The Group capitalises on the expertise of Lyxor, the European specialist in passive, active and alternative asset management, to create innovative solutions for the challenges of the future. In Private Banking our business is primarily focused on Europe. The success of this strategy was seen in 2018 when Societe Generale was named Private Bank - Best Credit Provider at the Wealth Briefing Swiss Awards and Best Private Bank for Succession Planning by PMW/The Banker. In 2018, Net banking income came to €966 million, down by 3.4% on 2017, with revenues remaining resilient in an environment of low interest rates.

Global Markets and Investor Services:

Societe Generale offers global, integrated access to increasingly interconnected financial markets with a leading-edge vision and cross-asset solutions. In adverse markets, which were unsettled by political tensions in Europe and the trade war between the United States and China, revenues declined by 8.3% in 2018. Performances in the United States of America and Asia remained resilient.

Financing and Advisory: The Bank is developing strategic global relationships with large corporate clients and offers integrated solutions including M&A advisory, equity financing, structured

DEPOSITS AND SAVINGS

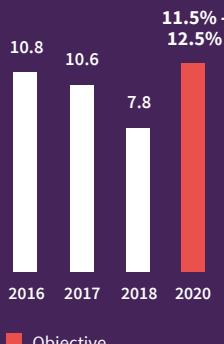
**ASSETS UNDER MANAGEMENT
(€ bn)**



€4,011 bn

IN ASSETS UNDER CUSTODY
(GLOBAL LEADER IN DERIVATIVES,
NO. 2 CUSTODIAN IN EUROPE)

**RONE⁽¹⁾
(underlying)**



**BREAKDOWN OF NET
BANKING INCOME IN 2018**



(1) Return on Normative Equity measures the return on average normative equity allocated to the Group's business lines. The principle applied since 1 January 2016 consists in allocating each business line normative equity equal to 11% of its risk-weighted assets.

22,000
members of staff

€164 bn
in loan outstandings

€1.2 bn
contribution to Group
net income
(€1.6 bn in 2017)

A PIONEER IN POSITIVE IMPACT BONDS IN TAIWAN

Societe Generale was the first foreign bank to obtain approval from the supervisor to issue positive impact bonds in Taiwan. The TWD 1.6 billion issue will finance renewable energy projects including Taiwan's first offshore wind farm.

“We have fully integrated the challenges of renewable energy projects and have been financing them for over ten years.”

Jérôme Deflesselles,
Co-Head of EMEA Power – Advisory and Project Finance,
Societe Generale

FIND OUT MORE

- > Registration Document, Chapter II
- > www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results

ACTING RESPONSIBLY FOR THE CLIMATE



Since 2015, we have committed ourselves to aligning our activities by 2020 with the goal of limiting global warming by 2 °C. To deliver solutions best suited to financing a low-carbon economy, we have put in place specific governance, management and risk monitoring systems.

Further to the commitments made at the COP 24 climate conference, Societe Generale is also developing open source methods and solutions to measure how its lending portfolios align with the objectives of the Paris Climate Agreement. We are also helping our clients with their own energy transition strategies, with two priorities: accelerate our support for renewable energies and progressively reduce our exposure to the most carbon-intensive activities.

USING INNOVATION TO COMBAT CLIMATE CHANGE

Societe Generale is playing a leading role by using our expertise in projects notably relating to energy generation and transport, transport/mobility infrastructure and urban redevelopment. With the strategic acquisition of the French Fintech Lumo,

a pioneering renewable energy crowdfunding platform, in 2018 the Group enhanced its ability to serve customers by offering an innovative way of financing projects. This acquisition is fully in line with the Bank's strategy of supporting the energy transition and paves the way for new types of digital services that meet the requirements and expectations of both business and individual customers.

MAKING GREEN FINANCE A SHARED GOAL AND A DRIVING FORCE

A pioneer in building the Positive Impact Finance principles with the UNEP-FI, in 2018 Societe Generale established an internal solution for assessing activities that contribute to Sustainable and Positive Impact Financing. Societe Generale joined the Climate Bonds Initiative Partner Programme in 2018 to reinforce our role and further our contribution to financing the United Nations Sustainable Development Goals (SDGs). We were the first French bank to join this international network of financial companies which aims to shift investment towards a low carbon and climate resilient economy.

Target of
€100bn
in financing for the energy transition between 2016 and 2020, 69% of which has already been achieved by the end of 2018

€21.4bn
for the renewable energies sector

€47.6bn
in 'green' bonds

€11.9bn
in Sustainable and Positive Impact Finance, including €6.5bn in 'green' financing in 2018

Over 42%
of renewable energy in the electricity financing mix, nearly 55% of which is for low-carbon energy

PIONEER IN THE GREEN FINANCE MARKET

Societe Generale has pledged to contribute to raising €100 billion in financing for the energy transition between 2016 and 2020. These funds will be raised via green bond issues in which it serves as bookrunner or under advisory and/or financing mandates for the renewable energy sector.

We have already achieved 69% of this target. €21.4 billion has been raised through advisory and financing services for renewable energy projects. Origination of 'green' financing solutions across the bank rose sharply in 2018, to €6.5 billion, an increase of 125% in relation to 2017.



AN INTERNAL CARBON REDUCTION PROGRAMME

In our carbon emission reduction programme for 2014-2020, Societe Generale committed to reducing our greenhouse gas emissions by 25% per occupant and to increase our buildings' energy performance by 20% with a specific strategy that includes real-time energy use management.

The Group also applies an innovative initiative we first introduced in 2013, the Internal Carbon Tax. This internal tax is collected from all Group entities in France and around the world each year. It is calculated on each entity's greenhouse gas emissions (€10/tonne of CO₂) and is redistributed to reward the best internal initiatives to reduce emissions and to finance new projects.

56,000
tonnes of CO₂ avoided
over the past 6 years,
nearly 3.5% of the Group's
total emissions

298GWh
of energy savings over
6 years thanks to
the Internal Carbon Tax,
equal to the consumption
of over 40,000 homes
in France



A RESPONSIBLE STRATEGY FOR FOSSIL FUELS

Societe Generale has a realistic approach to responding to rising demand for energy and the corresponding financing requirements while also preserving the planet. We have pledged to limit the presence of coal in the energy mix of projects we finance. As of the end of 2018, financing for coal-related projects had been reduced to 16.4% of the total, going further than the target of 19% set for 2020.

An exclusion policy applies to all the Group's activities regarding the financing of coal-fired power plants and related infrastructure, in strict compliance with its Environmental and Social (E&S) policies, which are regularly updated. Since 2018, these policies also prohibit the financing of oil production from oil sands and the production of oil in the Arctic.



FIND OUT MORE

- > Registration Document, Chapter V
- > [www.societegenerale.com/
en/commitments-to-the-fight-
againstclimate-change](http://www.societegenerale.com/en/commitments-to-the-fight-againstclimate-change)

PLACING OUR TRUST IN ENTREPRENEURS



Since our creation, Société Générale has been the bank for entrepreneurs and we support professionals, entrepreneurs and businesses of all sizes throughout their life and their business cycles. Through our investments and the projects we help bring to life, we fulfil our role in financing the real economy, fostering economic growth and creating jobs in the countries in which we operate.

Société Générale helps and advises entrepreneurs and future entrepreneurs at every step in their journey, regardless of the size of their business, their sector of activity or the type and scale of their plans. This support extends to all the Group's activities: as a trusted third party for financial transactions, in our support of employment, and as a partner of creativity and innovation. Our solutions are adapted to each country and each business sector.

IN FRANCE, the Bank has a reinforced organisation that structures our local network covering all customer segments: business leaders, professional customers, SMEs and very small enterprises.

INTERNATIONALLY, Société Générale makes our network and expertise available to all business customers. Our international subsidiaries offer very small enterprises and SMEs services that, like in Romania for example, combine traditional banking products and services with financing solutions eligible for national and European schemes and subsidies.

IN BUSINESS CREATION, the Bank provides tailored support to startups.

IN THE SOCIAL AND SOLIDARITY-BASED ECONOMY, the Group supports innovative ways of fostering sustainable economic development that combine environmental and social performance in different formats (companies, cooperatives, not-for-profit associations) with social cohesion and solidarity targets.

IN MICROFINANCE, the Group's various partnerships fund microfinance organisations in Africa and work in support of ADIE in mainland France and the French Overseas Territories.

€5.4bn
in financing for social/
societal well-being in 2018

Over 10,000
loans granted with
a COSME guarantee⁽¹⁾
totalling €250m
between 2016 and 2018

150
advisers dedicated
to startups in France

(1) European Union programme for the Competitiveness of Small and Medium-Sized Enterprises.



SUPPORTING STARTUPS AND YOUNG BUSINESSES

Societe Generale is a vital player in the startup ecosystem in France and around the world, with €70 million in outstanding loans to startups, a dedicated range of services and a network of 150 startup advisers. Investing in the future makes perfect sense in terms of the jobs created, the projects financed and the support given to small businesses. In 2018, the Bank

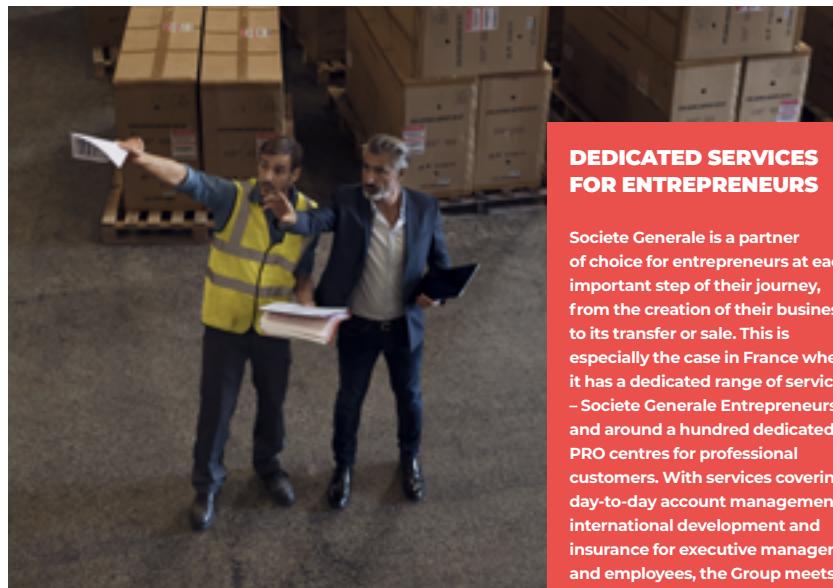
became a major patron of the Women In Africa Philanthropy foundation's Projet 54 which supports Africa's female entrepreneurs, who play an essential role in developing local economies. This unique project brought together 55 female entrepreneurs from 52 countries across Africa to benefit from targeted support, mentoring and publicity.

60,900

businesses under 3 years old supported by Societe Generale in France

including

24,300 in their first year of activity



DEDICATED SERVICES FOR ENTREPRENEURS

Societe Generale is a partner of choice for entrepreneurs at each important step of their journey, from the creation of their business to its transfer or sale. This is especially the case in France where it has a dedicated range of services – Societe Generale Entrepreneurs – and around a hundred dedicated PRO centres for professional customers. With services covering day-to-day account management, international development and insurance for executive managers and employees, the Group meets the requirements of companies of all sizes.

HELPING VERY SMALL ENTERPRISES AND SMEs GROW

As the first bank to sign the French *Pacte PME* (an agreement to encourage cooperation between large corporations and small businesses) in 2007, Societe Generale helps SMEs have access to our purchasing contracts and cultivates a relationship of mutual trust with our suppliers. This is one of the three priorities of the Positive Sourcing Program, which was developed in line with the Group's CSR ambitions. These initiatives continued in the eligible categories throughout 2018.



FIND OUT MORE

> Registration Document, Chapter V
> www.societegenerale.com/en/measuring-our-performance/csr-societal-trends-and-innovations

SUPPORTING REGIONAL DEVELOPMENT

We are convinced that local regions are crucial to the current transformations under way around the world and are helping meet the challenges that need to be addressed, namely developing improved social inclusion, new forms of mobility, building cities with coherent, interconnected networks and stimulating new forms of local economies.

This commitment encompasses several areas of action for Societe Generale, in terms of building smart cities and anticipating future uses as well as supporting local economic and social development initiatives. The wide range of challenges is reflected in our diverse financing solutions: microfinance for entrepreneurs in the social sector, solutions to encourage the development of sustainable mobility and the allocation of several billion euros to the Grand Paris project, which is set to become France's third urban revolution.

This programme is part of a major development priority for Societe Generale: sustainable towns and cities. Large cities will play a crucial role in investment programmes designed to offer the best possible services in terms of transport, energy and communications and to help fight climate change and achieve the United Nations Sustainable Development Goals (SDGs). By financing the energy transition, Societe Generale is contributing its expertise to this global challenge.



FIND OUT MORE

> Registration Document, Chapter V



SUPPORTING PEOPLE IN DIFFICULTY

At the end of 2018, Societe Generale announced a series of measures to protect the spending of the most financially vulnerable people in France, including new caps on payment incident fees. In complement to this, we developed specific services to finance in-home care for persons over 60. The Prévoyance Dépendance (Dependency planning) range of products is supported by an innovative system that won an award at the Profideo Innovation Awards. This system includes a website and an emergency assistance service available at all times in the assisted person's home via a button worn as a pendant or a smart bracelet.



ENCOURAGING SOCIAL AND SOLIDARITY-BASED ENTREPRENEURS

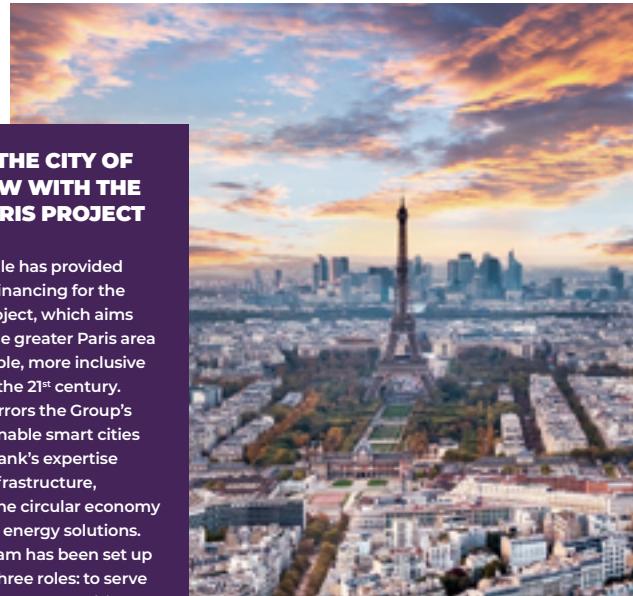
In 2018, as part of our partnership with ADIE (the French association for the right to economic initiative), Societe Generale extended €14 million in lines of credit to the social and solidarity-based economy and invested €167,000 under its social activities. Outstanding loans in the French Overseas Territories in partnership with ADIE amount to €2 million. The Bank also supports very small enterprises active in the social economy in partnership with France Active Garantie (Active France Guarantee) by promoting better access to banking services and offering financing solutions adapted to their requirements.



PREVENTING FINANCIAL PRECARITY

To promote greater financial inclusion, Societe Generale seeks to make its customer information even more transparent and easier to understand. We offer a number of simulators and budget calculators

on our website or partner applications. We also help parents teach their children about finance and budgeting with the "Your child and banking" module available on www.societegenerale.fr



BUILDING THE CITY OF TOMORROW WITH THE GRAND PARIS PROJECT

Societe Generale has provided €2.5 billion in financing for the Grand Paris project, which aims to transform the greater Paris area into a sustainable, more inclusive metropolis for the 21st century. This project mirrors the Group's vision of sustainable smart cities and uses the Bank's expertise in financing infrastructure, construction, the circular economy and renewable energy solutions. A dedicated team has been set up and assigned three roles: to serve as a partner to local authorities, to build the city of tomorrow via the Group's subsidiary Sogeprom, and to finance infrastructure and businesses involved in the project, including many SMEs. All of these roles incorporate strict environmental and social requirements.

€14.2m
in microfinance lines of credit available to ADIE

MOBILITY – A KEY PART OF THE ENERGY TRANSITION

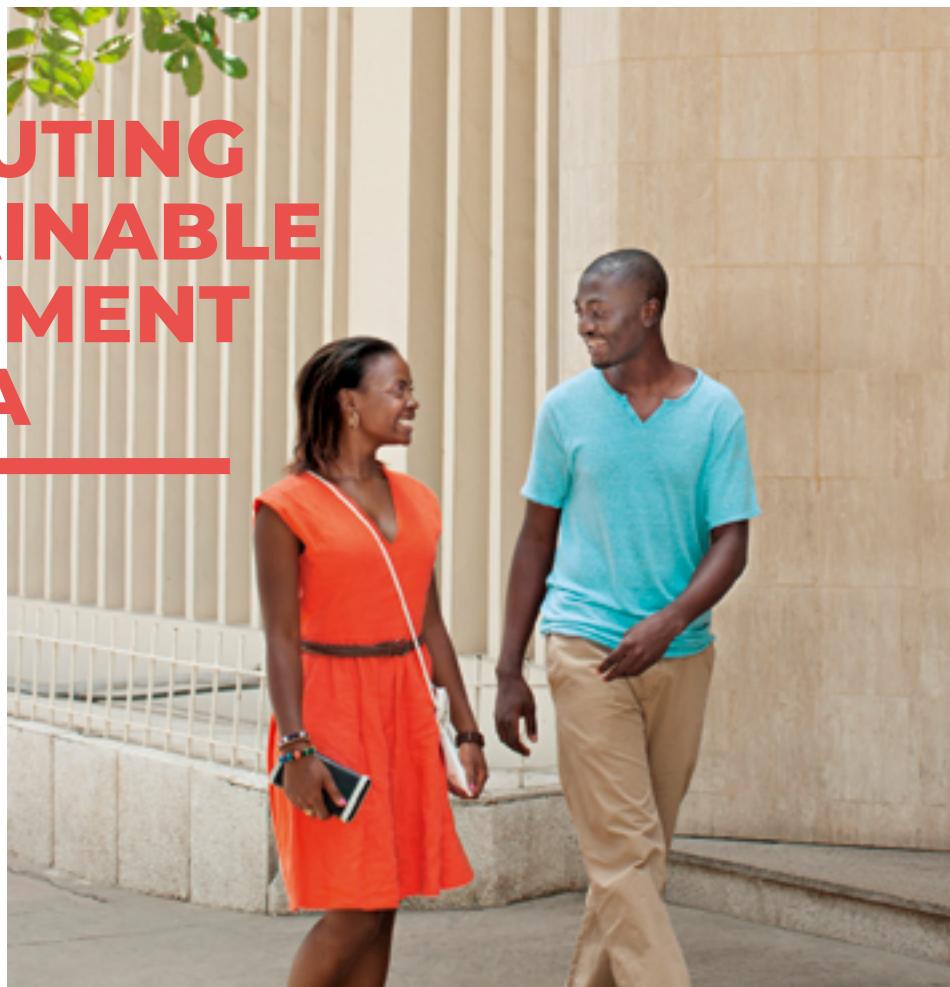
Societe Generale actively supports new forms of sustainable mobility in line with the energy transition. Our vehicle leasing and fleet management subsidiary ALD Automotive has a growing fleet of electric and hybrid vehicles. To finance these vehicles, ALD Automotive completed its first positive impact bond

issue of €500 million in October 2018. This issue won the Debt Financing Award from Option Finance in March 2019. The Bank also advised on the acquisition of Solaris Bus & Coach – one of the largest manufacturers of green vehicles in the European Union – by CAF, the world's leading railway equipment

supplier. With this mandate Societe Generale contributed to the creation one of Europe's leading sustainable urban mobility providers.

Over 100,000
electric and hybrid vehicles in ALD Automotive's fleet

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT IN AFRICA



With our unique position in Africa, we share a history with the continent that dates back over 100 years. We have solid roots in the real economy and have made Africa and its development one of the key pillars of our growth. This is the focus of the Grow With Africa programme, launched in November 2018 alongside the Transform to Grow strategic plan.

Societe Generale has an extensive and high quality retail banking network in Africa and is one of the largest international banks on the continent, where it combines the advantages of an international bank with the close relationships built by local banks. The Bank complements traditional financing solutions – 'bancassurance', structured financing, etc. – with offers designed with the continent's specific challenges and needs in mind, for example the new mobile money solution YUP.



FIND OUT MORE

> Registration Document, Chapter V
> <https://societegenerale.africa/en/>

GROW WITH AFRICA

Societe Generale applies its strategy of contributing to sustainable development in Africa through the Grow With Africa programme, launched in 2018.

The programme is in line with the UN Sustainable Development Goals in a spirit of partnership bringing together local regions, local players and international experts. All these stakeholders help develop the Bank's innovative financing solutions in four areas:

- multi-dimensional support for SMEs;
- infrastructure financing;
- financial inclusion;
- innovative financing solutions for renewable energy and agricultural businesses.

Societe Generale also actively supports women entrepreneurs across the continent and promotes social equality and the development of local talent in our African subsidiaries.

11,500
members of staff
in 19 countries
across Africa

3.7
million customers
including 150,000
businesses

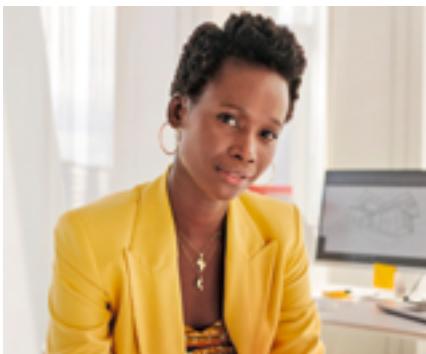
"We have an excellent network of women in Africa and around the world as well as strong relations with businesses and organisations. This means that there is no limit to what we can achieve in terms of empowering women in Africa."

Hafsat Abiola,
Executive President, Women In Africa



FINANCING THE GROWTH OF AGRICULTURAL BUSINESSES AND THE ENERGY SECTOR

Developing agriculture and improving access to energy are two major challenges facing Africa. At Societe Generale, we use our expertise and our ability to bring together partners to help progress these key growth sectors. In this way, the Group aims to provide a million farmers with access to a range of banking and non-banking services over the next five years via the YUP platform. To support energy inclusion, we are committed to testing solutions to support off-grid activities in areas not connected to the national grid within five years.



BETTER SOCIAL INCLUSION THROUGH FINANCIAL INCLUSION

As a major player in African economies, Societe Generale aims to serve people without access to banking or those who are excluded from traditional banking models. To do this, we have decided to help develop microfinance by providing loans and becoming involved in setting up dedicated organisations. In 2018, Societe Generale financed 21 microfinance organisations, with outstanding

loans totalling €81.4 million. We are committed to doubling the amount of outstanding loans by 2022. We are also rolling out simple products that are available to a large number of people, such as the YUP e-wallet. This mobile money solution allows people without a bank account to perform transactions and use a full range of financial services via a network of partners (service stations, retail outlets,

etc.). The Bank aims to register 1 million e-wallets in eight countries in sub-Saharan Africa by 2020. In the fourth quarter of 2018, YUP had nearly 375,000 users (an estimated 70% of whom had no prior bank account) and 6,000 licensed agents in five countries.

No. 1
in export financing
to Africa

X 2
increase in the number
of structured financing
staff in sub-Saharan Africa
by end-2019

FINANCING INFRASTRUCTURE

Societe Generale is a major player in infrastructure financing in Africa, which is crucial to the continent's development, in particular in energy, transport, waste management and healthcare. The Group will strengthen its contribution with a projected 20% increase in structured financing commitments in Africa over three years. To achieve this, the number of local experts in these financing solutions will double by the end of 2019. The Bank is also working with local, regional and international financial partners on solutions to extend the range of projects financed. A number of project financing deals were signed in 2018, including the construction of 18 bridges in Senegal, the Nachtigal hydroelectric power plant in Cameroon (a 2km dam that will supply nearly a third of the country's electricity) and a water treatment facility in Abidjan.

SUPPORTING THE DEVELOPMENT OF SMEs IN AFRICA

Small and medium-sized enterprises are central to the development of African economies. They account for 90% of private sector companies and employ 70% of rural populations. They are therefore essential to the emergence of a middle class in Africa and to employment. Societe Generale has set a target of increasing loans to African SMEs by 60% over the next five years. It is adapting its solutions to provide more effective support, for example with the opening of *Maisons de la PME* (SME support centres) in all the countries in which we operate. In partnership with local and international organisations including ADPME, Réseau Entreprendre, AFD-Proparco, Investisseurs & Partenaires, Bpifrance, Bureau de Mise à Niveau and APIX, and with mentoring support by Societe Generale staff, these centres offer entrepreneurs access to accounting, technical and legal expertise, advice and training to help them bring their project to life.

SUPPORTING YOUNG PEOPLE BUILDING THEIR FUTURE

It is our duty to help younger generations bring their plans to life. We support a range of initiatives enabling better professional integration and help young people prepare their future in the best possible conditions.

HELPING YOUNG PEOPLE BY FINANCING THEIR PROJECTS

Higher education, apprenticeships, travel, learning to drive... The lives of young adults offer a wealth of opportunities, and most require appropriate financing. Societe Generale helps young people in all areas of their daily lives. In France, for example, the adaptable student loan can be used to pay for university fees, a car, a computer or furniture. Dedicated solutions are also available to apprentices learning a trade to fund their training, tools or the establishment of their professional activity.

PROFESSIONAL INTEGRATION THROUGH RECRUITMENT

We have an active policy of enabling the professional integration of young people by attracting and hiring talented individuals and offering career opportunities that lead to professional qualifications. We prioritise the Group's former interns, international corporate volunteers and work-study staff when hiring young people and they account for 48% of junior staff recruited by Societe Generale in France on a permanent contract. Societe Generale has several strategies to attract

and retain young people, for example partnerships with universities and training centres and the funding of teaching and research programmes via 11 academic chairs, with total investments amounting to €4.45 million.

DISCOVERING THE BANKING PROFESSION

As a partner of the National Youth Days initiative, Societe Generale opens its doors to middle and high school students in France and around the world every year. With workshops, meetings, themed visits focused on topics such as cybersecurity, financial education, learning to code or sustainable mobility, this initiative enables participants to learn about the banking sector and its many businesses, and to talk about the world of work in the future. It also helps bridge the gap between academia and business.



No. 1

French company for the number of international corporate volunteer placements, with nearly 620 positions in 39 countries per year

9

Group subsidiaries from around the world took part in the National Youth Days in 2018

No. 1

employer in the Czech Republic. The Group's subsidiary Komerční Banka was named Top Employer in a survey of 10,000 Czech students

HELPING DISADVANTAGED YOUNG PEOPLE START WORK



DIGITAL TRAINING FOR JOSEEKERS AND STAFF IN RECONVERSION

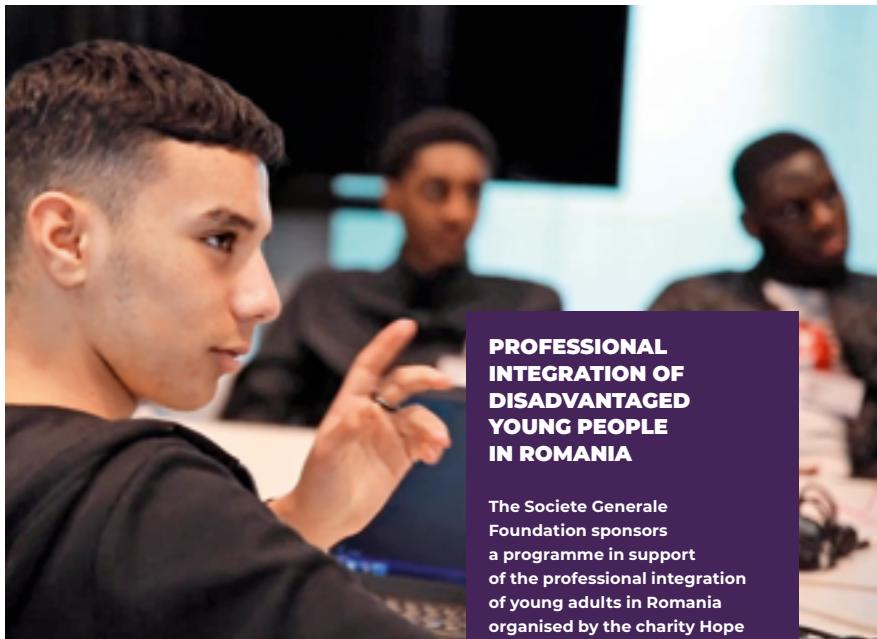
Societe Generale was a co-founder of the *Grande École du Numérique* digital school in 2016 and since October 2018 also offers a free training course for web developers leading to a professional qualification. The course lasts 21 months, including 18 months of work-study experience, and is aimed at jobseekers and Societe Generale staff seeking to retrain in another field. Lessons at the ITschool are provided in partnership with Simplon.co, a social digital training network. Graduates can obtain two recognised qualifications and become qualified (degree level equivalent) software developers, with access to a range of jobs. The 17 students in the first class, which started in October 2018, are currently in work-study programmes in Societe Generale group's IT divisions. The Societe Generale Foundation has sponsored Simplon.co since 2015. Together, they have set up several programmes in Africa, for example in 2018, a Coding School was inaugurated in Abidjan and Fabrique Simplon training centres were opened in Dakar and Tunis.

Since its creation in 2006, the Societe Generale Corporate Foundation for Solidarity has been active in professional integration through education, in particular through sports and cultural initiatives, and it encourages citizen commitment projects among members of staff. Our staff's commitment is highlighted through annual Citizen Commitment Time activities in France and around the world including financial education, mentoring, solidarity days and pro bono days. In 2018, over 18,000 members of staff around the world took part in solidarity initiatives organised by the company. For example, the Foundation has supported several actions organised by *Apprentis d'Auteuil* since 2011. This not-for-profit association helps disadvantaged young people in France and internationally. In 2018, the Foundation helped them set up a nationwide programme named *Ouvre-Boîte* (Open the company), which offers young adults a two-year training programme and full support to launch an entrepreneurial project and so prepare to start their

professional careers. The Foundation is also active outside France and since 2016 has sponsored *Terres en Mêlées* (TEM), an association that designs educational programmes based on rugby for children living in remote and marginalised areas. It also organises sports and cultural events for children and trains and assists young people committed to educational activities. TEM is currently present in Morocco, Togo, Burkina Faso and Madagascar. They work closely with local and international organisations.

1,022
projects sponsored
in 33 countries

Over 450,000
beneficiaries



PROFESSIONAL INTEGRATION OF DISADVANTAGED YOUNG PEOPLE IN ROMANIA

The Societe Generale Foundation sponsors a programme in support of the professional integration of young adults in Romania organised by the charity Hope and Homes for Children, which helps extremely disadvantaged children, teenagers and families. The programme enables young people to learn skills and basic interpersonal behaviours to prepare them for adulthood and the professional world.

Over 1,400
young people supported by *Apprentis d'Auteuil* have benefited from the Societe Generale Foundation's sponsorship since 2011

CREATING A MORE INCLUSIVE FUTURE



All around the world, Societe Generale's actions place great importance on sports, cultural and arts patronage.

SOCIAL INCLUSION THROUGH MUSIC

Societe Generale supports talented young musicians through musical patronage. Over more than 30 years, Societe Generale's Mécénat Musical association has become one of the leading patrons of classical music in France.

In 2018, the fourth edition of Playing for Philharmonie de Paris included three concerts by over 350 amateur musicians and Group staff. One of these concerts was open to the public with proceeds going to children's orchestras in the Démos scheme. The Démos orchestra programme enables over 3,000 children aged 7-14 from underprivileged urban neighbourhoods or remote rural areas to borrow an instrument and follow weekly music lessons.

CONTEMPORARY ART FOR ALL

Societe Generale's contemporary art collection boasts over 1,200 works by young and experienced artists from around the world. It embodies the Group's commitment to supporting artistic creation with the aim of sharing it with a wide audience and children in particular. Visits are organised with art specialists to enable children, students, staff members, as well as our partners, customers and the general public to discover the Collection.

The Collection is active with exhibitions and loans to museums and cultural organisations organised each year.

A LONG-STANDING COMMITMENT TO RUGBY

The Bank has shared the values of rugby since 1987 and supports the sport in all its forms around the world. Societe Generale is a partner of the French Rugby Federation, of the Top 14 and Pro D2 professional championships and of over 400 amateur clubs. In 2019 we signed a new partnership with Rugby Afrique to develop the sport in Africa, in particular by promoting women's and children's rugby competitions. Also in 2019, and for the sixth time, Societe Generale will be a major partner and official bank of the Rugby World Cup, to be held in Japan.

A COMMITTED PARTNER OF DISABLED SPORT

Societe Generale has been a partner of the FFH (French Disabled Sports Federation) since 2003 and has renewed its sponsorship until 2022 to continue to promote disabled sports and contribute to projects for young disabled athletes. The Group works with high level athletes such as Marie Bochet, eight-time Paralympic skiing champion, Perle Bouge, Paralympic rowing silver medallist and Jonathan Hivernat, captain of the French wheelchair rugby team, and is also a partner of the Wheelchair Rugby Commission and the French Paralympic team.

€39.3m

in cultural, sports and solidarity patronage in 2018

3,000

people visited the Collection in 2018

57

musical patronage partnerships

8,000

children will benefit from music lessons from Démos by 2022



FIND OUT MORE

> Registration Document, Chapter V
> www.societegenerale.com/en/about-us/commitments

**We would like to thank all the partners
and staff of Societe Generale group who
contributed to this report.**

ABOUT THIS REPORT

This second edition of Societe Generale's Integrated Report was inspired by the guidelines of the reference framework published by the International Integrated Reporting Council (IIRC). It presents Societe Generale's long-term vision and strategy, its business model, and how it creates value. As a joint project of the Communications and CSR departments, it describes the Group's activities and results for the 2018 financial year with a view to enhancing dialogue with all our stakeholders, in a proactive process of transparency and progress.

The Board of Directors was consulted on its development.

The information was selected on the basis of its relevance to Societe Generale's 2017-2020 strategic plan, Transform to Grow, and was informed by discussions with the Innovation, Strategy, Investor Relations, and CSR departments, as well as the Business Units and regional management teams, specifically in Africa.

Unless indicated otherwise, the information presented is valid as of 31 December 2018. Information about the Board of Directors does not take into account the decisions of the Annual General Meeting held on 21 May 2019 regarding the appointment of new directors.

*Abbreviations used: millions of euros: €m - billions of euros: €bn
Rankings: the source for all references to rankings is given explicitly. Where no source is given, the information is based on internal sources.*

ABOUT THE PRINTING OF THIS REPORT

Societe Generale entrusted the printing of this Integrated Report to Calligraphy-Print, a printer in Brittany with recognised environmental performance (ISO 14001 certified, Oscar in Sustainable Development for the Ille-et-Vilaine Department of France, Gold Corporate Social Responsibility assessment by Ecovadis, commitments to biodiversity, etc.). This partnership illustrates the Group's commitment to entrepreneurs and SMEs as well as the attention we pay to our suppliers' CSR performance.

"There is strong mutual trust because Societe Generale is also our bank and supports our investments in equipment and our real estate projects."

Olivier Pouchin, Chairman of Calligraphy-Print

**GROUP COMMUNICATION DEPARTMENT
CORPORATE SOCIAL RESPONSIBILITY DEPARTMENT**

CONCEPTION AND EDITORIAL CONTENT

Societe Generale and Capitalcom

DESIGN AND REALISATION

Angie

PHOTO CREDITS

Charly Broyez/Ateliers 2/3/4, Aurélien Chauvaud, La Company/Thomas Chéné,
Régis Corbet, Tom Craig, Getty Images, Fotolia, iStock, M. Kotlarski, Ike Li,
Victor Moreira, Andy Paradise, Societe Generale, Yann Stofer,
Urbavox/ Jean-Pierre Porcher/Architect Anne Démians, Vitaly Yurasov

SOCIETE GENERALE

Societe Generale Towers -75886 Paris Cedex 18
Head Office: 29, bd Haussmann -75009 Paris
Telephone: +33 (0)1 42 14 20 00

A French limited company (Société anonyme) founded in 1864
Share capital in euros at 11 December 2017: 1,009,897,173.75
Paris Trade & Corp. Reg. no. 552 120 222

PRINT AND DISTRIBUTION

SG Publishing Services/Printouts and Logistics Unit

OTHER PUBLICATIONS

www.societegenerale.com

Registration Document 2019
Risk and Pillar III Report 2018



Société Générale



@SocieteGenerale