

ANNUAL GENERAL MEETING

Societe Generale's Annual General Meeting was held on 19 May 2020 and chaired by Lorenzo Bini Smaghi. Due to health protection measures associated with the Covid-19 pandemic, the meeting took place behind closed doors. Quorum was met at the record level of 62.76%.



LORENZO BINI SMAGHI
Chairman of the Board of Directors

Shareholders were able to follow the proceedings with a livestream available via the Group's corporate website or by telephone.

In light of this unprecedented pandemic, Lorenzo Bini Smaghi, the Chairman of the Board of Directors, wished good health to all the shareholders and thanked the Societe Generale teams for their level of commitment.

The only resolution impacted by the crisis concerned the dividend. The Board of Directors decided to forego proposing to the General Meeting the payment of a dividend for 2019 in accordance with the European Central Bank's strong recommendation not to pay a dividend before 1 October 2020.



The Board of Directors has not ruled out paying an interim dividend or an exceptional dividend after that date.

Diony Lebot, Deputy Chief Executive Officer, presented the Group's financial results for 2019 and the first quarter of 2020, and Frédéric Oudéa, Chief Executive Officer, detailed the Group's strategy. Lorenzo Bini Smaghi then provided an update on corporate governance, and Jean-Bernard Lévy, in his role as Chairman of the Compensation Committee, presented the Group's policy in this area. Lastly, Philippe Aymerich, Deputy Chief Executive Officer, explained how the Group's French Retail Banking networks were able to cope with the crisis and support their customers.

All the resolutions presented to the meeting were approved.

FOR FURTHER INFORMATION ON THE RESOLUTION VOTES VISIT:

www.societegenerale.com/annual-general-meeting-vote

“2019 was an intense year of progress in which the Group achieved all of its strategic, financial and extra-financial objectives.”

Reinforcing the Group's capital and financial strength in 2019

In 2019, the Group continued its transformation with great determination and reported financial results in line with the strategic and financial objectives it had set for the year. The Group continued to refocus its activities on its areas of

strength, applied greater selectivity in terms of organic growth and implemented the announced restructuring of some of its market activities.

These efforts reinforced the Group's capital and its financial strength. As a result, the Group's capital ratio increased from 10.9% at the end of 2018 to 12.7% at the end of 2019.

Societe Generale also worked to improve its profitability and continued to implement its cost reduction plans while investing in the digitalisation of its core businesses. The quality of the Group's loan book and very low cost of risk (25 basis points in 2019) are reflective of the high degree of discipline in origination and risk management over many years.

In all, underlying Group net income totalled €4.1 billion in 2019, while underlying ROTE stood at 7.6%.

French Retail Banking reported a solid commercial performance throughout the year, with income and expenses in line with 2019 targets, and a rise in profitability. International Retail Banking and Financial Services confirmed its ability to generate profitable growth. International Retail Banking continued to post robust commercial momentum across all regions. Insurance performed very well this year and business continues to be very strong in Financial Services to Corporates. Global Banking and Investor Solutions successfully completed the restructuring of its market activities. The other Global Banking and Investor Solutions businesses saw their revenues rise in 2019.

Just as importantly, the Group made progress across all of the remediation programmes and met the demanding deadlines set for the year. It will continue to determinedly move forward with these programmes, most of which are progressively planned until the end of 2021.

Turning to extra-financial results, the Group continued to strengthen its commitments in 2019 and is now recognised as a leader in responsible finance. In 2019, RobecoSAM ranked Societe Generale as the world's leading bank in terms of environmental action and MSCI upgraded its rating of Societe Generale.

“It was on these solid foundations that the Group entered this unprecedented crisis.”

The main impacts of the Covid-19 crisis for the Group

The first consequence of the crisis was the suspension of the 2019 dividend, even though the Group had already set aside the necessary funds. Out of due caution given the uncertainties linked to the crisis, the Board of Directors followed the European Central Bank's recommendation, as did the vast majority of European banks.

The second consequence was the sharp drop in Societe Generale's share price. European banking stocks have suffered considerably, in particular because there is a lot of uncertainty surrounding the economic environment and the stability of the regulatory environment. The Group's current share price



does not reflect the level of its capital and the intrinsic value of its assets. In the coming quarters, the Group is going to be working hard to convince the market to change its opinion of the Societe Generale share.

Naturally, this crisis had an impact on its first quarter 2020 results, which were disappointing. The situation varies from business to business, with the biggest issues concentrated in one area of its market activities – investment solutions. Generally, the Group's other businesses turned in resilient performances.

The scale of this crisis is exceptional. It is both an economic and a health crisis. The different economic activity scenarios assume a recession of 7% to 13% in 2020 for most advanced economies. These forecasts exceed those from the 2008-2009 financial crisis.

Like other banks, the Group is forecasting an increase in its cost of risk for the year 2020. At the same time, it is working to reduce its cost base and at the end of April announced additional savings of between €600 million and €700 million for 2020.

The Group's level of commitment during the crisis: a reflection of its purpose

In January 2020, the Group renewed its corporate purpose: “Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions”. The Group's commitments during the crisis fully embody this purpose. The Group's approach is structured around three areas.

The first is to continue the Group's activities while safeguarding the health of clients and staff. This has been and remains the Group's top priority. Thanks to the extraordinary dedication of its teams and the quality of its technological platforms, Societe Generale has been able to easily switch to new modes of working, with tens of thousands of people around the world working from home.

The second involves helping customers by committing the Group's own resources and making available the various support schemes initiated by governments. Banks form an important link in the chain that delivers solutions to economies, helps businesses through these critical times and maximises production capacity and job protection.

Lastly, as a responsible and committed bank, the Group has set up a global solidarity programme with a budget that could reach €50 million. The General Management has decided to contribute to the financing of this plan by giving up half of the variable component of their salary for 2020.

Like all the major French banks, Societe Generale decided not to resort to partial unemployment to avoid unnecessarily using public finances and leaving the government with the maximum amount of resources for the hardest hit sectors.

Preparing for the future

While it is still early, a few trends are beginning to emerge. The need for insurance and savings advice will be even more important than before for individual clients. As for corporate clients, they will certainly need support to strengthen their capital structures and optimise their borrowing requirements. Furthermore, new ways of consuming and working have emerged during this crisis. Finally, this unique situation will also increase what society expects from companies in terms of Corporate Social Responsibility.

The Group will adapt to this new environment and help to build the post-crisis world, which may have more risks but will also be a source of great opportunity. The Group will be able to draw on its numerous strengths. Firstly, a balanced business model with a solid customer base. The relationship of loyalty and trust built up over the years with customers is another asset. The Group's international presence differentiates Societe Generale from its peers and offers potential for long-term development. One of the Group's main strengths is also the quality and dedication of its staff, who share a strong culture of responsibility and innovation, and real expertise. Furthermore, the Group has cutting edge IT systems that have proven their strength during the crisis. Lastly, the Bank's capital structure is solid.

Societe Generale's capitalisation and liquidity levels are sound. These are solid fundamentals for future growth and will help the Group to recover. The Group is convinced that it will be able to absorb the impact of this unprecedented crisis while continuing to support its clients, just as it has successfully overcome other crises throughout its 150-year history.

Societe Generale has already started work on its new 2021-2025 strategic plan, which will be announced next year. The Group's thoughts and analysis will be structured around three challenges: being a champion of customer experience and satisfaction, being a responsible bank and improving operational efficiency.

French Retail Banking networks committed to supporting their customers

Strict hygiene measures have been put in place since the very start of the crisis. The Societe Generale and Crédit du Nord retail banking networks adjusted their organisations to allow 90% of branches to remain open and accessible to the public by appointment. The back offices kept their vital and critical activities running, especially with respect to payments. Call centres made it possible to stay in close contact with customers, and apps and websites fully played their role. Thanks to this adjusted organisation, the Group was able to continue to support its clients.

Societe Generale and Crédit du Nord are also closely involved in the measures introduced to help professionals and businesses. Loan repayment dates were postponed by up to six months, for a total of €1.8 billion, in order to cushion the initial shock of falling customer revenue. Furthermore, on 25 March 2020 the teams

began to offer State guaranteed loans to customers in France. As of 18 May, the Group has received 70,000 requests for a total amount of €17.4 billion.

In addition to these efforts, the French networks have begun to look beyond the end of the crisis. Initiatives have been launched to help revive commercial activity at this crucial time. The networks

can build on the strength of the investments they made in recent years (such as in digital tools, the expertise of relationship managers and the flexibility of systems) and draw the first lessons from this crisis, in particular with respect to offering services at a distance and new products.



PHILIPPE AYMERICH
*Deputy Chief Executive
Officer*

QUESTIONS & ANSWERS

Watch the full video
of the Annual General Meeting
at www.societegenerale.com



Does Societe Generale undertake to acknowledge the risks represented by the Group's exposure to shale oil and gas?

Societe Generale is among the banks committed to measuring the alignment of all their portfolios with a transition scenario meeting the objectives of the 2015 Paris Climate Agreement. In light of this engagement, the Group was also one of the first banks to sign the Katowice Agreement in 2018 and the Collective Commitment for Climate Action of the Principles for Responsible Banking of 2019.

In 2020, the Bank will publish a plan to reduce the long-term impact of its loan books in the energy industry, including the oil and gas sector.

Currently the Group bases its position on the International Energy Agency's Sustainable Development Scenario.

The Bank makes its funding contingent on meeting the strictest social and environmental criteria and regularly strengthens its financing standards and procedures.

Will Societe Generale, in the very short term, review its coal sector commitments to align them with financial sector best practice and the Paris Agreement?

For many years, Societe Generale has set a goal of significantly reducing the weight of the thermal coal sector in its portfolios. The objective of limiting the percentage of coal in the energy mix funded by the Group to 19% by the end of 2020 has already been met given that it currently stands at 11.5%.

The Bank is committed to fully moving away from thermal coal by 2030 in the member states of the European Union and the OECD, and by 2040 for the rest of the world.

In terms of capital markets activities, what is the future of credit activities?

These activities, which were hit hard in the first quarter of 2020, play a key role in the financing of the economy.

In the midst of the Coronavirus crisis, when clients had urgent funding needs, the Group's teams acted rapidly to place their issues under challenging conditions. Overall, 75 clients were

able to issue their euro-denominated bonds during this period. Through their work, Societe Generale's teams helped to keep sectors critical to the economy going during the crisis.

These activities are very important and the Group will continue to develop them. In the first quarter, there was one specific type of activity that did not do well - structured credit products - and even then, it was only a single product, specifically tranches of North American corporate debt. A comprehensive review of these products was launched to determine if the Group will continue selling them in the future, and, if so, in what conditions.

What is Societe Generale's development strategy for Africa?

With its 17 entities and 12,000 staff members, the Group supports four million individual and business customers on the African continent, where it has been operating for over 100 years. For Societe General, Africa is a growth reservoir and an outpost for innovation.

The current crisis has demonstrated the overall resiliency of Societe Generale's presence in Africa. The Group's ambition is to continue to consolidate its leadership positions. It will continue to develop services for businesses and its retail banking activities, particularly wealth management and high-end clients. The Group also intends to continue to develop new digital tools, particularly in Mobile Payment, to attract a new customer base.

Africa is a key component of Societe Generale's sustainable and responsible development strategy. With this in mind, the Group set up the Grow with Africa programme with four priorities: supporting the development of African SMEs, infrastructure financing, financial inclusion and innovative financing of renewable energies and agribusiness.

During the Annual General Meeting, General Management answered a certain number of written questions submitted to the Meeting in advance. All the written questions and the answers provided by the Board of Directors can be viewed at www.societegenerale.com, on the Annual General Meeting page.