

2016-2017

ENTREPRENEURS IN ACTION





**A NEW WORLD
IS EMERGING,
PRESENTING A CHALLENGE
FOR ALL BUSINESSES.**

How to maintain a state of constant agility?

Ride the wave of the digital revolution?

Build new ways to interact with clients?

Invent new services, new partnerships
and new ways of creating value?

While also ensuring full corporate responsibility?

All these challenges are about the future. Which is why, instead of a report focusing on the past twelve months, we'd like to offer you a publication looking at what's to come. At Societe Generale, we are convinced that entrepreneurial spirit is a powerful force for reinvention. So, we decided to give entrepreneurs, clients, partners and members of staff the opportunity to give their point of view. Each one, in their own way, is driving progress within their company, the economy and the wider society. Over the following pages, they all share their vision of entrepreneurship in a changing world.

**WE ARE PART
OF A COMMUNITY OF VALUES.
WE INVITE YOU TO SHARE THIS VISION.
WE HOPE YOU ENJOY THIS REPORT!**

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A BANK SERVING ITS CLIENTS AND THE ECONOMY —

OUR AMBITION
TO BE THE
RELATIONSHIP-FOCUSED
BANK, A REFERENCE
IN ITS MARKETS,
CLOSE TO ITS CLIENTS
AND CHOSEN FOR
THE QUALITY AND
COMMITMENT OF ITS TEAMS

OUR VALUES
TEAM SPIRIT
INNOVATION
RESPONSIBILITY
COMMITMENT

145,700
members of staff⁽¹⁾
123 different nationalities
present in 67 countries


31
million clients⁽²⁾:
individuals, professionals,
companies & financial
institutions

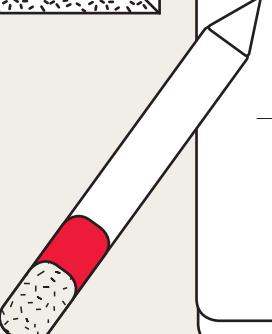

SOCIETE GENERALE
TWITTER AWARD BRONZE
#CUSTOMER CATEGORY
1st bank and only
French brand awarded

Crédit du Nord
NO. 2 IN CLIENT SATISFACTION
Individual, professional
and business markets

KB
BANK OF THE YEAR 2016
Czech Republic

ALD Automotive
VOTED BEST CUSTOMER SERVICE IN 2017
France & Spain

SOCIETE GENERALE Corporate & Investment Banking
BEST INVESTMENT BANK IN FRANCE
Euromoney 2016
and Global Finance 2016



(1) Rounded figure. Headcount at end of 2016, excluding temporary staff. (2) Excluding insurance policyholders.

A SOLID AND DIVERSIFIED BANK —

€25.3bn
NET BANKING INCOME

€3.9bn
GROUP NET INCOME

11.5%
COMMON EQUITY TIER 1 RATIO

3
COMPLEMENTARY CORE BUSINESSES

FRENCH RETAIL BANKING
The strength of three complementary brands:
Societe Generale, Crédit du Nord and Boursorama

-

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES
Solid and recognised positions in its diverse markets

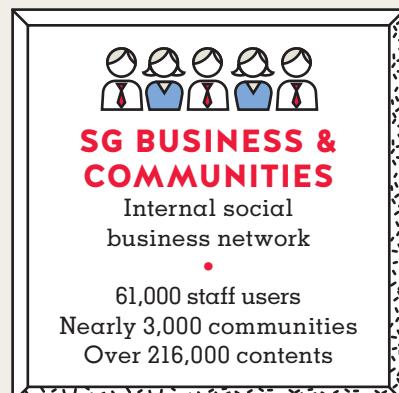
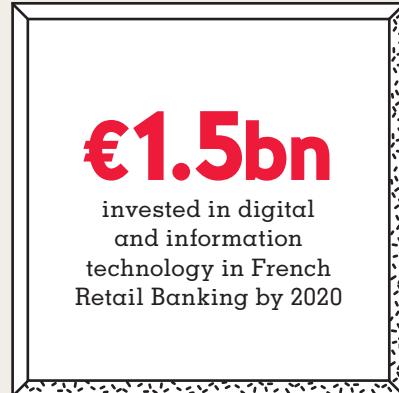
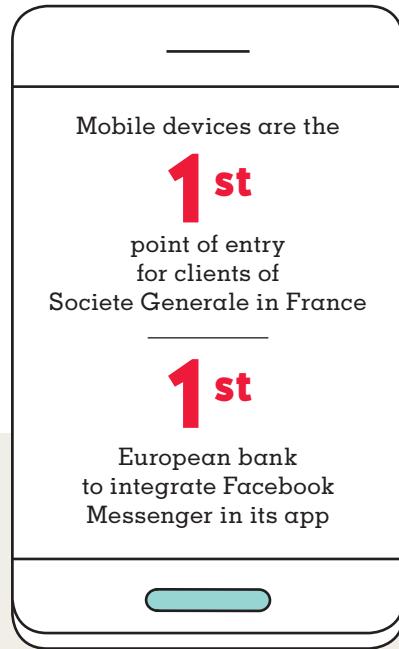
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GLOBAL BANKING AND INVESTOR SOLUTIONS
Integrated and tailored solutions at the hub
of economic flows between issuers and investors

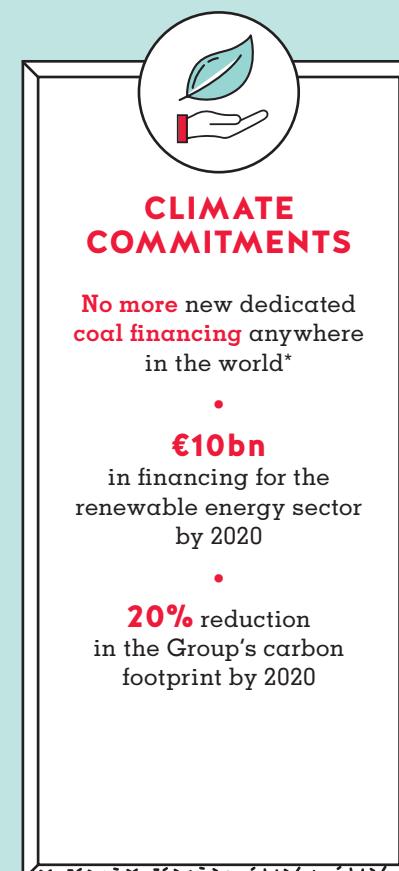
Societe Generale's long-term rating at 7 March 2017

A	FITCH RATINGS,
A	STANDARD & POOR'S
•	AND R&I
A (HIGH)	DBRS
•	A2
	MOODY'S

AN INNOVATIVE AND DIGITAL BANK —



A RESPONSIBLE AND COMMITTED BANK —



*This decision is in effect as of 1 January 2017.

“IT IS CRUCIAL THAT, EVERY DAY, THE GROUP FULFILS ITS ROLE AS A BANKER IN AN ETHICAL AND RESPONSIBLE MANNER”

LORENZO BINI SMAGHI
CHAIRMAN OF THE BOARD OF DIRECTORS

In 2016, the Board of Directors of Societe Generale was increasingly involved in risk management and internal control issues, notably developing relationships with banking regulators in Europe and the United States. This involvement underscores the essential role of the Board - which is ultimately responsible for the risks taken by the Bank - in ensuring the Group's successful performance. A study carried out by external consultants in 2016 highlighted the quality of the Board's work, and has been extended to the individual role of each director.

In addition, following the departure of two of its members, the Board reflected on its future balance and composition. In 2017, it will reinforce its financial and digital expertise through the appointments proposed at the General Shareholders' Meeting of 23 May, 2017 while also maintaining its international and gender-equal nature.

My Board colleagues and I have continued to pay close attention to matters of Culture and Conduct. It is crucial that, every day, the Group ensures it fulfils its role as a banker in an ethical and responsible manner, thereby maintaining the trust of its clients and the company's reputation over the long term.

Building on these solid foundations, in 2017 Societe Generale, under the aegis of the Board of Directors, will prepare a new stage in its development and transformation, for the benefit of its clients and in the best interests of all its stakeholders.



BOARD OF DIRECTORS —



◆ **LORENZO BINI SMAGHI**
Chairman of the
Board of Directors
Independent Director



◆ **FRÉDÉRIC OUDÉA**
Chief Executive
Officer



◆ **ROBERT CASTAIGNE**
- Company Director
- Independent Director
- Member of the Audit and
Internal Control Committee
- Member of the
Nomination and
Corporate Governance
Committee



◆ **BARBARA DALIBARD**
- Chief Executive Officer of
SITA Group
- Independent Director



◆ **JUAN MARÍA NIN GENOVA**
- Company Director
- Independent Director
- Member of the Risk
Committee
- Member of the
Compensation
Committee



◆ **NATHALIE RACHOU**
- Company Director
- Independent Director
- Chairwoman of the Risk
Committee
- Member of the Audit and Internal
Control Committee



◆ **ALEXANDRA SCHAPVELD**
- Company Director
- Independent Director
- Chairwoman of the
Audit and Internal
Control Committee
- Member of the Risk
Committee



◆ **KYRA HAZOU**
- Company Director
- Independent Director
- Member of the Audit and Internal Control Committee
- Member of the Risk Committee



◆ **JEAN-BERNARD LÉVY**
- Chairman and Chief
Executive Officer of EDF
- Independent Director
- Chairman of the
Compensation
Committee
- Member of the
Nomination and
Corporate Governance
Committee



◆ **FRANCE HOUSSAYE**
- Director elected
by staff members
- Product and
Partnership
Coordinator at
the Rouen branch
in France
- Member of the
Compensation
Committee



◆ **ANA-MARIA LLOPIS RIVAS**
- Founder, Chairwoman
and Chief Executive
Officer of Global
Ideas4all
- Independent Director
- Member of the
Nomination and
Corporate Governance
Committee



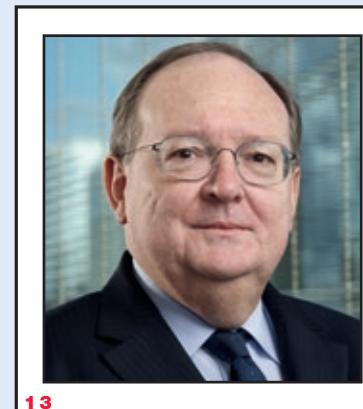
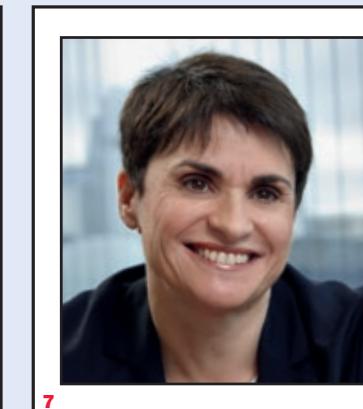
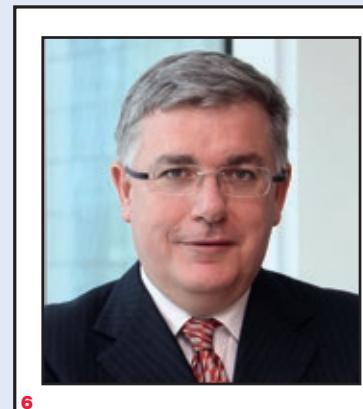
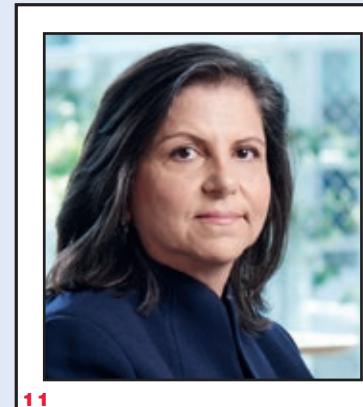
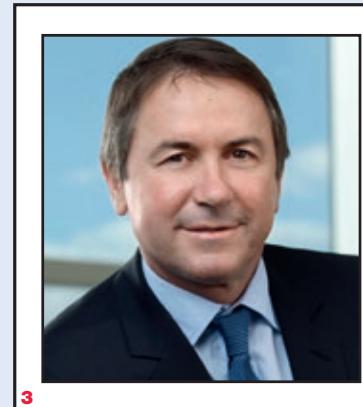
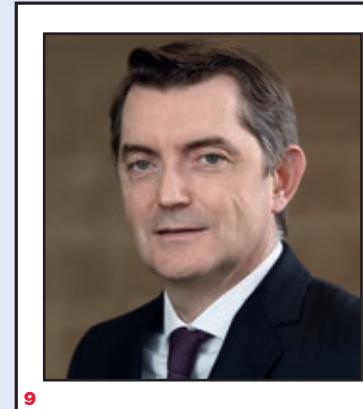
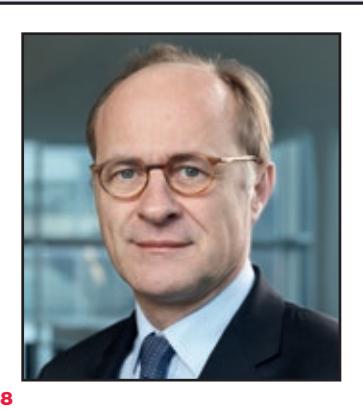
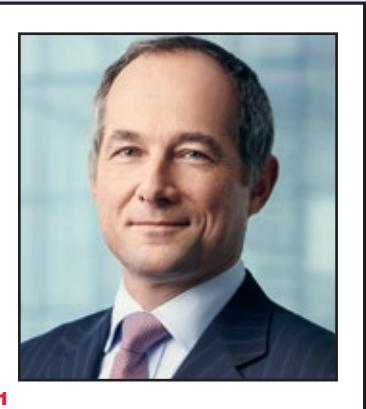
◆ **BÉATRICE LEPAGNOL**
- Director elected
by staff members
- Union Activities Advisor
at the Agen branch
in France



◆ **GÉRARD MESTRALLET**
- Chairman of the Board
of Directors of Engie
- Independent Director
- Chairman of the
Nomination and Corporate
Governance Committee
- Member of the
Compensation Committee

EXECUTIVE COMMITTEE

THE EXECUTIVE COMMITTEE, UNDER THE AUTHORITY OF THE CHIEF EXECUTIVE OFFICER, DEFINES THE COMPANY'S OVERALL STRATEGY AND SUPERVISES ITS EXECUTION. COMPOSED OF 13 MEMBERS, THE COMMITTEE REPRESENTS THE GROUP'S VARIOUS BUSINESS LINES AND ACTIVITIES.



1. **FRÉDÉRIC OUDÉA**
Chief Executive Officer
2. **SÉVERIN CABANNES**
Deputy Chief Executive Officer
3. **BERNARDO SANCHEZ INCERA**
Deputy Chief Executive Officer
4. **DIDIER VALET**
Deputy Chief Executive Officer
5. **GILLES BRIATTA**
General Secretary
and Group Chief
Compliance Officer
6. **LAURENT GOUTARD**
Head of Société Générale
Retail Banking in France
7. **CAROLINE GUILLAUMIN**
Head of Group Communication
8. **DIDIER HAUGUEL**
Co-Head of International
Banking and Financial Services
9. **PHILIPPE HEIM**
Group Chief Financial Officer
10. **ÉDOUARD-MALO HENRY**
Group Head of Human Resources
11. **DIONY LEBOT**
Group Chief Risk Officer
12. **FRANÇOISE MERCADAL-DELASALLE**
Group Head of Corporate
Resources and Innovation
13. **JEAN-LUC PARER**
Co-Head of International Banking
and Financial Services

As of 16 January 2017

— “CULTIVATING OUR PIONEERING SPIRIT TO STAND OUT”

FRÉDÉRIC OUDÉA
CHIEF EXECUTIVE OFFICER



From the economic environment to regulations and client expectations, everything is changing. How do you view the challenges facing Societe Generale group?

Frédéric Oudéa In recent years, we've faced and overcome a succession of crises and adjusted our practices and our banking model to suit the new framework established by our regulators. At the same time, even when our economic environment has been unfavourable, as it has been in France for example, we've managed to maintain our business momentum, develop our clientele and gain market share, as shown by the strong performance of all of our core businesses in 2016.

We're now on track to continue with our strategy of growth through differentiation, and we're entering

a new phase in this process. We want to stand out from the other European banks and become a benchmark in our areas of business, in a world that will need strong banking players like never before, whatever the political and institutional environment. We want to stand out through our ability to have a greater impact on our clients, to innovate faster and better than others, and to fulfil our mission of serving our clients and the countries where we operate with utmost responsibility. To accelerate this momentum, we will adopt an organisational structure in 2017 that is simpler, more agile and centred on the needs of our clients.

For a company to survive, remain attractive to its clients and motivate its staff, it needs to grow, transform and move forward. That's what we're doing. To ensure we stand out on a day-to-day basis, we are building on our entrepreneurial culture, which is part of our DNA.

How do you apply this entrepreneurial spirit on a day-to-day basis?

First and foremost, by maintaining one constant priority: the client. I never forget that we are a service company. Enhancing the quality of our services - and the satisfaction that our clients derive from them - is our common goal. When the entire company is united in its client focus, you bring down barriers and create a movement that surpasses the constraints of the organisation.

As part of this approach, how do you address innovation?

First of all, by establishing the principle that innovation is vital to our client-centred transformation. Focusing on our clients means we must instinct-

By studying clients' needs, we're creating new services and new business models for the Bank.

ively ask ourselves how we can innovate to better serve them. However, for innovation to translate effectively and quickly into new services and new solutions for our clients, it must be embraced by the core businesses and staff members and become directly integrated with our activities. It has to come from everyone in the company. That's why we're in the process of developing new ways of working together. We're not only doing this in the spaces specifically dedicated to innovation, such as The Dunes, our new site located just east of Paris that uses the fully collaborative methods that represent the way we will work tomorrow. We're also applying agility in our operating methods by removing barriers and setting up small, cross-functional and responsive teams that develop collective intelligence for our clients' benefit.

We follow the same approach of proximity and openness with our innovation partners. In Africa, for example, we've forged a network of links with local start-ups. We're developing projects with them that can be very simple in principle but offer significant improvements for our clients. In six African countries, we're launching an alternative banking solution using mobile technology. Without the need for an Internet connection or a bank account, users will be able to make payments and deposit or withdraw cash through a network of retail partners who will be recruited and trained by drawing on our extensive local presence. This is another example where, by studying clients' needs, we're creating new services and new business models for the Bank.

In France, where 40% of the population uses multiple banks, Boursorama, a pioneer and leader in online banking, has shared their account aggregation solution, developed through their acquisition of Fiducéo, across the Group's retail banking network.

Turning to another area, when we wanted to float our subsidiary ALD, which specialises in fleet vehicle management, on the stock

exchange we provided the means for the company to accelerate its dynamism in terms of development and innovation in emerging mobility services, thereby helping to create value for its clients, the company and the Group. All of this comes down to the same entrepreneurial energy.

How do you reconcile this need for agility with the constraints and responsibilities of being a bank?

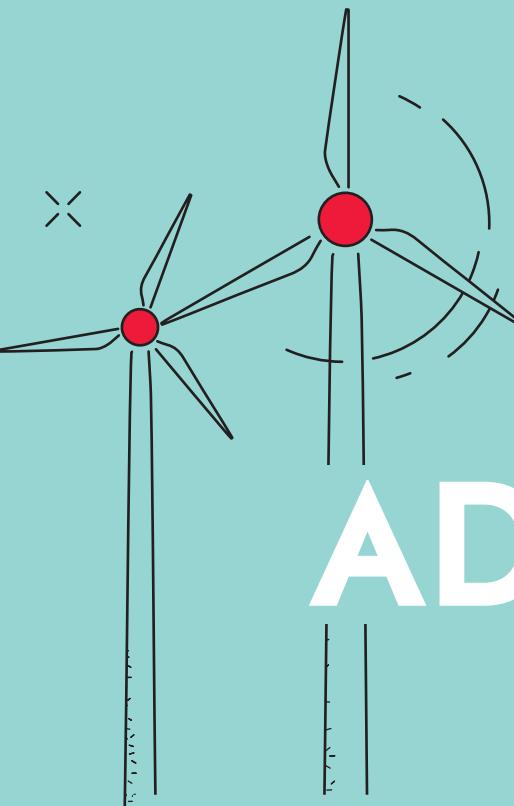
The answer lies primarily in culture. Whether our staff are at a branch in Russia, the Czech Republic or France, or engaged in a market operation in Singapore or New York, we all share a number of values that create the company's sense of unity and coherence. We apply these values through individual actions and daily practices, employing what we call our Leadership Model. In other words, our management model is focused on one objective, aided of course by our Human Resources policy: to develop, encourage and promote attitudes among our staff that tangibly illustrate our values of Team Spirit, Innovation, Responsibility and Commitment. This behavioural aspect is at least as essential to the success of our business as all of the procedures and rules of compliance that we've reinforced in response to the legitimate requirements of our regulators.

In addition, as a major bank we have a duty to ask ourselves how we can be responsible entrepreneurs, not only to meet the compliance requirements that apply to our business lines but also more generally with respect to the economy, the environment and the society in which we play an important role. We're addressing this responsibility in a number of ways, such as our decisions to fight climate change, stop new dedicated coal financing and double our renewable energy financing by 2020. Our strong civic commitment - both at Group level and by our staff - is grounded in the same responsible approach that we all share.

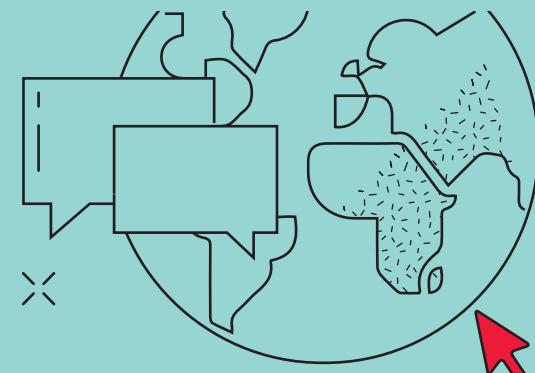
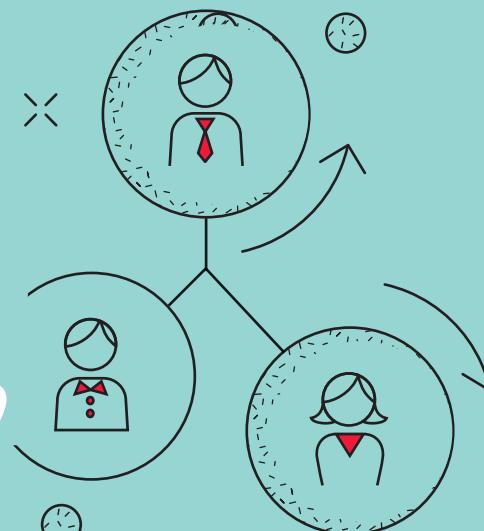
As a major bank we have a duty to ask ourselves how we can be responsible entrepreneurs.

Fundamentally, is entrepreneurial spirit in itself a differentiating factor?

I fully believe it is. Société Générale was created to finance the growth of companies. I believe it is essential for us to cultivate the pioneering spirit that we've always shared with our entrepreneurial clients. It's a state of mind that's driving us to go faster and further as we develop our unique position. It's especially important given that we live in a world where tolerance of non-compliance has fallen to zero, and where the risk is that everyone is afraid of going outside their comfort zone and taking initiative for fear of a sanction. Consequently, there's a strategic advantage in maintaining an entrepreneurial and responsible approach, where we take controlled risks for our clients, and where we inspire talented people to become bankers and be part of our company's team effort.



ADVANCING THE ECO NOMY, CONTRIBUTING TO DEVELOPMENT



VIEWPOINTS

16

DIDIER VALET

Deputy Chief Executive Officer
of Societe Generale

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XAVIER NIEL

Deputy Chairman and Founder
of Iliad Group

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TOBIAS MARTINEZ

Chief Executive Officer
of Cellnex Telecom

“BE ENTREPRENEURS JUST LIKE OUR CLIENTS”

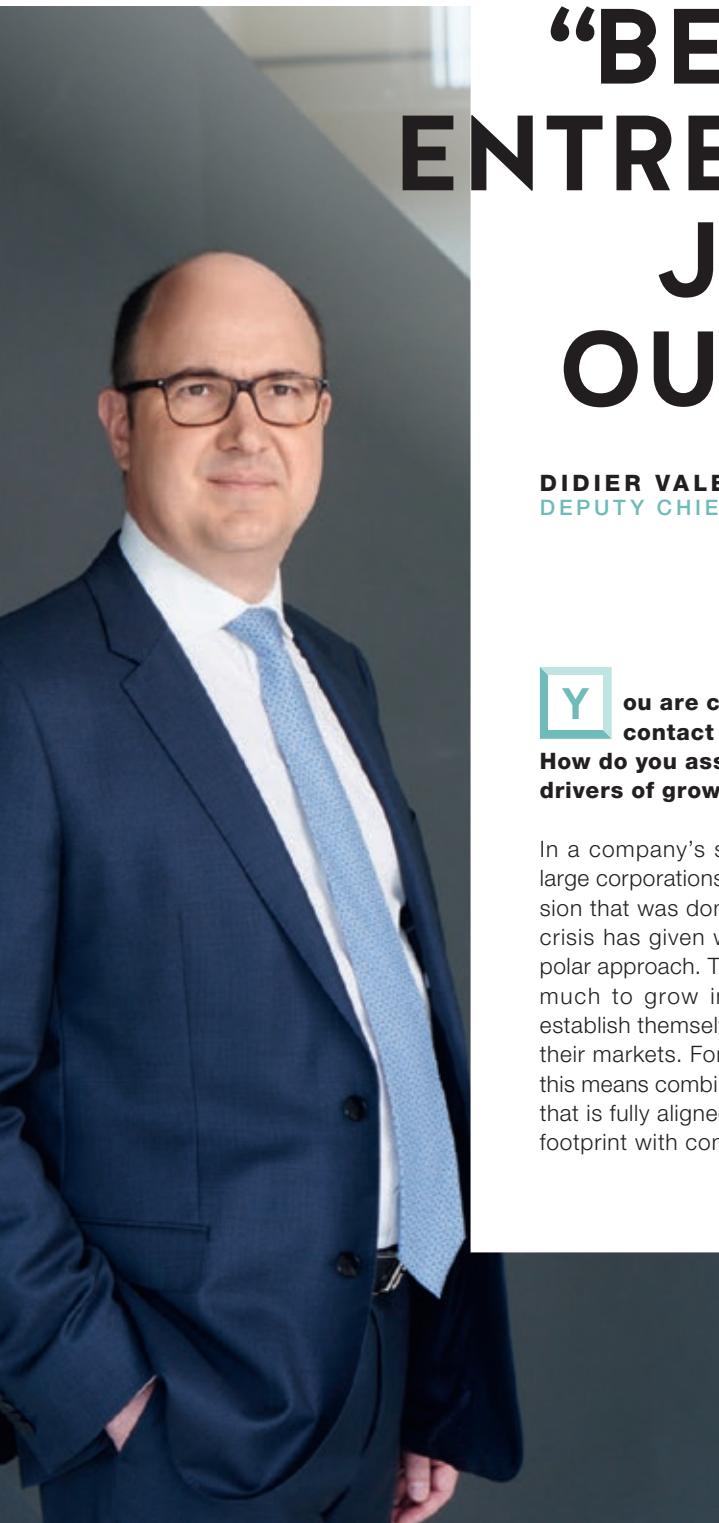
DIDIER VALET
DEPUTY CHIEF EXECUTIVE OFFICER

You are constantly in contact with businesses. How do you assess their current drivers of growth?

In a company's strategy, particularly large corporations, the drive for expansion that was dominant until the 2008 crisis has given way to a more multipolar approach. Their objective isn't so much to grow in size but to firmly establish themselves locally, in each of their markets. For us, as their partner, this means combining a local approach that is fully aligned to their geographic footprint with comprehensive support

for their transactions, their investment decisions and their financing. For example, we've launched an initiative to support Chinese companies seeking to develop their business in Africa, where Societe Generale has a very strong presence.

Our diversified banking model is well suited to this new paradigm, as we have to be capable of supporting our clients at all the key moments of their business, enabling them to access financing, expand internationally and hedge their risks, for example. However, it's really in day-to-day actions that we need to demonstrate our ability to provide our clients with the right expertise and the right teams.



We bring together different fields of expertise in response to often complex issues.

Everything moves fast in the corporate world. When you're a large bank, how do you keep up?

It all comes down to transforming at the same pace as your clients. Digital technology and paperless procedures help us by simplifying a whole series of tasks. However, above all, digital technology should be used to simplify the way in which the bank works for its clients, so that the interface between bank and client is ever more responsive and targeted. What makes the difference is, of course, the level of expertise and the advisory aspect, but it's also the capacity to align all of our teams with our clients, and ultimately, to be entrepreneurs just like them. In our corporate and investment banking activities, for example, we bring together different fields of expertise in response to often complex issues.

Ahead of a project being launched, the Bank's research teams develop the intangible aspect of our offer, which is in itself an element of value creation. The solution's effectiveness then derives from the ability to coordinate its various components quickly and with intelligence.



€2,244 m

IN POSITIVE IMPACT FINANCING IN 2016

Is this ability to rapidly assemble a range of different expertises a key differentiating factor?

Yes, indeed. Take the example of our Societe Generale Entrepreneurs offer dedicated to Small and Medium-sized Enterprises in France. More than just an offer, it is an integrated system that we've rolled out based on the needs of company leaders. We've addressed all of their needs, in terms of the everyday management of their company, their business development

goals, and their individual wealth management needs. At the same time, we've assembled all the corresponding expertise under the same roof, enabling our retail banking, corporate and investment banking and private banking teams to work closer together. Our entrepreneurial clients also benefit from our local networks and the expertise networks within their region, offering them the same ready access as a major client in Paris. This multi-expertise approach is key to supporting them with all aspects of their business. The personal involvement of the banker in their advisory role, particularly when it comes to supporting a client with a strategic operation for their company, is therefore key, but it doesn't happen without all the teamwork that contributes to the consultation and makes it possible to mobilise a range of expertise.

Economies will increasingly become driven by “green” growth. What can a bank like Societe Generale contribute in this area?

We are fully involved in the responsible development of economies. For example, we've decided to commit ourselves to the fight against climate change, and we're now a key player in renewable energy financing.

SPOTLIGHT

MANAGE MARKET RISKS TO FOCUS ON YOUR BUSINESS

**PASCALE MOREAU**

GLOBAL HEAD OF FIXED INCOME & CURRENCIES CORPORATES SALES,
SOCIETE GENERALE CORPORATE & INVESTMENT BANKING

This multi-expertise approach is key to supporting our clients in all aspects of their business.

This strategic decision is directly reflected in the projects that we support. We contributed, as arrangers, to the financing of the major wind and solar installations constructed in recent months in France, the United Kingdom and Northern Europe. In early 2017, we also helped France with its first sovereign green bond issuance, which was met with a great success by investors. We firmly believe in these types of solutions, and we want to contribute our expertise to their development. It's in this spirit that we became one of the pioneering banks behind Positive Impact Finance initiatives, aimed at expanding support for activities that produce a positive impact on the economy, environment and society, as verified by agreed indicators. To date, we have successfully carried out two Positive Impact bond issues totalling €1 billion. We have expanded our research teams and our offer in all areas of responsible investing. Once again, before implementing our solutions and applying financial engineering, we can advise our corporate and investor clients with their financing or investment strategies. That's how we fulfil our commitment to our clients and the economy.

"As soon as their company is created, entrepreneurs are of course confronted with risk-taking. While an entrepreneur may be perfectly capable of handling the risks directly related to their business - industrial or operational risks, for example - it's less true for other areas, such as currency and interest rate risks, which require a special kind of expertise and monitoring. Businesses are not always equipped to track and manage all of their hedging products."

At Societe Generale, a dedicated team of experts supports businesses with these issues through regular dialogue with the client, because risks evolve, both over the lifetime of the company and under the influence of the financial markets. Helping companies manage currency and interest rate risks, or commodity risks, means helping the real economy grow."

**XAVIER NIEL**

DEPUTY CHAIRMAN, FOUNDER AND MAJORITY SHAREHOLDER OF ILIAD GROUP, THE PARENT COMPANY OF FREE MOBILE

An iconic figure in the world of entrepreneurs, Xavier Niel, who revolutionised the telecommunications market in France, is also majority shareholder of French press group Le Monde. In 2013, he founded the "École 42", an IT school with a radically new teaching approach. In 2017, he launched Station F, a vast start-up campus designed to accommodate one thousand new businesses in the heart of Paris. ■

"TODAY'S NEW ECONOMY IS TOMORROW'S OLD ECONOMY"



SEEK OUT TALENT WHERE NOBODY ELSE LOOKS

Coming from a fairly modest background myself, I wanted to create a different kind of IT school, free and open to those who hadn't graduated from high school. Today, École 42 has 3,000 students in

The word "entrepreneur", used around the world, is a French word. That's no coincidence!

France and 1,000 in the United States. It has been a resounding success! Its selection method allows us to find talented young people in places nobody else is looking. We intend to go even further by providing these young people with affordable housing. Moreover, with Societe Generale we are guaranteeing student loans of €15,000. When they leave École 42, these students can find a job paying €42,000 a year – remember that 40% of them left school with no qualifications!

GUIDE YOUNG PEOPLE TOWARD ENTREPRENEURSHIP

The best way to avoid unemployment is to create your own business. France is a wonderful country in this respect, as it provides substantial support to those creating businesses. For example, you can continue receiving unemployment

TOBIAS MARTINEZ
CHIEF EXECUTIVE OFFICER OF CELLNEX TELECOM

In a few short years, Cellnex Telecom has transformed itself from a regional Spanish broadcaster into Europe's leading wireless telecommunications infrastructure operator. Cellnex CEO Tobias Martínez explains how a rapid expansion programme enabled the company to nearly double its revenues and connect millions of people across five countries every day. ■

benefit while you're setting up your company, and specific financing is available from Bpifrance to help start-ups. However, there was a lack of leverage to help young people from less privileged backgrounds become entrepreneurs. Station F will be the emblematic place to provide them with the means and desire to do just that. We have bought the former Halle Freyssinet, 3.5 hectares on the left bank of Paris, to create an "entrepreneurs campus" that will accommodate a thousand start-ups. We have designed it to be a modern and trendy place, the world's largest start-up campus, by joining forces with partners such as HEC, Venteprivée.com, Facebook, etc. Our endgame is not to make a profit, but simply to cover the costs.

FRANCE: A BREEDING GROUND FOR ENTREPRENEURS

The word "entrepreneur", used around the world, is a French word. That's no coincidence! We have, in our DNA, this ability and eagerness to undertake, to be entrepreneurial, even after years of sluggish economic growth...



I wake up every morning feeling genuinely happy and eager about going to work and being an entrepreneur. There's a lot of adrenaline in everything I do.

Today's new economy is tomorrow's old economy. If you fail to modernise a country's economy, that country will no longer exist. Our CAC 40 companies – which are long-established companies – were once start-ups too, born of amazing entrepreneurial adventures. In order for us now to be capable of creating businesses ourselves that will still be around in a hundred years, we absolutely need this breeding ground of business creators.

BUSINESSES AND THE DIGITAL CHANGE

It's very difficult for those companies, because the way they operate doesn't allow them to 'disrupt' their activity. From a purely capitalistic standpoint, I think it is healthy to have companies being created as other disappear – although I'm not saying I would like to see any CAC 40 company disappear! In the past, creating a business required massive investment, often with family

resources, making it impossible for newcomers to get going. Today, the world's largest companies in terms of market capital are mostly tech companies created by just one or two people and with little or no initial equity.

As for myself, I wake up every morning feeling genuinely happy and eager about going to work and being an entrepreneur. There's a lot of adrenaline in everything I do...



"PIONEERING CHANGE"

To me, entrepreneurship means leadership and it is the key to transforming a young business into a fast-growing pioneer. I cannot imagine trying to build an international platform without a strong belief in entrepreneurial spirit. I started my first business at the age of 22 and, after it was sold, I was the first employee of the telecoms

infrastructure branch of the Abertis Group, set up in 2000. Together with Francisco Reynés, Cellnex's current Chairman as well as Abertis's CEO, we took a proactive approach to convince the Abertis board and shareholders to step outside the group's comfort zone as a world-leader in road infrastructure and expand its telecoms infrastructure activity internationally in 2007, and then launch an IPO to create Cellnex Telecom in May 2015.

Over the past four years, Cellnex has doubled its revenues to €707 million and is now active in Spain, Italy, France, Holland and the UK. As our largest shareholder, Abertis continues to support our vision to develop the digital economy by creating and maintaining a leading European wireless telecommunications infrastructure network. Anticipating the future direction of the market, we saw an opportunity to improve efficiency by reducing the redundancies created by parallel network deployments, which we have described as "decommissioning". ■

It is important to remain agile in a fast-paced sector.

SUPPORTING INTERNATIONAL BUSINESS

I cannot imagine trying to build an international platform without a strong belief in entrepreneurial spirit.

MAKING A LONG-TERM COMMITMENT

We have the trust of our external partners, they understand our business model and this helps us to make the right decisions in executing our vision. In addition to the support we received for our IPO in May 2015, the issue in 20 months of close to €1.8 billion of corporate bonds lasting from seven to sixteen years also shows the confidence the financial markets have in our approach and our long-term commitment to this market. This provides us with greater flexibility and the ability to pursue further growth opportunities. As such, developing strong relationships with financial partners such as Societe Generale has helped us to plan for the future, underpinning the continued expansion of our European presence. If you don't have the right partners you will not succeed.

We believe this model empowers our employees and enhances the decision-making process.

The lean approach has also helped Cellnex to become a leading innovator in the telecoms infrastructure industry. We are already planning and starting to execute our response to new, disruptive technologies such as 5G, for example. While contributing to secure connectivity for trillions of objects, we are paving the way for the development of robotics in areas such as autonomous cars. 5G and the so-called Long Term Evolution (LTE) technologies will require increased and denser infrastructural capacity. Open innovation is a key element of our approach in addressing this need. We are positioning Cellnex to respond to the paradigm shift that 5G represents within our market by partnering with industry vendors and academia to research groundbreaking ways to develop and deploy this new technology.

We then share the benefits of this approach with our customers, the network access providers, leaving them free to focus on and grow their core value-added proposals based on the delivery of content and data packages to their customers.

LEAN THINKING SUPPORTS AGILITY AND INNOVATION

It is important to remain agile in a fast-paced sector such as telecoms. With this in mind, Cellnex has implemented a lean infrastructure and a matrix-style hierarchy. For example, our €240 million Italian business employs only around 100 people. The same business model is replicated throughout our organisation, with adjustments made for different cultures and countries.

1/3

FRENCH COMPANIES THAT EXPORT ARE ASSISTED BY SOCIETE GENERALE*



INFRASTRUCTURE FINANCING TAKES OFF

THE GROUP RECEIVED A MANDATE TO ACT AS A FINANCIAL ADVISOR IN THE RENOVATION OF LAGUARDIA AIRPORT IN NEW YORK CITY. THE \$4-BILLION TRANSACTION IS THE BIGGEST AIRPORT FINANCING OPERATION AND THE LARGEST PUBLIC-PRIVATE PARTNERSHIP EVER UNDERTAKEN IN THE UNITED STATES.

A LANDMARK TRANSACTION IN POLAND

Societe Generale assisted with Poland's first international issue of €4 billion in covered bonds. The Bank acted as the arranger, global coordinator and structuring bank on behalf of PKO Bank Hipoteczny. This transaction signalled the opening up of Poland's capital markets to investors.

*Source: CSA report, 2016.



SUPPORTING INTERNATIONAL GROWTH OF SMEs

In 2016, the Bank helped open the doors of the Southeast Asian market to 16 innovative Small and Medium-sized Enterprises as part of the "Mission of Excellence: ASEAN Infrastructure" initiative carried out with Bpifrance and Business France.

The programme aims to strengthen the international presence of leading French SMEs.

Participating companies receive coaching and advice on how to establish a foothold in the promising infrastructure markets of Singapore and Malaysia.

They also have access to the expertise of Societe Generale's teams at all stages of their commercial prospecting activities.

In 2017, Societe Generale and its two partners reaffirmed their commitment by assisting 12 innovative French companies in their efforts to win over the UAE and Saudi markets through another initiative that promoted French excellence based on the theme of the "Smart City".



BEST TRADE FINANCE PROVIDER IN FRANCE, WESTERN EUROPE AND THE EMERGING MARKETS IN 2017

Global Finance magazine

FINANCING RESPONSIBLE GROWTH



LASTING CLIMATE COMMITMENTS

For many years, Societe Generale has worked to support the energy transition. During the COP 21 conference in 2015, the Bank made further climate commitments, closer aligning its financing activities with the International Energy Agency and the goal of limiting global warming to 2°C. On the eve of the COP 22 conference in 2016, the Group took another major step, announcing it would stop financing all new coal-fuelled power plants or related infrastructure anywhere in the world*.

At the same time, as a pioneer and leader in the development of the Positive Impact Finance** programme, a United Nations-supported initiative that aims to ease the transition to a green and inclusive economy, the Bank launched the first positive-impact bond issue in 2015, for an amount of €500 million. This successful initiative was extended in 2016 with a second issue of the same amount.

*This decision came into effect as of 1 January 2017.
**Positive Impact Finance refers to financing activities that produce a verifiable positive impact on one of the three pillars of sustainable development - the economy, society and the environment - while ensuring that potential negative impacts are identified and properly and effectively managed.



MAJOR NEW PROJECTS IN ASIA PACIFIC

In 2016, Societe Generale once again demonstrated its proven expertise in renewable energy financing with the launch of several large-scale projects. Among them the Hasang Hydroelectric Power Plant in Indonesia and the Royalla Solar Farm and Hornsdale Wind Farm (phase 2) in Australia.



DEDICATED SUPPORT FOR WIND POWER IN EUROPE

Encouraged by the success of its investments in major wind power infrastructure projects, Societe Generale continues its support by further reinforcing its policy in this sector. As such, Societe Generale participates actively in financing operations that support the construction of offshore wind facilities in Europe.

“Our ecological decisions allow us to handle the fierce international competition.”

EMMANUEL DRUON

Chairman of Pocheco, an SME supported by Societe Generale that seeks to create a solution that is “economic”: both economically profitable and ecologically sustainable.

AT THE HEART OF THE REAL ECONOMY

EMPOWERING AFRICAN ENTREPRENEURS

In January 2017, Societe Generale subscribed to the Franco-African Investment Fund (FFA), a cross-border private equity fund launched by Bpifrance and AfricInvest that prioritises high-potential African and French SMEs with development projects on both continents. In addition to financial support, the SMEs receive concrete assistance allowing them to access new markets and build effective partnerships.



COMMITTED TO PROFESSIONALS, ARTISANS AND RETAILERS IN THE REAL ECONOMY

In France, Societe Generale has teamed up with crowdfunding platform Bulb in Town with the shared vision of promoting the emergence of new projects and supporting innovation and the local economy. Reward-based initiatives to support neighbourhood projects have been launched with the aim of encouraging and developing local entrepreneurs.

600,000

PROFESSIONAL CLIENTS ARE SUPPORTED BY THE RETAIL BANK IN FRANCE

EXPERTISE AND LOCAL PRESENCE TO SUPPORT BUSINESSES

The Societe Generale Entrepreneurs offer brings together the expertise of the retail bank, private bank and corporate and investment bank for the benefit of SME clients.

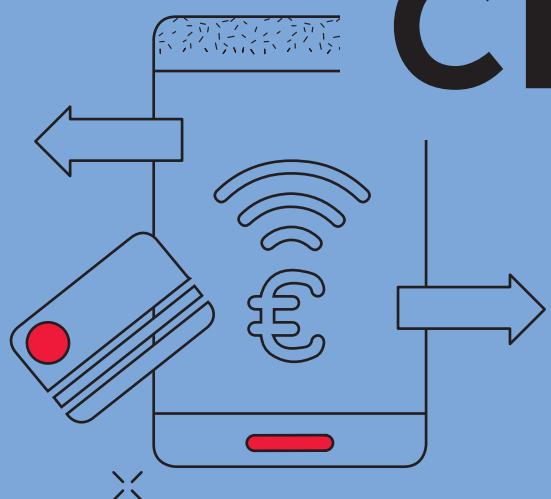
“We’ve tried to work as closely as possible with business leaders and stay in tune with their needs, supporting them with our reactivity, professionalism, flexible solutions and rapid decision-making,” said Laurent Goutard, Head of Societe Generale Retail Banking in France. As a strategic partner of professional clients, Societe Generale has answered changing client needs by creating around a hundred “PRO” spaces run by dedicated advisors. Additionally, 625 self-service areas with extended hours will be set up for professional clients. The aim is to provide clients with greater expertise, proximity and autonomy.

€1 bn

IN LOANS TO PROFESSIONALS, WITH NEARLY 40% DEDICATED TO THE CREATION OF NEW BUSINESSES



ALWAYS INNOVATING AND ENRICHING THE CLIENT EXPERIENCE



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**BERNARDO
SANCHEZ INCERA**
Deputy Chief Executive Officer
of Societe Generale

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VIRGINIE BRUNEL
Chief Executive Officer
of Nasse Demeco Group

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YVES EONNET
Co-Founder of TagPay

“CONSTANTLY BUILDING CLOSER RELATIONS WITH OUR CLIENTS”

BERNARDO SANCHEZ INCERA
DEPUTY CHIEF EXECUTIVE OFFICER

What does the digital revolution change in the relationship between the bank and its clients?

In our business, like in all other parts of society, consumers want mobility, real-time answers, greater security and more personalised advice. Digital technology makes it possible to better understand these needs and respond to them. Despite appearances, digital technology is “enhancing” the relations we have with our clients. It is bringing

us closer together and intensifying the relationship. In 2016, digital technology became the primary means by which our clients contacted us, with over 900 million digital contacts made. From our retail banking branches to social media, we are adapting to the fact that clients can contact us when and how they want by personalising this contact. We’re working on reinventing and constantly building closer relationships with our clients by combining the best of digital technology with the human touch.

For simple everyday operations, our clients want us to give them greater autonomy. We are expanding our range of services to respond to this demand. Using our app, you can now directly adjust the limit of your bank card at any time. A system of personalised alerts allows you to stay informed of future

transactions and events. You manage your accounts with complete autonomy and the results are near-instantaneous. Thanks to the account aggregator offered by Societe Generale and Crédit du Nord, you can now view all your accounts on a single screen. In addition, you can open a savings account or take out an insurance policy in a fully paperless and secure format. Digital technology is making banking simpler and more efficient. Boursorama, a 100% online bank, has taken full advantage of this shift, achieving very strong customer growth in 2016. It reached one million clients in early 2017, and the target is to pass the two million mark by 2020.

Given this context, what will the retail banking branch of tomorrow look like?

We are confident that bank branches will retain an essential role, but we’re also making profound changes to ensure that they, too, adapt to new client behaviour. Every year, we renovate 10% of our branches to ensure that they evolve at the same pace as our clients’ expectations.

By 2020, 550 additional branches will be equipped with self-service areas with personalised features adapted to client

needs, enabling clients to conduct day-to-day transactions at their own discretion, even when the branch is closed. At the same time, we’re also raising the level of expertise of our staff. Clients may not visit our branches as often, but when they do come in, it’s usually during a key moment in their lives, such as starting a career, creating a business or buying a home. They therefore want expert advice.

At a time when all ordinary interactions with the bank take place through digital technology, we must simultaneously offer the best client experience on our mobile apps and transform our branches into centres of expertise

providing clients with the level of advice they need. By 2020, we will have invested €1.5 billion in digital and information technology as well as €150 million in training to support our teams with the changes in their roles.

This individual relationship with clients, could it serve as a starting point for new services?

Absolutely. That’s another area where digital technology can help us. For example, thanks to data marketing, we’re able to gain an even deeper

Digital technology is “enhancing” the relations we have with our clients. It is bringing us closer together and intensifying the relationship.

VIRGINIE BRUNEL
CHIEF EXECUTIVE OFFICER
OF NASSE DEMECO GROUP

Even in supposedly conservative sectors, digital technology has the potential to radically change the services offered to customers and the model of development used by businesses. One such example is Demeco, leader of the removals sector in France, which launched the Emoovz platform, an online marketplace open to all players in the industry. ■



“WE REINVENTED OUR BUSINESS THROUGH DIGITAL TECHNOLOGY”

A state of mind that pushes us to constantly explore, experiment and nurture our pioneering spirit!

understanding of our clients, meaning we can contact them regarding appropriate topics and offer personalised products and services at the right moment. At the same time as we create these new services, we must guarantee the security of these transactions, which is the absolute bedrock of the banking relationship. In this regard, we offered our clients a truly unique innovation this year in the form of cards with dynamic security codes. This was a first in France.

On a broader level, by entrusting us with their money, our clients have recognised us as a trusted partner. We have a special relationship with them and so it makes sense for us to offer them an expanded range of services that cover other aspects of their day-to-day lives or careers, teaming up with partners when the opportunity is right. We're also thinking about the new kinds of services that will emerge from the transition from an economy based on ownership to one based on use. For example, in the automobile sector, our specialised subsidiary ALD is becoming a mobility solutions operator in a market that will increasingly be driven by shared transport. Another example is our partnership with the start-up Base 10, which has developed a co-working application. We have

made Societe Generale's banking branches in the southwest of France accessible to all, clients and non-clients alike. So if you're travelling in Bordeaux or Limoges, you can reserve your co-working space with a few clicks and you'll feel right at home there.

In summary, in a world where social and societal behaviours are undergoing profound transformation, we too are rethinking how we work and interact with our clients. These changes can also be seen internationally of course. In Africa, for example, the development of mobile technology is radically altering the way we offer access to banking services.

How do you constantly reinvent the banking experience of your clients?

The common driver is collaboration. Collaboration with clients, first and foremost, such as when we include them in the design of new versions of our mobile apps, and in the future when we'll work with them to create a new ecosystem of services based on their personal needs. There's also collaboration inside the bank, as innovating to serve our clients better is a collective process. Innovation involves technology of course, and we have many talented individuals within our organisation who can develop the services that our clients need. However, the challenge is much wider: we need to foster a state of mind that pushes us to constantly explore, experiment and nurture our pioneering spirit!

Digital technology represents a new world and a new economy waiting to be built. Companies that fail to make the transition ultimately risk disappearing or becoming totally dependent on web-based pure players.

At Demeco, we decided to take the initiative to avoid running this risk. For a long time, offering removal services online was not considered a strategic priority in our industry, with the focus remaining on having the resources, the workforce and the operations themselves. However, then we saw the emergence of web players who, without any equipment or removal staff, managed to capture a significant share of the market by focusing on marketing while subcontracting the actual execution of their contracts. As the leader in our sector, we realised we needed to anticipate the disruption caused by digital technology to the relationship we have with our customers and commit ourselves to this transformation before anyone else. We started by looking at best practices in other sectors such as hospitality and travel, which were already highly developed in this area. We hired a young digital director from ■■■

Our whole sector is now entering a new era with digital technology.

YVES EONNET
CO-FOUNDER OF TAGPAY

FinTech firm TagPay was an early believer in the rise of mobile banking in Africa. Together with Societe Generale, a longstanding client and partner, they developed an open and adaptable platform that made banking services accessible to populations excluded from conventional networks. ■

“MOBILE TECHNOLOGY IS THE FUTURE OF BANKING IN AFRICA”

the web community who helped us think differently. He convinced us to go with the option that presented the largest departure from conventional practices in the sector: creating a marketplace. That's how the Emoovz site came to be. Customers visiting the site will, of course, see our services, supported by the strength of our network. However, they also find the services of any other company that meets their needs. They can compare prices in complete transparency, consult the ratings given to removal companies and book directly online. The system also allows removal companies to adjust their daily rates.

In short, we reinvented our business by focusing on the customer and placing them at the heart of the operation. Even now, the team that runs Emoovz.com is very focused on user feedback to continuously improve the customer experience of the website. Based on the same principle, we are studying the development of a dedicated online service for corporate and institutional



customers, who account for nearly half of our business. Digital tools are also opening up new opportunities for increasing productivity in our sector as a whole. For example, by combining Emoovz with the planning software designed for our businesses (Enterprise Resource Planning or ERP), we can help other removal companies optimise the loading of their vehicles and notably reduce empty return journeys. Our whole sector is now entering a new era with digital technology.



After working in the e-banking world, I founded TagPay about 10 years ago with a partner from the telecommunications industry. We had the intuition, well before the proliferation of smartphones, that mobile telephony would be a groundbreaking technology capable of transforming the banking world. Starting from a very technological angle that initially focused on meeting the essential security needs of making a transaction, we gradually developed a comprehensive system for digital mobile banking. Today, TagPay employs around 20 people and provides its banking sector clients with a virtual platform using cloud technology to offer a wide range of services, from money transfers to contactless payments and bill payments.

Societe Generale was our first major client, and recently became a partner by acquiring a stake in TagPay. By being one of the first to have confidence in our technology, Societe Generale brought us essential credibility during our early

growth. For a structure such as ours to exist and grow, it needs to be supported by established players that have the foresight, the energy and the openness to understand and embrace our innovations. Our partnership with Societe Generale demonstrated that our idea could meet the performance requirements of such a large group. It was a decisive moment for us.

AFRICA: A GIANT INNOVATION LABORATORY
Our collaboration with Societe Generale is primarily linked to Africa, which is a giant innovation laboratory for digital mobile banking. Africa was where the TagPay adventure took off. The vast majority of the continent's population has a mobile phone, but no bank account. We were able to bypass the

By being one of the first to have confidence in our technology, Societe Generale brought us essential credibility during our early growth.

SPOTLIGHT

THE START-UP MAKING YOUNG PEOPLE'S LIVES EASIER



**MARJOLAINÉ
GRONDIN**

CO-FOUNDER OF JAM

established technology of countries already well served by banks and offer direct access to the bank of the future, based on state-of-the-art technology that operates in real time, is simple to use and is completely secure. Societe Generale, which has a large presence on the African continent, perfectly understood this fundamental change. We joined them with the deployment of the first mobile banking services offered by their Manko subsidiary in Senegal, and are supporting them today with the launch of YUP, which marks a new stage in their Pan-African digital banking strategy (see page 37). Mobile technology offers the opportunity to reach huge numbers of people who, until now, had been excluded from conventional banking networks.

TECHNOLOGY GIVES WAY TO SERVICES

Yesterday's world, with its cumbersome and complex systems, was dominated by infrastructure and processes. In the open world of mobile technology, where considerably less cost and time is needed to develop systems, technology is giving way to the core of the banking business, namely services. The tool that we're developing for and with the bank is totally adaptable. Based on a single platform, teams will be able to develop new features in the future that will generate new sources of revenue and new business models. With this open architecture, it is essential to be able to interact with local ecosystems. That is what Societe Generale is currently doing in Africa by teaming up with the network of retailers who will distribute their mobile banking services. Basically, it's not the bank which is adapting to technology, but the opposite, and the opportunities are immense.

MUTUAL BENEFITS

Societe Generale was open-minded enough to accept a solution that didn't originate internally, with all of the effort this implied in terms of integrating the solution with the highly structured and regulated framework of a major bank. They agreed to let go of some established ways of doing things. As for us, they helped us improve security by bringing us up to their standards. Today, we all benefit from our mutual efforts, helping us to understand and move forward with the same goal. We made it through the most difficult part, which was the decision-making phase. We're currently in the deployment phase, and we now understand how to innovate together.

Jam is a chatbot, a small intelligent "robot" that young people talk with on Messenger - Facebook's instant messaging app - to help them find new ideas for their free time, according to their preferences. The goal is to guide them with whatever makes them happy.

Marjolaine Grondin, co-founder Jam: "For me, entrepreneurial spirit is about choosing freedom, creativity and the drive to excel and create something new. People often talk about entrepreneurs, but less frequently about the teams behind them. However, an entrepreneur isn't an expert but rather a conductor, as in an orchestra, and a conductor can only work if they have an orchestra that plays!" Two years after it was launched, the chatbot now has more than 100,000 users. The goal for Marjolaine and her team is to go as deep as possible in terms of the subjects that Jam processes - the number of users and the number of regions covered - and so make it the best youth lifestyle product around. "For me, the role of a bank when you're an entrepreneur is to understand that you have potential and to be able to respond in an agile manner."

Societe Generale teamed up with Jam to better understand Millennials. Through the chatbot, the Bank provides answers and advice on issues that matter, such as how to finance their studies and personal plans, the payment solutions best suited to their needs or how to prepare for a voyage abroad, among others.

EVER GREATER SECURITY

HIGH-LEVEL PROTECTION FOR KOMERČNÍ BANKA CUSTOMERS

To ensure its customers' online and mobile transactions are completely secure, Komerční Banka, Societe Generale's Czech subsidiary, launched an innovative partnership with IBM, resulting in the Trusteer Rapport security solution offered to 100,000 of the bank's customers. The software's ability to neutralise viruses is such that the number of logins from virus-infected computers has fallen by approximately 95%.



A NEXT-GENERATION BANKING CARD

As the leading French bank for e-commerce, Societe Generale's priority is to continuously enhance the security of its online payments while also ensuring convenience in the daily lives of our customers. Our most recent innovation is a next-generation banking card with a dynamic visual security code. Societe Generale is the first bank in France and one of the first in the world to offer this revolutionary card to customers.

The offer has proved to be a success, with 50,000 customers taking up the offer in just three months.



INNOVATIVE SOLUTIONS TO COMBAT CYBERCRIME

"Cybercrime keeps innovating and so we too have to innovate, both in terms of protection and our ability to respond. We therefore invest in response systems that use technologies such as Big Data. We aggregate a set of data to detect whether or not a customer's connection looks normal. We are currently studying 60 million connections per day. In the coming years, we may be looking at 100 to 180 million. Our human resources won't be enough. We need to invest in artificial intelligence, and therefore machine learning, in order to react even faster and detect new kinds of fraud."

VINCENT BOUËTEL
Head of IT Security for Retail Banking in France

“Blockchain technology presents many opportunities with which we're currently experimenting, both on our own and as part of global consortiums”

FRANÇOISE MERCADAL-DE LASALLÉS
Group Head of Corporate Resources and Innovation

BANKING MADE SIMPLE WITH DIGITAL TECHNOLOGY



MAKING LIFE EASIER FOR OUR CLIENTS

Anticipating the changing digital habits of our customers, over the recent years Societe Generale has introduced many valued-added remote banking services. Its app, one of the first in the industry, benefits from regular upgrades. Among the new features introduced in 2016 include personalised notifications and an account aggregator, which is proving very useful given that 40% of French people use multiple banks. Digital technology is now the primary point of contact between customers and Societe Generale. Recognised as the leading mobile bank*, Societe Generale is also the only French brand to have received a Twitter Award, in recognition of its response time of under 30 minutes via the @SG_etcous service.

100% DIGITAL TRADING WITH BLOCKCHAIN TECHNOLOGY

The Bank's capacity for innovation was demonstrated once again with the launch, in conjunction with its partners, of the Easy Trading Connect platform. This Blockchain solution - the first in the industry - ensures a very high level of security for commodities trading as well as gains in terms of cost and speed.



BANKING IS EVEN EASIER WITH PAPERLESS SOLUTIONS

Societe Generale is stepping up its digital technology initiatives to ensure customers get simplified, smooth and uninterrupted access to their banking transactions. Whether in Serbia, thanks to the first fully-digital consumer loan; the Czech Republic, through the app available on Apple Watch; or Germany, with the dedicated solution for easy updates to banking information on favourite shopping websites, customers can today do all their banking operations at a distance and in just a few minutes via multi-channel access.

“The new version of our banking website makes our customers' lives easier by giving them a simple, secure, fast and completely digital experience, even when they're mobile”

MARIE CHEVAL
Chief Executive Officer of Boursorama

THE RISE OF RAPID AND SECURE PAYMENT SOLUTIONS

Among the tools aimed at providing customers with greater convenience, fast and secure payment methods are playing an increasingly important role.

The Group's subsidiary in Poland, Eurobank, offers its customers a payment solution via their smartphones. In France, the simple-to-use contactless Paylib service offers a similar solution.



ENTERPRISING AFRICA



SOCIETE GENERALE BURKINA FASO REACHES OUT TO ITS CUSTOMERS

In addition to its digital branch project, incubated by the Lab, the Bank is taking innovative steps to build closer relationships with its customers throughout Burkina Faso.

In 2016, SGBF installed solar-powered cash dispensers in more remote regions of the country, particularly where there are frequent power blackouts, allowing cash to be withdrawn 24 hours a day. Furthermore, mobile branches equipped with satellite antenna provide full access to the Bank's information systems and so offer the same services as conventional branches.



THE INNOVATION LAB: ALREADY 1 YEAR OLD!

This “laboratory of ideas” functions as an incubator for innovative initiatives developed by teams from our African subsidiaries and local start-ups. Among other activities, it is currently implementing three projects developed during a Hackathon: a branch queue management app in Ghana, a digital terminal for pre-arranging cash transactions in Senegal and a customer support system using tablets at branches in Burkina Faso.

3.5 million

CLIENTS, INCLUDING 150,000 BUSINESSES, MANAGE THEIR MONEY THROUGH THE GROUP'S 1,000 BRANCHES IN AFRICA.

YUP: MAKING FINANCIAL SERVICES AVAILABLE TO MORE PEOPLE

In line with Africa's entrepreneurial drive, its low level of banking penetration and its strong growth in mobile equipment, Societe Generale launched YUP, a digital wallet that offers a comprehensive range of banking-related services, from withdrawals, deposits and money transfers to bill payments, phone credit purchases and more. Combining access via a mobile app with a vast range of agents (shop owners and service stations) equipped with contactless payment terminals, this solution was introduced in early 2017 in the Côte d'Ivoire and Senegal.



“We decided to make Africa one of our drivers of growth”

ALEXANDRE MAYMAT
Head of the Africa Region at Societe Generale

*According to a study of 18 retail banks conducted by Columbus Consulting.



CREATING A MORE OPEN AND RESPONSIBLE COMPANY

VIEWPOINTS

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SÉVERIN CABANNES
Deputy Chief Executive Officer
of Societe Generale

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ALIZÉE LOZAC'HMEUR
Corporate Secretary
of MakeSense

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**CHARLES-ÉDOUARD
VINCENT**
Founder of Lulu Dans Ma Rue
and Emmaüs Défi

“AN ENGAGED AND RESPONSIBLE PLAYER IN A CHANGING WORLD”

SÉVERIN CABANNES
DEPUTY CHIEF EXECUTIVE OFFICER

With the advent of digital technology, transformation has become a major issue for companies. What's your view of this challenge?

The need for transformation goes beyond digital technology. The challenge is to evolve in line with the world around us, adapting not only to technological changes but also to the new expectations of our clients, current and future members of staff and society as a whole. We have to be more creative

and develop agility within our organisation, enabling us to move at the right pace and contribute to a balanced global transformation. We need to make our processes more secure to meet the legitimate demands of our stakeholders. Furthermore, we have to move beyond mere compliance with rules: we must fully embrace our role as responsible bankers by considering the long-term interests of all of our stakeholders in each of our decisions. The transformation we've undertaken is a challenge that requires us to consider the fundamental role of our company in all its aspects.



4th
year
in a row

SOCIETE GENERALE
AWARDED FOR ITS
HUMAN RESOURCES
POLICY



How do you create this kind of change within the company?

By renewing the ways we work together and interact with two guiding principles - openness and trust - and so free the creative potential of the members of the community who make up our company. We want more horizontal and less vertical organisation, and we want to shift our focus back onto autonomy, creativity and awareness of the outside world, opening up all our senses. This is the objective of our open innovation approach, which is aimed at broadening our contacts and interactions with the world all around us. We've invested in venture capital funds dedicated to innovative companies. We've identified start-ups that can add value to our projects and areas of business, and we're collaborating with them. We are partners with innovative spaces outside the company dedicated to sharing and experimenting. All of these initiatives greatly expand our relations with the worldwide innovation ecosystem.

At the same time, we want to promote new methods of developing projects internally, with small multidisciplinary teams working in the same place and at the same time. Different areas of expertise are brought together to

address all aspects of the project and deliver a swift resolution. That's where the entrepreneurial spirit can become a driving force for our Group. It's in this spirit that we created The Dunes, our new technology hub in the east of Paris. It's an open space promoting collective intelligence whose horizontal and organic architecture reflects our vision of successful innovation.

How do you promote a culture of responsibility at the same time?

First of all, new technologies will enable systems to be prolific and innovative while at the same time remaining

secure. Thanks to artificial intelligence, automation and mass production techniques, the new infrastructure that we're currently building will ensure that our operations are compliant, transparent and secure. Simultaneously - and this is another structural element of our transformation - we are reinforcing our values. Indeed, while we're promoting autonomy and initiative through new organisational structures, we also want to maintain consistency, have a shared direction and set a common course to ensure that everyone acts in the same spirit using shared practices that reflect our company's culture.

A company that recognises and values individual and collective commitment by allowing everyone to express their creative potential!

WHEN INNOVATION BECOMES THE NORM



JOHN SAFFRETT
CHIEF ADMINISTRATIVE OFFICER
OF ALD AUTOMOTIVE

These are the foundations we've been working on over the past years. There are three stages: redefining our shared values, then rebuilding our management model to translate these values into practices, and finally implementing our Culture & Conduct programme, starting in 2017. The programme's goal, beyond securing the most rigorous adherence with compliance rules, is to reinforce our ethical standards and ensure that these standards are understood, shared and applied by all.

As you can see, we now define responsibility in much broader and more integrated terms, whether it's individual or collective responsibility in managing the risks associated with our business, or our responsibility to the world around us as a major bank and corporation. This is reflected both in the attention that we devote to our clients, our staff and our environmental commitments in terms of financing, and in our cultural sponsorship and solidarity initiatives, which have been led for the past 10 years by our Foundation. It's all part of a coherent whole. We are taking action as a responsible bank facing the challenges of its time. Our extra-financial rating, which is superior to the banking industry average and ranks within the top quartile of listed companies, is a testament to this commitment.

Isn't there also an issue of trust and reputation?

Given the crises that the banking system has gone through, there is indeed a need for reconciliation with all of our stakeholders. All of the transformations I've just mentioned are aimed at strengthening the relationship of trust, which is at the heart of our customer relationship model. Similarly, the efforts undertaken to open up and positively reaffirm our identity are aimed at increasing the company's appeal with our current staff and those who choose to join us in the future. We've made commitment one of our shared values. We want our staff to achieve both professional and personal fulfilment at a company that recognises and values individual and collective commitment while allowing everyone to express their creative potential!

ALIZÉE LOZAC'HMEUR
CORPORATE SECRETARY OF MAKENSENSE

MakeSense, an international community of social innovators and volunteers, accelerates the impact of social entrepreneurs by connecting them with the people who can help them meet their goals. An expertise the association also offers to companies, assisting them with the emergence of new ways of organising work. ■



“CREATING COMMUNITIES OF ENGAGEMENT”

The purpose of MakeSense is to enable everyone to get involved and address society's most pressing issues, such as education, health, food and environmental matters, through innovation and entrepreneurship. We believe that each individual can contribute to solving today's major issues.

MakeSense gives all interested citizens the chance to help social entrepreneurs create and grow their organisations. Using our platform, anyone can go online and learn about social innovations, work with committed individuals, post their ideas and take action in the real world. We've created an international community of 30,000 contributors, with a presence in nearly 130 cities around the world. The role of MakeSense is to equip all these groups of volunteers with the tools they need to act locally and motivate the communities around them.

Our partnership with Societe Generale is a good example of the numerous interactions between our two worlds.

FROM SOCIAL ENTREPRENEURS TO THE CORPORATE WORLD

When it comes to transforming the way we get involved and collaborate with the creation of open and horizontal communities, the challenge goes beyond social entrepreneurship. It also applies to the corporate world. ■■■



We work together with businesses, helping them to create community dynamics and engagement frameworks within their organisations. Together, we're promoting the emergence of new modes of collaboration and creating open spaces where novel ways of thinking and acting are possible thanks to the new interactions in place within the organisation. The aim is to empower all members of staff, whatever their position, to have an impact on a subject that is strategic for the company, one that really interests them. When you give people a space to express themselves or the ability to act on and change their environment, they do so in a positive manner. What we're doing is creating collective intelligence while making organisations more productive, innovative and resilient, since everyone is responsible and equipped for the task.

A FRAMEWORK FOR ENGAGEMENT

Based on the experience of MakeSense, we've formally defined what we call the engagement framework, which is the set of pillars needed to support an effective community. The framework offers an identity and sense of belonging that help attract the right members. It provides tools for connections and exchanges between members, both online and off. It offers places, moments and events where these interactions develop in real life. It defines a shared mission and clearly details the actions required to achieve it. Finally, it recognises people's contributions so that participants feel their engagement is acknowledged and are motivated to learn continuously and encourage others to get involved too.

Throughout this approach, engagement is closely tied to action; otherwise, it would be of little value. It's

not simply a matter of raising issues - we have to find solutions. We must ask ourselves what initial small step we can take to have an impact on the issue at hand, and then move toward action. This impact could be on a project or an entire organisation, as in the case of a company, or on your city or the world when you are dealing with societal and environmental issues.

MULTIPLE INTERACTIONS WITH SOCIETE GENERALE

Our partnership with Societe Generale is a good example of the numerous interactions between our two worlds. We helped the company design and run the innovation space at The Dunes, their new technology hub in France. We are assisting them with their "intrapreneur" approach, aimed at accelerating a number of projects: for example, enabling the development of new responsible finance offers aimed at young people; or working together with the Human Resources teams to consider new organisation models that could be more flexible and horizontal. We host working groups - "learning expeditions", as we call them - at our co-working space dedicated to social innovation, bringing staff members in contact with people from different horizons on our premises. Our own teams also go to The Dunes for seminars and meetings, and some of the social entrepreneurs who receive our support spend several months there developing their projects. We really share an entrepreneurial spirit built on the same values of collective engagement.



CHARLES-ÉDOUARD VINCENT
FOUNDER OF LULU DANS MA RUE
AND EMMAÜS DÉFI

A creative social entrepreneur, Charles-Édouard Vincent develops innovative solutions that promote social inclusion through economic activities. His conviction: "Our society will be better off if we make people our daily priority." ■

"WHEN INNOVATION DRIVES SOLIDARITY"



When I was a child, I couldn't understand why there were homeless people on the street." Charles-Édouard Vincent has always been drawn to social entrepreneurship. At the age of 33, he decided to make it his full-time focus. A graduate of the Polytechnique and the Ponts et Chaussées higher education institutions in France and Stanford University in California, he began his career in the world of new technologies, first at

Netscape and then at software developer SAP. A meeting with Martin Hirsch, then the head of the Emmaüs France charity, convinced him to get involved in the fight against social exclusion. In 2007, he created Emmaüs Défi to "help people from the street get back on their feet through employment". With support from major corporations, including Societe Generale through its Foundation, he developed a second-hand goods workshop and rehabilitated the former Riquet market in Paris, which would become the largest Emmaüs shop in the French capital.

INNOVATION PROMOTING INCLUSION

"Society has changed, and social exclusion has taken on new forms," he explains. "The usual measures to promote inclusion are not designed to take into account the immense difficulties faced by the most excluded." To help ■■■

With Lulu Dans Ma Rue, we wanted to make personal care services exciting again. And it works!

NEW SPACES, NEW WAYS OF WORKING

them gradually regain confidence, he created the “first hours” programme at Emmaüs Défi, which allows participants to return to work at their own pace. At first, they work four hours a week, then eight, then 12, until finally they start a 26-hour work inclusion contract. Of every 10 people joining the programme, eight advance to the final stage, usually in the span of several months. Emmaüs Défi provides them with personalised support, which combines inclusion through work, housing, healthcare and access to new technologies. The association currently employs nearly 200 people, including 150 formerly homeless people and 50 staff in the inclusion programme. The Societe Generale Foundation has provided its support since 2015 as part of the “Emmaüs Défi 2017” development project.

EVERYDAY SUCCESS STORIES

“Emmaüs Défi offers another chance to those who are most excluded, but more still needs to be done.” In 2014, Charles-Édouard Vincent took another entrepreneurial step and created *Lulu Dans Ma Rue*, an innovative neighbourhood service. “In a world where everything is just a click away, we

paradoxically don't know who to turn to if we want to fix a curtain rod, pick up a parcel or get some odd jobs done.” By offering these kinds of neighbourhood services, *Lulu Dans Ma Rue* improves the quality of life of local residents while creating economic opportunities for all, including people from inclusion programmes, the short-term and long-term unemployed and people seeking additional work. The first kiosk, opened in the Marais district of Paris, proved an immediate success among local residents. The second, in the 17th arrondissement, has been received with the same enthusiasm since the beginning of January 2017. Four other kiosks will be opening in the 14th, 15th, 18th and 20th arrondissements, and let's not forget the “Lulumobile”. “With *Lulu Dans Ma Rue*, we wanted to make personal care services exciting again. And it works!

We have plenty of everyday success stories. The connection between the “Lulus” and the neighbourhood's residents is very strong.” *Lulu Dans Ma Rue* now employs 130 such Lulus, who have already handled more than 25,000 requests from all across Paris.

MULTI-FACETED COLLABORATION

“Societe Generale helps and supports us both operationally - with creating our kiosks, setting up our online payment system, and so on - and more generally through financial support for the development of the business structure,” explains Charles-Édouard Vincent. “I'm very pleased with this multi-faceted collaboration. Together, we're writing a page in the history of solidarity-centred investment and social entrepreneurship.”

THE DRIVE FOR INNOVATION IN EASTERN EUROPE AND RUSSIA

The Group promotes the emergence of innovation at all levels and in every country where it operates. This year, Societe Generale Srbija (Serbia), Societe Generale Expressbank (Bulgaria), Rosbank (Russia) and Komerční Banka (Czech Republic) invited their staff and external partners (start-ups, developers, etc.) to find creative solutions for the Bank's future and improve the customer experience. In Romania, BRD organised “BRD First Tech Challenge Romania”, under its “Mindcraft” label, part of an innovation programme aimed at students who are passionate about new technologies and interested in developing their own products.



CATALYST, AN ACCELERATOR PROGRAMME IN INDIA

The Group launched the 10-week Catalyst programme in India aimed at both emerging and mature start-ups. Participants work on various topics related to commercial banking needs while receiving advice, support and sponsorship from experts at Societe Generale.

LIBERTÉ LIVING LAB: LIBERATING INNOVATION

The Liberté Living Lab is a 2,000 m², workspace in Paris that brings together start-ups, major corporations, researchers, students, artists, journalists and members of the public, among others. Together, they work to invent the social innovations of tomorrow. Societe Generale is the leading corporate partner of the Liberté Living Lab, continuing an adventure that began in 2015 with Player, a business incubator for community innovation and longstanding partner of the Group.



THE DUNES: A NEW TECHNOLOGY HUB

Inspired by the world's most innovative companies - including start-ups and web giants - Societe Generale created The Dunes, a 126,000 m² hub fully connected in terms of tools, services and open and collaborative working methods. Based just east of Paris,

The Dunes offers staff a wide variety of spaces in which to work and experiment. Members of staff can choose where they work according to their needs, whether in one of the various areas of the building, at another site or at home.

At the centre of the hub is a space that embodies the collaborative spirit: *Le Plateau* (below). A dedicated area hosting and supporting external and internal start-ups while encouraging the creation of a community of resources, experience and knowledge.



A RESPONSIBLE AND INNOVATIVE EMPLOYER

#MANAGER2020

In response to new customer behaviours, as well as the expectations of new generations of staff members, Societe Generale encourages managerial innovation aimed at greater collaboration. In French Retail Banking, a fun and original initiative - the #Manager2020 hackathon - was launched to support managers through these transitions and reinvent their managerial methods. More than a hundred members of a highly active community on the Group's internal social network got together for a two-day co-creation sprint centred on four themes: positive management, quality of life at work, participatory practices and the simplification of management methods. The proposals adopted by the jury are currently in testing ahead of their full implementation.



A RESPONSIBLE EMPLOYER WITH A DIGITAL FOCUS

By becoming a founding member of the *Grande École du Numérique*, Societe Generale combined a recognised commitment to professional social integration with long-term efforts to support the digital transformation. With this public accreditation body for brief and certified training programmes in digital professions, the Bank is contributing to the development of key skills for the future. Since 2016, more than 400 training programmes have been accredited. At the same time, Societe Generale is equipping its staff with state-of-the-art digital tools and offering interactive training in a number of formats, including MOOCs.



MISSION HANDICAP: 10 YEARS OF COMMITMENT

Through its Mission Handicap programme, in 2016 Societe Generale boosted its commitment to promoting the employment of people with disabilities around the world. Having signed the international charter of the International Labour Organisation (ILO), the Group participates in the sharing of knowledge and best practices regarding the inclusion of people with disabilities in the world of work. In France in 2016, Societe Generale was a major partner of the *Salon Handicap, Emploi & Achats Responsables* (Disability, Employment & Responsible Purchasing Exhibition) for a second year. In November, it held workshops and training sessions on its premises as part of European Disability Employment Week. Similar initiatives have been carried out in Eastern Europe, Africa and Asia. At the end of 2016, Societe Generale employed 2,365 members of staff with disabilities around the world. In 2017, Mission Handicap will celebrate 10 years of commitment.

OUR CULTURE SETS US APART

"This is the whole purpose of our Culture & Conduct programme. Our ability to act with confidence, individually and collectively, while observing our values and rules of conduct, will set us apart for our stakeholders. The reality of our culture is reflected in our concrete day-to-day actions."

Ian Fisher
Head of the Culture & Conduct programme

21st

AMONG THE BEST EMPLOYERS OF 2017

IN A RANKING OF 6,900 COMPANIES, SOCIETE GENERALE WAS RATED 4/5 BASED ON THE ANONYMOUS OPINIONS AND COMMENTS OF STAFF MEMBERS POSTED OVER ONE YEAR ON THE GLASSDOOR PLATFORM.

COMMITTED TO SOLIDARITY



THE SOCIETE GENERALE FOUNDATION CELEBRATES ITS 10TH ANNIVERSARY

Since its creation in 2006, the Societe Generale Corporate Foundation for Solidarity has led numerous initiatives to promote inclusion in the workplace. In 2015, it extended its support to include new projects aimed at the social integration of young people through cultural and sporting activities.

The Foundation supports approximately 100 projects a year in France and in other countries where the Group operates. These initiatives are backed by a substantial involvement from members of staff, fully in line with the Group's values of commitment and team spirit. More and more staff members are devoting their energies to skills sponsorship programmes, Pro Bono Days and fundraising in support of partner associations. In 2016, nearly 15,000 staff actively took part in Societe Generale's solidarity policy initiatives.

“ I am very proud of the commitment of Societe Generale's teams. Our staff have an enormous amount of energy, and that's what makes our company great.”

FRÉDÉRIC OUDÉA
Chief Executive Officer of Societe Generale
Chairman of the Societe Generale Foundation



A COLLECTIVE COMMITMENT TO SOLIDARITY

One of the many initiatives undertaken by the Societe Generale Foundation in 2016 was the renewal of its support of the CARE France association. The three-year commitment will assist a project that generates revenues and empowers women in Morocco. Another example is the opening of a multi-sport stadium in Cameroon aimed at the social reintegration of children. Finally, Societe Generale renewed its support for Simplon.co, an organisation training young people in digital technology.

TEAM SPIRIT ON EVERY FIELD



#AUPLUSPRÈS: PROMOTING DISABLED SPORT

Since 2003, Societe Generale has provided year-round assistance to the *Fédération Française Handisport* (French Disabled Sport Federation) in support of disabled sport both nationally and locally, from recreational to the highest professional levels. The culmination of this partnership has been the Bank's backing of each Paralympic Games since 2014.

In Rio in 2016, Societe Generale lent its support to the French Paralympic Team, using the hashtag #AuPlusPrès ("As Close As Possible"). Also in 2016, Societe Generale renewed its partnership with Marie Bochet, multiple world champion in para-alpine skiing and four-time gold medallist at the Sochi Paralympics. The Group has actively supported her since 2010 with the aim of helping her win more medals, notably at the next Paralympics in 2018 in South Korea.



A LOYAL PARTNER OF RUGBY

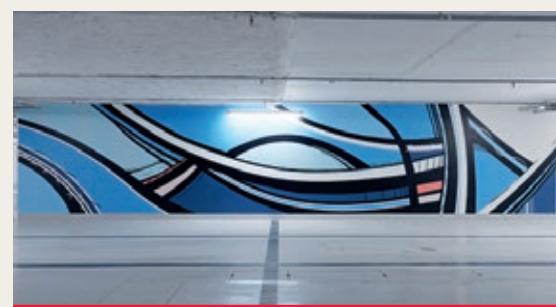
Societe Generale has supported rugby for 30 years, encompassing all forms of the sport from the amateur to the professional level. It encourages people to play rugby, sponsors the Rugby World Cup and is a partner of the French National Rugby League. Societe Generale also supports more than 23 regional committees, 400 amateur clubs, federations and local teams throughout the world, including in England, Australia, Asia and, since 2016, has supported the Indian Rugby Football Union.

Since 2001, the Group has been committed to promoting Rugby Sevens, which became an Olympic sport in 2016. The same year, Societe Generale renewed its partnership with the French Rugby Federation for a six-year period. And to further cement relations between the French national team and its supporters, the Bank invited fans to send out tweets of encouragement via #AuPlusPrèsduXV ("Closer to the French XV") in the run-up to the Autumn Internationals.

SUPPORTING THE ARTS ACROSS BORDERS

STRIKING A MAJOR CHORD WITH CLASSICAL MUSIC

Since its founding in 1987, Societe Generale's *Mécénat Musical* patronage association has supported hundreds of young musicians, orchestras and educational programmes. Its aim is to promote the appreciation of classical music, whose values resonate with those of Societe Generale: personal investment, group harmony, listening to one another and sharing. Among its many initiatives, the association offers support to actors across the world of music. In 2016, it supported ProQuartet, who specialise in chamber music training, running residency programmes for a number of ensembles, including Quatuor Van Kuijk and Quatuor Årod, also supported by the *Mécénat Musical* association. Composed of young and highly talented musicians, both ensembles have been recognised with prestigious awards.



A FREE HAND TO STREET ART

The Group called on the creativity and talent of eight street artists, all winners of a selection competition - TAKT and SUEB from the 3HC collective, STOUL, Romain Froquet, the OnOff collective and the RioFluo collective, composed of TETAR, GoddoG and Monsieur XXX - to paint frescoes in the car park of The Dunes.



PLAYING FOR PHILHARMONIE DE PARIS

AN UNPRECEDENTED INITIATIVE

The fruit of a close collaboration between the *Les Siècles* orchestra and Societe Generale, *Playing for Philharmonie de Paris* is a unique event in the corporate world.

Since 2013, it has united 300 amateur musicians from the Bank's staff with the *Les Siècles* orchestra under the guidance of the charismatic conductor François-Xavier Roth.

In 2015, around 50 choral singers from Cameroon and Morocco joined the adventure and the November 2016 programme at the Philharmonie de Paris was a resounding success. A new step was taken in April 2017 with *Playing for London*, bringing together staff members from France, the United Kingdom and Morocco.

A DYNAMIC, OPEN COLLECTION

Since its creation in 1995, Societe Generale's contemporary art collection has been enriched with original works by established and new artists. Staff at La Défense and The Dunes in France can view the works, while more and more viewings are open to the public.

www.societegenerale.com

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