

23<sup>rd</sup> MAY  
2018

CONVENING NOTICE  
**COMBINED GENERAL  
MEETING**

**at 4:00 p.m.**

Paris Expo-Espace Grande Arche  
La Grande Arche  
92044 Paris-La Défense Cedex

Paris, 18<sup>th</sup> April 2018

Dear Shareholders,

I sincerely hope that you will be able to attend our Combined General Meeting, a privileged moment of exchanges on the Group's activities, the results and the strategy, as well as on corporate governance issues.

In order to receive an admission card, you just need to return the single form enclosed.

As we did last year, we provide you the possibility to vote on-line. In this way, we wish to reach the greatest number of shareholders and simplify voting procedures.

You will also find enclosed information on the schedule of the Meeting, the agenda, as well as the resolutions and conditions for taking part.

If you are unable to attend the Meeting in person, you may vote in one of the following ways:

- by post or Internet;
- by assigning a proxy;
- by authorizing the Chairman of the Meeting to vote on your behalf.

Yours faithfully,

**Lorenzo BINI SMAGHI**  
Chairman of the Board of Directors

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## HOW TO PARTICIPATE IN THE MEETING?

Any shareholder or unit holder of the company mutual fund (FCPE) "Société Générale actionnariat (FONDS E)" (hereinafter, the "FCPE"), regardless of the number of shares or units he/she/it holds, has the right to participate in the Meeting.

All days and times indicated below are the days and times of Paris (France).

### WHAT ARE THE REQUIREMENTS TO PARTICIPATE IN THE MEETING?

Shareholders or FCPE unit holders will have to justify their status, on the second business day preceding the Meeting, i.e. on 21<sup>st</sup> May 2018, at midnight (hereinafter, "D-2"), with the registration of the securities in an account, either in their name, or in the name of the registered intermediary referred to in Article L. 228-1 of the French Commercial Code.

**For registered shareholders and FCPE unit holders**, this book-entry at D-2 in the registered securities accounts shall be sufficient to allow them to participate in the Meeting.

**For bearer shareholders**, it is the authorised intermediaries holders of the bearer securities accounts (hereinafter, the "Securities Accounts Holders") who shall, either during the transmission of the single form to vote by post or proxy or to request an admission card (hereinafter, the "Single Form"), or when using the Internet voting site, directly justify with the centralising agent of the Meeting the status of their clients as shareholders.

A shareholder, who is not domiciled in France in the meaning of Article 102 of the French Civil Code, may ask the registered intermediary to transmit his/her/its vote pursuant to the legal and regulatory provisions in force.

Any person who holds temporarily, alone or in concert, in respect of one of the transactions mentioned in I of Article L. 225-126 of the French Commercial Code, a number of shares representing more than 0.5% of the voting rights, shall inform Societe Generale and the French Financial Markets Authority (*Autorité des marchés financiers*) of the total number of shares he/she/it holds temporarily, no later than the second business day preceding the Meeting at midnight, i.e. on 21<sup>st</sup> May 2018.

Failing to inform Societe Generale and the French Financial Markets Authority (*Autorité des marchés financiers*) in accordance with the conditions of Article L. 225-126 of the French Commercial Code, these shares are deprived of voting right for the relevant shareholders' meeting and for any shareholders' meeting which might be held until the resale or restitution of the said shares.

The shareholder who is required to make a statement shall send an email to the following addresses:

- [declarationpretsemprunts@amf-france.org](mailto:declarationpretsemprunts@amf-france.org) and
- [declaration.pretsemprunts@socgen.com](mailto:declaration.pretsemprunts@socgen.com)

### HOW TO PARTICIPATE IN THE MEETING?

- **Personally attend the Meeting.**
- **Vote online or by post.**
- **Give proxy, online or by post, to the Chairman of the Meeting, to his/her spouse or partner with whom the shareholder or FCPE unit holder concluded a solidarity pact (*pacte de solidarité*), or to any other natural or legal person.**

Once he/she/it has voted remotely, sent a proxy or requested an admission card or a participation certificate, he/she/it is no longer able to choose any other method of participation but is entitled to sell all or part of his/her/its shares. The number of shares considered for the vote will be the number of shares registered in the shareholder's account on 21<sup>st</sup> May 2018 at midnight.

In order to facilitate their participation in the Meeting, Societe Generale offers its shareholders and FCPE unit holders the possibility to request an admission card, to appoint or revoke

a proxy, or to vote *via* the secured "Votaccess" website. Only holders of bearer shares whose Securities Account Holder has joined the Votaccess system and offers this service to them for this Meeting will have access. The Securities Account Holder of the bearer shareholder, who has not joined Votaccess or subjects the access to the website to conditions of use, will indicate how to proceed to the shareholder.

The Votaccess website will be open from 18<sup>th</sup> April 2018 at 9:00 a.m. to 22<sup>nd</sup> May 2018 at 3:00 p.m. In order to avoid any potential overloading, it is recommended to shareholders and FCPE unit holders not to wait until the deadline to connect.

**In any case, the shareholder or FCPE unit holder must absolutely: either fill in the Single Form and forward it to his/her/its authorised intermediary using the prepaid return envelope, or connect to the Internet and follow the procedure indicated below.**

## Personally attend the Meeting

The shareholder or FCPE unit holder wishing to personally attend the Meeting **shall bring a proof of identity and an admission card.**

### 1 – Online request for an admission card

**The registered shareholder** shall connect to the website [www.sharinbox.societegenerale.com](http://www.sharinbox.societegenerale.com) using his/her/its Sharinbox access code indicated on the Single Form which has been sent or, when appropriate, in the e-mail which has been sent if he/she/it requested a receipt by e-mail. The login password to the website was sent to him/her/it by post at the time of his/her/its first contact with Societe Generale Securities Services. It may be reset by clicking on “Get your codes” on the website homepage.

He/she/it will then follow the procedure displayed on the screen to print his/her/its admission card.

**The bearer shareholder** shall connect with his/her/its usual login information to the Internet portal of his/her/its Securities Account Holder to access the Votaccess website and then follow the procedure displayed on the screen to print his/her/its admission card.

**The FCPE unit holders** shall connect to the website [www.esalia.com](http://www.esalia.com) with his/her usual login information and then follow the procedure displayed on the screen to print his/her admission card.

### 2 - Request by post for an admission card

**The registered shareholder** registered for at least one month at the date of the convening notice will receive the convening brochure accompanied by the Single Form by post mail, unless he/she/it requested a receipt by e-mail. To request his/her/its admission card, he/she/it **shall tick the box A** on the upper part of the Single Form, **date and sign the Single Form** before returning it.

**The bearer shareholder** shall send a request for Single Form to his/her/its Securities Account Holder and follow the procedure indicated by the latter. If he/she/it has not received his/her/its admission card by 21<sup>st</sup> May 2018, he/she/it shall ask his/her/its Securities Account Holder for a participation certificate which will allow him/her/it to justify his/her/its status as shareholder on D-2 to be admitted to the Meeting.

**The FCPE unit holder**, if he/she does not have access to the Internet, may request the convening brochure accompanied

by a Single Form, by post mail to Societe Generale, Service Assemblées, CS 30812, 44308 Nantes Cedex 3 (France). In order to request his/her admission card, he/she **shall tick the box A** on the upper part of the Single Form, **date and sign the Single Form** before returning it.

Any request for a Single Form shall be received by Societe Generale no later than six days before the Meeting, i.e. on 17<sup>th</sup> May 2018, and the duly completed and signed Single Form shall be received at the aforementioned address no later than two calendar days before the date of the Meeting, i.e. on 21<sup>st</sup> May 2018.

The shareholder or FCPE unit holder who requested an admission card by post and has not received it by 21<sup>st</sup> May 2018 is invited to, for any information with respect to the processing of his/her/its request, contact Societe Generale's call center for admission cards from Monday to Friday, between 8:30 a.m. and 6:00 p.m., at +33(0) 825 315 315 (Cost for the call from France: EUR 0.15/min excluding taxes).

For bearer shareholders appearing on the day of the Meeting without a certificate, phones and fax machines will be available. It will fall to them to contact their Securities Account Holder and get the requested certificate by fax in order to attend the Meeting. Only certificates in a paper format will be accepted on the day of the Meeting.

### 3 - Vote during the Meeting

The vote during the Meeting will be cast using a touchscreen tablet.

In order to facilitate the conduct of the Meeting, we recommend to the shareholder or FCPE unit holder to:

1. arrive at 3:00 p.m. at the Meeting's venue, at the Meeting's sign-in desks for signature of the attendance sheet if he/she has his/her admission card. Failing this, please report to the reception desk;
2. enter the room with the touchscreen tablet given upon signature of the attendance sheet;
3. follow the instructions given during the session on how to use the touchscreen tablet.

**Please be advised that no touchscreen tablet will be handed over after 5:00 p.m.**

## Vote online or by post

### 1 – Vote online

The registered shareholder shall connect to the website [www.sharinbox.societegenerale.com](http://www.sharinbox.societegenerale.com) using his/her/its Sharinbox access code indicated on the Single Form which has been sent or, when appropriate, in the e-mail which has been sent if he/she/it requested a receipt by e-mail. The login password to the website was sent to him/her/it by post at the time of his/her/its first contact with Societe Generale Securities Services. It may be resent by clicking on “Get your codes” on the website homepage.

The shareholder shall then follow the instructions in his/her/its personal space by clicking on the name of the meeting under the section “Ongoing operations” on the homepage then on “Vote” to access the voting website.

The bearer shareholder shall connect, with his/her/its usual login information, to the Internet portal of his/her/its Securities Account Holder to access the Votaccess website and shall follow the procedure displayed on the screen.

The FCPE unit holder shall connect, with his/her usual login information, to the website [www.esalia.com](http://www.esalia.com). He/she will be able to access the Votaccess website and shall follow the procedure displayed on the screen.

### 2 – Vote by post

The registered shareholder will receive the Single Form by post mail unless he/she/it requested a receipt by e-mail. He/she/it shall tick the box “I vote by post”, vote on each resolution, not forget to fill in the box “In case amendments or

new resolutions are proposed during the meeting”, date and sign at the bottom of the Single Form before returning it.

The bearer shareholder shall ask for the Single Form to his/her/its Securities Account Holder. He/she/it shall tick the box “I vote by post”, vote on each resolution, not forget to fill in the box “In case amendments or new resolutions are proposed during the meeting”, date and sign at the bottom of the Single Form before returning it. Once the shareholder will have duly completed and signed the said form, his/her/its Securities Account Holder shall forward it, together with a participation certificate, to the centralising agent of the Meeting.

The FCPE unit holder, if he/she does not have access to the Internet, may ask for the Single Form by post mail to Societe Generale (Service Assemblées, CS 30812, 44308 Nantes Cedex 3 – France). Any request for a Single Form shall be received no later than six days before the Meeting, i.e. on 17<sup>th</sup> May 2018. He/she shall tick the box “I vote by post”, vote on each resolution, not forget to fill in the box “In case amendments or new resolutions are proposed during the meeting”, date and sign at the bottom of the Single Form before returning it.

In any case, the duly completed and signed Single Form, together with a registration certificate for the bearer shareholders, shall be received by Societe Generale (Service Assemblées, CS 30812, 44308 Nantes Cedex 3 – France) no later than two calendar days before the date of the Meeting, i.e. on 21<sup>st</sup> May 2018.

**It is specified that no Single Form received after this date by Societe Generale will be considered.**

## Give proxy online or by post

### 1 – Give proxy online

The shareholder or FCPE unit holder who has chosen to be represented by a proxy of his/her/its choice may notify this appointment or revoke it online.

The registered shareholder shall notify this appointment or revoke it online by connecting to the website [www.sharinbox.societegenerale.com](http://www.sharinbox.societegenerale.com) using his/her/its Sharinbox access code indicated on the Single Form which has been sent or, when appropriate, in the e-mail which has been sent if he/she/it requested a receipt by e-mail. The login password to the website was sent to him/her/it by post at the time of his/her/its first contact with Societe Generale Securities Services. It may be resent by clicking on “Get your codes” on the website homepage.

The bearer shareholder shall connect, with his/her/its usual login information, to the Internet portal of his/her/its Securities

Account Holder to access the website and then follow the procedure displayed on the screen.

The FCPE unit holder shall notify this appointment or revoke it online by connecting to the website [www.esalia.com](http://www.esalia.com) using his/her usual login information and then following the procedure displayed on the screen.

### 2 – Give proxy by post

The shareholder or FCPE unit holder who has chosen to be represented by a proxy of his/her/its choice may notify this appointment or revoke it by post mail, to their Securities Account Holder, using the Single Form duly completed and signed which, to be taken into account, shall be received by Societe Generale (Service Assemblées, CS 30812, 44308 Nantes Cedex 3 – France) no later than 21<sup>st</sup> May 2018. **No Single Form received after this date by Societe Generale will be considered.**

Pursuant to the above, proxies will not be accepted on the day of the Meeting.

**To the Chairman of the Meeting:**

The shareholder or FCPE unit holder shall, before returning it, (i) tick the box “I hereby give my proxy to the Chairman of the General Meeting”, date and sign at the bottom of the Single Form or (ii) simply date and sign at the bottom of the Single Form.

**To any other person:**

The shareholder or FCPE unit holder shall tick the box “I hereby appoint”, fill in the details of the proxy, date and sign at the bottom of the Single Form before returning it.

It is reminded that the written and signed proxies must include the name, first name and address of the shareholder or FCPE unit holder as well as the ones of his/her/its proxy.

It is specified that for any proxy given by a shareholder or FCPE unit holder without indicating his/her/its proxy, the Chairman of the Meeting will cast a vote according to the recommendations of the Board of Directors.

**To attend the meeting in person:**  
tick **A**

**To vote by post:**  
tick **1**, and, if there are any resolutions that you disagree with, fill in the corresponding box(es). Do not forget to fill in the “Amendments and the New Resolutions” box.

**To appoint the Chairman of the Meeting:**  
tick **2**, date and sign at the bottom of the form.

**IMPORTANT :** Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - **Important :** Before selecting please refer to instructions on reverse side  
**A.** Quelle que soit l'option choisie, noircir comme ceci  la ou les cases correspondantes, dater et signer au bas du formulaire - **Whichever option is used, shade box(es) like this , date and sign at the bottom of the form.**  
**B.** J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / **I prefer to use the posta/voting form or the proxy form as specified below.**

**SOCIETE GENERALE**  
 29 Boulevard Haussmann  
 75009 PARIS  
 au capital de 1 009 897 173,75€  
 552 122 222 RCS PARIS

**ASSEMBLEE GENERALE MIXTE**  
 Le 23 MAI 2018 à 16h00  
 Espace Grande Arche  
 Paris La Défense  
**COMBINED GENERAL MEETING**  
 MAY 23, 2018 at 4 p.m.  
 Espace Grande Arche  
 Paris La Défense

**CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY**

Identifiant - Account

Nombre d'actions / Number of shares

Vote simple / Single vote

Vote double / Double vote

Porteur / Bearer

Nombre de voix - Number of voting rights

<p><b>1</b> <input type="checkbox"/> <b>JE VOTE PAR CORRESPONDANCE // VOTE BY POST</b>                  Cf. au verso (2) - See reverse (2)</p> <p>Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci <input checked="" type="checkbox"/> la case correspondante et pour lesquels je vote NON ou je m'abstiens.                  I vote YES all the draft resolutions approved by the Board of Directors, EXCEPT those indicated by a shaded box - like this <input checked="" type="checkbox"/>, for which I vote NO or I abstain.</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td></tr> <tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> <tr><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td><td>18</td></tr> <tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> <tr><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td></tr> <tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> <tr><td>28</td><td>29</td><td>30</td><td>31</td><td>32</td><td>33</td><td>34</td><td>35</td><td>36</td></tr> <tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> <tr><td>37</td><td>38</td><td>39</td><td>40</td><td>41</td><td>42</td><td>43</td><td>44</td><td>45</td></tr> <tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> </table>	1	2	3	4	5	6	7	8	9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	11	12	13	14	15	16	17	18	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19	20	21	22	23	24	25	26	27	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	28	29	30	31	32	33	34	35	36	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	37	38	39	40	41	42	43	44	45	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><b>2</b> <input type="checkbox"/> <b>JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE</b>                  Cf. au verso (3)</p> <p><b>I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING</b>                  See reverse (3)</p> <p><b>3</b> <input type="checkbox"/> <b>JE DONNE POUVOIR À :</b> Cf. au verso (4)  <b>I HEREBY APPOINT:</b> See reverse (4)</p> <p>M. Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name</p> <p>Adresse / Address</p>	<p><b>ATTENTION :</b> s'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.  <b>CAUTION :</b> If it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.</p> <p>Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). Cf au verso (1)                  Surname, first name, address of the shareholder (change regarding this information have to be notified to relevant institution, no change can be made using this proxy form). See reverse (1)</p>
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Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting  
 - Je donne pouvoir au Président de l'assemblée générale de voter en mon nom. / I appoint the Chairman of the general meeting to vote on my behalf.....   
 - Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to vote NO).....   
 - Je donne procuration (cf. au verso renvoi (4)) à M., Mme ou Mlle, Raison Sociale pour voter en mon nom / I appoint (see reverse (4)) Mr, Mrs or Miss, Corporate Name to vote on my behalf.....

Pour être prise en considération, toute formule doit parvenir au plus tard :  
 In order to be considered, this completed form must be returned at the latest:

à la banque / to the bank      21/05/2018 / May 21th, 2018

Date & Signature \_\_\_\_\_

**To appoint another individual, who will attend the meeting in person, as proxy:**  
 tick **3** and enter the name and address of this person.

**Irrespective of your choice, date & sign here.**  
 In shares are jointly owners must sign the form.

**Check** your details here or enter your name and address.

## RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS AND SUBMITTED TO THE VOTE OF THE GENERAL MEETING

### Resolutions to be resolved upon by an ordinary General Meeting

1. Approval of the consolidated accounts for the 2017 financial year.
2. Approval of the annual accounts for the 2017 financial year.
3. Allocation of the 2017 income; setting of the dividend.
4. Related party agreements and commitments.
5. Approval of the compensation policy for the Chairman of the Board of Directors, pursuant to Article L. 225-37-2 of the French Commercial Code.
6. Approval of the compensation policy for the Chief Executive Officer and the Deputy Chief Executive Officers, pursuant to Article L. 225-37-2 of the French Commercial Code.
7. Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Lorenzo Bini Smaghi, Chairman of the Board of Directors, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code.
8. Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Frédéric Oudéa, Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code.
9. Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Séverin Cabannes, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code.
10. Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Bernardo Sanchez Incera, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code.
11. Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Didier Valet, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code.
12. Advisory opinion on the compensation paid in 2017 to the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code.
13. Renewal of Mr Lorenzo Bini Smaghi as Director.
14. Appointment of Mr Jérôme Contamine as Director.
15. Appointment of Mrs Diane Côté as Director.
16. Increase of the overall amount of attendance fees.
17. Renewal of the company Ernst & Young et Autres as Statutory auditor.
18. Renewal of the company Deloitte & Associés as Statutory auditor.
19. Authorisation granted to the Board of Directors to trade Company's ordinary shares up to a limit of 5% of the share capital.

### Resolutions to be resolved upon by an extraordinary General Meeting

20. Delegation of authority granted to the Board of Directors in order to increase the share capital with pre-emptive subscription rights through the issuance of ordinary shares and/or securities giving access to the share capital of the Company and/or its subsidiaries and/or through incorporation.
21. Delegation of authority granted to the Board of Directors in order to increase the share capital with cancellation of pre-emptive subscription rights, by offer to the public, through the issuance of ordinary shares and/or any securities giving access to the share capital of the Company and/or its subsidiaries.
22. Delegation of authority granted to the Board of Directors in order to increase the share capital without pre-emptive subscription rights in order to remunerate contributions in kind made to the Company.
23. Delegation of authority granted to the Board of Directors in order to proceed with the issuance of contingent convertible super-subordinated bonds, with cancellation of pre-emptive subscription rights, through private placement referred to in II of Article L. 411-2 of the French Monetary and Financial Code.
24. Authorisation granted to the Board of Directors in order to proceed with share capital increases with cancellation of pre-emptive subscription rights or transfers of shares reserved for members of a company or group Employee Share Ownership Plan.
25. Authorisation granted to the Board of Directors in order to proceed with free allocations of performance shares, existing or to be issued without pre-emptive subscription rights, for the benefit of the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code or assimilated.
26. Authorisation granted to the Board of Directors in order to proceed with free allocations of performance shares, existing or to be issued without pre-emptive subscription rights, for the benefit of employees other than the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code and assimilated.
27. Authorisation granted to the Board of Directors in order to cancel treasury shares held by the Company within the limit of 5% per period of 24 months.
28. Powers for formalities.

**This Meeting will be broadcast live and deferred on the Internet.**

## BOARD OF DIRECTORS



**Lorenzo BINI SMAGHI**  
Chairman of the Board of Directors  
Independent Director

**Date of birth:** 29<sup>th</sup> November 1956  
**Year of first appointment:** 2014  
**Term of office expires in:** 2018



**Frédéric OUDÉA**  
Chief Executive Officer

**Date of birth:** 3<sup>rd</sup> July 1963  
**Year of first appointment:** 2009  
**Term of office expires in:** 2019



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

**Date of birth:** 27<sup>th</sup> April 1946  
**Year of first appointment:** 2009  
**Term of office expires in:** 2018



**William CONNELLY**  
Company Director  
Independent Director, member of the Risk Committee

**Date of birth:** 3<sup>rd</sup> February 1958  
**Year of first appointment:** 2017  
**Term of office expires in:** 2021



**Kyra HAZOU**  
Company Director  
Independent Director, member of the Audit and Internal Control Committee and of the Risk Committee

**Date of birth:** 13<sup>th</sup> December 1956  
**Year of first appointment:** 2011  
**Term of office expires in:** 2019



**Jean-Bernard LÉVY**  
Chairman and Chief Executive Officer of EDF  
Independent Director, Chairman of the Compensation Committee and member of the Nomination and Corporate Governance Committee

**Date of birth:** 18<sup>th</sup> March 1955  
**Year of first appointment:** 2009  
**Term of office expires in:** 2021



**Ana-Maria LLOPIS RIVAS**  
Founder, Chairman and Chief Executive Officer of Global Ideas4all, S.L.  
Independent Director, member of the Nomination and Corporate Governance Committee

**Date of birth:** 5<sup>th</sup> August 1950  
**Year of first appointment:** 2011  
**Term of office expires in:** 2019



**Gérard MESTRALLET**  
Chairman of the Board of Directors of ENGIE  
Independent Director, Chairman of the Nomination and Corporate Governance Committee and member of the Compensation Committee

**Date of birth:** 1<sup>st</sup> April 1949  
**Year of first appointment:** 2015  
**Term of office expires in:** 2019



**Juan Maria NIN GENOVA**  
Company Director  
Independent Director, member of the Risk Committee and of the Compensation Committee

**Date of birth:** 10<sup>th</sup> March 1953  
**Year of first appointment:** 2016  
**Term of office expires in:** 2020



**Nathalie RACHOU**  
Company Director  
Independent Director, Chairman of the Risk Committee and member of the Audit and Internal Control Committee

**Date of birth:** 7<sup>th</sup> April 1957  
**Year of first appointment:** 2008  
**Term of office expires in:** 2020



**Lubomira ROCHET**  
Chief Digital Officer of L'Oréal  
Independent Director

**Date of birth:** 8<sup>th</sup> May 1977  
**Year of first appointment:** 2017  
**Term of office expires in:** 2021



**Alexandra SCHAAPVELD**  
Company Director  
Independent Director, Chairman of the Audit and Internal Control Committee and member of the Risk Committee

**Date of birth:** 5<sup>th</sup> September 1958  
**Year of first appointment:** 2013  
**Term of office expires in:** 2021



**France HOUSSAYE**  
Director elected by employees  
Branch manager of Bois Guillaume, DEC of Rouen  
Member of the Compensation Committee

**Date of birth:** 27<sup>th</sup> July 1967  
**Year of first appointment:** 2009  
**Term of office expires in:** 2018



**Béatrice LEPAGNOL**  
Director elected by employees  
Union activities advisor at the Agen branch

**Date of birth:** 11<sup>th</sup> October 1970  
**Year of first appointment:** 2012  
**Term of office expires in:** 2018

## BIOGRAPHY OF THE DIRECTORS

The directors' main areas of expertise and experience are summarized at page 74 in the 2018 Registration Document and their biographies can be found in pages 77 to 83 in the 2018 Registration Document.

### DIRECTOR WHOSE RENEWAL IS SUBMITTED TO THE VOTE OF THE GENERAL MEETING

**Lorenzo BINI SMAGHI**

Chairman of the Board of Directors  
Independent Director



**Biography**

An Italian national, with a degree in Economic Sciences from the Université Catholique de Louvain (Belgium) and a Ph.D in Economic Sciences from the University of Chicago. Began his career in 1983 as an Economist at the Research Department of the Banca d'Italia. In 1994, appointed Head of the Policy Division of the European Monetary Institute. In October 1998, Director-General of International Financial Relations in Italy's Economy and Finance Ministry. Chairman of SACE from 2001 to 2005. From June 2005 to December 2011, member of the Executive Board of the European Central Bank. From 2012 to 2016, Chairman of the Board of Directors of SNAM (Italy). He is currently Chairman of the Board of Directors of Italgas (Italy) since 2016 and of Societe Generale since 2015.

**Date of birth:**

29<sup>th</sup> November 1956

**Year of first appointment:** 2014

**Term of office expires in:** 2018

Holds 2,000 shares

**Other offices held currently**

**In foreign listed companies**

- *Chairman of the Board of Directors:* Italgas (Italy) (since 2016).

**In foreign unlisted companies**

- *Director:* TAGES Holding (Italy) (since 2014).

**Other offices and positions held in other companies in the past five years**

- *Chairman of the Board of Directors:* SNAM (Italy) (from 2012 to 2016), ChiantiBanca (Italy) (from 2016 to 15<sup>th</sup> May 2017).
- *Director:* Morgan Stanley (United Kingdom) (from 2013 to 2014).

### DIRECTORS WHOSE APPOINTMENT IS SUBMITTED TO THE VOTE OF THE GENERAL MEETING

**Diane CÔTÉ**

Chief Risk Officer of the London Stock Exchange Group  
Independent Director



**Biography**

Graduate of the University of Ottawa (Canada), has a financial and accounting training. From 1992 to 2012, she held important positions in auditing, risk and finance in various insurance companies (Prudential, Standard Life, Aviva) in Canada and Great-Britain. Since 2012, Chief Risk Officer of the London Stock Exchange Group (LSEG).

**Other offices held currently**

None

**Other offices and positions held in other companies in the past five years**

- *Director:* Novae Syndicates Limited (United-Kingdom) (from 2015 to 31<sup>st</sup> March 2018), Frank Russel Company (United States of Americas) (from 2014 to 2016), Russel Investment Inc (United States of Americas) (from 2015 to 2016).

**Date of birth:**

28<sup>th</sup> December 1963



**Jérôme CONTAMINE**

Executive Vice-President and Chief Financial Officer of SANOFI  
Independent Director



**Date of birth:**  
23<sup>rd</sup> November 1957

**Biography**

Graduate of the École Polytechnique, l'ENSAE and l'École Nationale d'Administration. After 4 years as auditor at French Accounting Count, held various operational positions at Total. From 2000 to 2009, Chief Financial Officer of Veolia Environnement. Director of Valeo from 2006 to 2017. Since March 2009, Chief Financial Officer of Sanofi.

**Other offices held currently**

None

**Other offices and positions held in other companies in the past five years**

- *Chairman of the Board of Directors:* SANOFI European Treasury Center\* (Belgium) (from 2012 to 2015), SECIPE\* (France) (from 2009 to 2016), SANOFI 1\* (France) (from 2009 to 2015).
- *Director:* Valeo (France) (from 2006 to 30<sup>th</sup> sept 2017), SANOFI European Treasury Center\* (Belgium) (from 2012 to 2016).

\* *Sanofi Group.*

## DIRECTORS ELECTED BY EMPLOYEES IN THE ELECTION ON 20<sup>th</sup> MARCH 2018

**France HOUSSAYE**

Director elected by employees  
Branch manager of Bois Guillaume, DEC of Rouen  
Member of the Compensation Committee



**Date of birth:** 27<sup>th</sup> July 1967  
**Year of first appointment:** 2009  
**Term of office expires in:** 2021

**Biography**

Societe Generale employee since 1989.

**Other offices held currently**

None

**Other offices and positions held in other companies in the past five years**

None

**David LEROUX**

Director elected by employees  
Account officer of Shareholders Meetings within Securities services



**Date of birth:** 3<sup>rd</sup> June 1978  
**Year of first appointment:** 2018  
**Term of office expires in:** 2021

**Biography**

Societe Generale employee since 2001.

**Other offices held currently**

None

**Other offices and positions held in other companies in the past five years**

None

## PARENT COMPANY FINANCIAL STATEMENT (EXTRACT)

## FIVE-YEAR FINANCIAL SUMMARY OF SOCIETE GENERALE

<i>(in EUR m)</i>	2017	2016	2015	2014	2013
<b>Financial position at year-end</b>					
Capital stock (in EUR m) <sup>(1)</sup>	1,010	1,010	1,008	1,007	998
Number of shares issued <sup>(2)</sup>	807,917,739	807,713,534	806,239,713	805,207,646	798,716,162
<b>Results of operations (in EUR m)</b>					
Revenue excluding tax <sup>(3)</sup>	27,207	27,174	28,365	25,119	25,887
Earnings before tax, depreciation, amortisation, provisions, employee profit sharing and general reserve for banking risks	1,678	5,884	5,809	2,823	3,901
Employee profit sharing	11	13	15	12	10
Income tax	(109)	246	(214)	99	(221)
Net income	800	4,223	1,065	996	2,714
Total dividends paid	1,777	1,777	1,612	966	799
<b>Earnings per share (in EUR)</b>					
Earnings after tax but before depreciation, amortisation and provisions	2.20	6.96	7.45	3.37	5.15
Net income	0.99	5.23	1.32	1.24	3.40
Dividend paid per share	2.20	2.20	2.00	1.20	1.00
<b>Employees</b>					
Headcount	46,804	46,445	46,390	45,450	45,606
Total payroll (in EUR m)	3,560	3,696	3,653	3,472	3,459
Employee benefits (Social Security and other) (in EUR m)	1,475	1,468	1,452	1,423	1,407

(1) In 2017, Societe Generale carried out a capital increase for a total of EUR 0.26 million, further to employees exercising the options granted to them by the Board of Directors, with additional paid-in capital of EUR 8.16 million.

(2) At 31<sup>st</sup> December 2017, Societe Generale's fully paid-up capital amounted to EUR 1,009,897,173.75 and comprised 807,917,739 shares with a nominal value of EUR 1.25.

(3) Revenue consists of interest income, dividend income, fee income, income from financial transactions and other operating income.

## | SUMMARY BALANCE SHEET OF SOCIETE GENERALE

## Assets

<i>(In EUR bn at 31<sup>st</sup> December)</i>	31.12.2017	31.12.2016	Change
Interbank and money market assets	208	182	26
Customer loans	264	265	(1)
Securities	570	535	35
<i>o.w. securities purchased under resale agreements</i>	201	215	(14)
Other assets	139	210	(71)
<i>o.w. option premiums</i>	57	93	(36)
Tangible and intangible fixed assets	2	2	(0)
<b>Total assets</b>	<b>1,183</b>	<b>1,194</b>	<b>(11)</b>

## Liabilities

<i>(In EUR bn at 31<sup>st</sup> December)</i>	31.12.2017	31.12.2016	Change
Interbank and money liabilities <sup>(1)</sup>	254	229	25
Customer deposits	340	353	(13)
Bonds and subordinated debt <sup>(2)</sup>	31	32	(1)
Securities	381	338	43
<i>o.w. securities sold under repurchase agreements</i>	189	180	9
Other liabilities and provisions	142	205	(63)
<i>o.w. option premiums</i>	61	98	(37)
Equity	35	36	(1)
<b>Total liabilities and shareholders' equity</b>	<b>1,183</b>	<b>1,194</b>	<b>(11)</b>

(1) Including negotiable debt instruments.

(2) Including undated subordinated capital notes.

Societe Generale's balance sheet totalled EUR 1,183 billion, down EUR 11 billion compared with 31<sup>st</sup> December 2016.

There were many causes for concern at the beginning of 2017: rising oil prices, stagnant low interest rates and elections in Europe in the wake of Brexit. However, as the year progressed, these concerns evaporated, and the pace of growth in the global economy (estimated at 3.6% in 2017) exceeded both that seen in 2016 and the long-term trend. Against this backdrop, Societe Generale confirmed the strength of its financial structure, with capital ratios that went further than (already strict) regulatory requirements.

The EUR +26 billion increase in Interbank and money market assets was partially the result of loans to subsidiaries and increased deposits, reflecting the readily available abundance of cash assets at particularly low interest rates from central banks in order to satisfy both regulatory requirements – in particular future NSFR (Net Stable Funding Ratio) requirements – and the need to strengthen the Group's financing structure.

2017 saw strong momentum in the production of mortgage loans, but without any corresponding increase in customer

loan outstandings, which remained stable year-on-year, with the substantial wave of Prepayments and Renegotiations now dropping off. Housing loans were down by EUR 8 billion further to a mortgage loan securitisation transaction, offset by an increase in loans to Group subsidiaries.

In a competitive environment, Retail Banking posted sustained growth in its sight deposits in 2017. Balance sheet outstandings on regulated savings accounts increased again, by EUR 2.7 billion (EUR +2.6 billion in 2016). Conversely, those of individuals and corporates were down by EUR 16 billion.

The equity portfolio, which posted a EUR 23 billion increase, benefited from the rebound in certain stock market indices, thus reflecting economic growth. The outstanding treasury notes portfolio was also up, by EUR 19.3 billion, due to a new securities lending activity that resulted in an increase in the amounts payable on securities borrowed, on the liabilities side. In the context of the abovementioned securitisation transaction, the Group Treasury function subscribed to bonds issued by the securitisation fund for EUR 9 billion.

As regards other financial accounts, which are by nature volatile on both sides of the balance sheet and which follow stock market indices that enjoyed significant growth over 2017, the Group endeavoured to maintain a relevant product range and improve the clarity of its financial statements. This resulted in a lower valuation of derivatives and a reduction in guarantee deposits pledged and received on market transactions, as well as in premiums on options.

Societe Generale boasts a diversified range of funding sources and channels:

- stable resources consisting of equity and subordinated debt (EUR 66 billion);
- customer deposits, which make up a significant share (29%) of total balance sheet resources;

- resources in the form of interbank deposits and borrowings (EUR 172 billion);

- capital raised on the market through a proactive diversification policy, making use of various types of debt (secured and unsecured bonds, etc.), issuance vehicles (EMTNs, Certificates of Deposit), currencies and investor pools (EUR 76 billion);

- resources from securities sold under repurchase agreements to customers and banks (EUR 189 billion).

The Group's financing structure is based on substantial deposit inflows across all of its business lines and on the extension of its funding sources, which reflects Societe Generale's efforts to strengthen the structure of its balance sheet in recent years.

## SUMMARY INCOME STATEMENT OF SOCIETE GENERALE

(In EUR m)	2017			2016			Change 17/16 (%)		
	France	International	Societe Generale	France	International	Societe Generale	France	International	Societe Generale
<b>Net Banking Income</b>	<b>7,220</b>	<b>2,719</b>	<b>9,939</b>	<b>10,617</b>	<b>3,607</b>	<b>14,224</b>	<b>(32)</b>	<b>(25)</b>	<b>(30)</b>
Total operating expenses	(7,804)	(1,803)	(9,607)	(6,789)	(2,428)	(9,217)	15	(26)	4
<b>Gross operating income</b>	<b>(584)</b>	<b>916</b>	<b>332</b>	<b>3,828</b>	<b>1,179</b>	<b>5,007</b>	<b>(115)</b>	<b>(22)</b>	<b>(93)</b>
Cost of risk	(542)	(122)	(664)	(731)	(253)	(984)	(26)	(52)	(33)
<b>Operating income</b>	<b>(1,126)</b>	<b>794</b>	<b>(332)</b>	<b>3,097</b>	<b>926</b>	<b>4,023</b>	<b>(136)</b>	<b>(14)</b>	<b>(108)</b>
Net income from long-term investments	1,092	(68)	1,024	444	2	446	146	N/A	130
<b>Operating income before income tax</b>	<b>(34)</b>	<b>726</b>	<b>692</b>	<b>3,541</b>	<b>928</b>	<b>4,469</b>	<b>(101)</b>	<b>(22)</b>	<b>(85)</b>
Income tax	490	(382)	108	(332)	86	(246)	(248)	(544)	(144)
<b>Net income</b>	<b>456</b>	<b>344</b>	<b>800</b>	<b>3,209</b>	<b>1,014</b>	<b>4,223</b>	<b>(86)</b>	<b>(66)</b>	<b>(81)</b>

In 2017, Societe Generale generated gross operating income of EUR 0.3 billion, down by EUR 4.7 billion compared with 2016, mainly due to a EUR 4.2 billion decrease in net banking income.

The following exceptional events took place in 2017:

Net banking income for 2017 absorbed EUR -963 million in relation to the settlement with the Libyan Investment Authority (LIA), ending the dispute between the two parties;

The disposal of 20% of the shares in ALD, the Group's operational vehicle leasing and fleet management subsidiary, by means of a floatation on the Euronext Paris regulated market, generated a gain of EUR 960 million in income from long-term investments;

Societe Generale continued the optimisation of its business portfolio, involving in particular the disposal of Societe Generale Splitska Banka, which resulted in a loss of EUR 51 million;

Societe Generale launched a new phase in the adaptation of its French network, aimed at accelerating expertise and agility improvements in its organisation, with a view to better serving its customers. The proposed reorganisation will involve approximately 900 job cuts in addition to the 2,550 already announced at the beginning of 2016, taking the total number to around 3,450 by 2020. This reorganisation, together with the accelerated overhaul of certain compliance systems, resulted in Societe Generale booking an exceptional expense of EUR 380 million in the 2017 accounts;

The tax reforms implemented in France, entailing adjustments to deferred taxes further to the progressive reduction in the corporate income tax rate (from 33% to 25% by 2022) included in the French Finance Act for 2018 and the refund of the 3% additional contribution on dividends, deemed unlawful by the French Constitutional Court, had an impact of EUR -146 million on the 2017 tax expenses. In addition, further to a reassessment proposal received following an audit by the French tax authorities covering various operating taxes, Societe Generale booked a provision of EUR 142 million in operating expenses.

Under the US Tax Cuts and Jobs Act, promulgated on 22<sup>nd</sup> December 2017, the federal corporate income tax rate was reduced to 21%, effective as from January 2018. In view of the short-term accounting impact of this change and the valuation of deferred tax assets of the US tax group, Societe Generale booked a charge of EUR 253 million.

Operating expenses included an exceptional item relating to the booking of a charge following the judgment of the Paris Court of Appeal of 21<sup>st</sup> December 2017 confirming the fine in the litigation related to the dematerialisation of cheque processing, amounting to EUR 53 million.

Net Banking Income (NBI) amounted to EUR 9,939 million in 2017, down 30% as compared to 2016. NBI suffered from the decline in dividends received (EUR -2,418 million), and also includes the exceptional impact of the LIA settlement (EUR -963 million).

- French Retail Banking's net banking income was lower than in 2016 (EUR -0.4 billion). Fees were up by +3%, whereas the net interest margin was down by -12% compared with 2016. In a low interest rate environment, French Retail Banking focused on developing its growth drivers and fee-generating activities;
- the results from Global Banking and Investor Solutions were slightly lower than in 2016. Its businesses demonstrated resilience over the year, despite volatility remaining historically low. Income from Global Finance was lower than in 2016, but was offset by improved income from Coverage and Investment Banking. Income from Equity and from Securities Services increased in 2017 on the back of strong commercial performance derived from a return to growth in the European economy and healthy equity markets;
- the Corporate Centre, which includes the management of the Group's equity portfolio, recorded a decline in dividends received (EUR -2.4 billion compared with 2016). This was the result of exceptional interim dividends paid by holding subsidiaries at end-2016 (EUR -1.1 billion). In addition, certain banking subsidiaries reduced their dividend base so as to strengthen their regulatory capital.

The employment competitiveness tax (CICE) amounted to EUR 44 million in 2017 (vs. EUR 38 million in 2016) and was used in accordance with regulations. In 2017, this tax made it possible to continue technological investments, thereby supporting Societe Generale's digital transition process. It was allocated to the following items:

- strengthening of the positioning of Retail Banking by ensuring the digital transition of our businesses (websites, mobile applications and tablets for customers and advisers, digitalised processing);
- ongoing transformation of the investment bank's historic IT systems to a more digital, strongly customer-oriented and more flexible interface;

- ongoing continuous delivery of IT services and gradual roll-out of the Agile at scale methodology;
- ongoing technological monitoring through partnerships with start-ups on innovative projects, coordination of cross-business communities with a view to fostering strategic inspiration;
- launch of the Internal Start-up Call programme, an *intrapreneurial* initiative open to all Societe Generale employees that aims to encourage the creation of new internal start-ups focused on high-potential groundbreaking businesses;
- improvement of tools and usages (Cloud, Big Data, Open Source, API, collaborative tools, etc.);
- ongoing investments, following on from the technological innovations implemented at the Dunes building, which equipped 3,900 more employees with collaborative, connected and mobile solutions.

Operating expenses increased by EUR 0.4 billion. Societe Generale continued to invest in its digital transformation and the growth of its businesses, whilst pursuing strict cost control.

Operating expenses for 2017 included the abovementioned exceptional items in respect of the Retail Banking network's transformation, the consequences of the judgment of 21<sup>st</sup> December in respect of the dematerialisation of cheque processing and the French tax authorities' reassessment proposal (EUR -0.6 billion in total).

Net cost of risk was EUR 0.7 billion at end-2017, down EUR 0.3 billion year-on-year. The reduction in net cost of risk seen since 2016 continued, proving the quality of Societe Generale's loan approval policy.

In 2017, the net cost of the provision for disputes remained unchanged from the previous year, at EUR -0.4 billion, thus resulting in a balance sheet total of EUR 2.3 billion.

The combination of all these items led to a sharp decline in operating income (EUR -4.4 billion).

In 2017, Societe Generale recorded a gain from long-term investments of EUR 1 billion, primarily from the capital gain upon the disposal of part of its stake in ALD further to the latter's stock market floatation. As a reminder, the gain from long-term investments in 2016, which amounted to EUR 0.4 billion, derived primarily from the capital gain generated through the disposal of the Group's stake in Visa Europe for EUR 0.5 billion.

Income tax represented a positive balance of EUR +0.1 billion (compared to a charge of EUR -0.2 billion in 2016). This change is mainly due to the decline in income before tax (EUR -3.7 billion) and takes into account exceptional items related to the French and US tax reforms (EUR -0.4 billion).

Net income after tax thus amounted to EUR 0.8 billion at end-2017 *versus* EUR 4.2 billion at end-2016.

## GROUP ACTIVITY AND RESULTS

The financial information presented in respect of the financial year ending 31<sup>st</sup> December 2017 has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date.

\* Information followed by an asterisk indicates "when adjusted for changes in Group structure and at constant exchange rates".

### ANALYSIS OF THE CONSOLIDATED INCOME STATEMENT

(In EUR m)	2017	2016	Change	
<b>Net banking income</b>	<b>23,954</b>	<b>25,298</b>	<b>(5.3)%</b>	<b>(5.1)%*</b>
Operating expenses	(17,838)	(16,817)	+6.1%	+6.8%*
<b>Gross operating income</b>	<b>6,116</b>	<b>8,481</b>	<b>(27.9)%</b>	<b>(28.4)%*</b>
Net cost of risk	(1,349)	(2,091)	(35.5)%	(36.4)%*
<b>Operating income</b>	<b>4,767</b>	<b>6,390</b>	<b>(25.4)%</b>	<b>(25.8)%*</b>
Net income from companies accounted for by the equity method	92	129	(28.7)%	
Net profits or losses from other assets	278	(212)	n/s	
Impairment losses on goodwill	1	0	n/s	
Income tax	(1,708)	(1,969)	(13.3)%	
Net income	3,430	4,338	(20.9)%	
o.w. non-controlling interests	624	464	+34.5%	
<b>Group net income</b>	<b>2,806</b>	<b>3,874</b>	<b>(27.6)%</b>	<b>(25.8)%*</b>
Cost-to-income ratio	74.5%	66.5%		
Average allocated capital	48,087	46,523	+3.6%	
<b>ROE after tax</b>	<b>4.9%</b>	<b>7.3%</b>		
<b>Total capital ratio</b>	<b>17.0%</b>	<b>17.9%</b>		

### NET BANKING INCOME

The Group's book net banking income totalled EUR 23,954 million in 2017, down -5.3% vs. 2016. It included several exceptional items: in 2017, the impact of the LIA settlement (EUR -963 million) and the adjustment of hedging costs in French Retail Banking (EUR -88 million) and, in 2016, the capital gain on the disposal of Visa shares for EUR 725 million. When restated for these items, underlying net banking income increased by 0.5% to EUR 25,062 million in 2017 vs. EUR 24,928 million in 2016.

- for 2017, French Retail Banking's net banking income fell -2.9%, excluding the PEL/CEL provision. In a low interest rate environment, French Retail Banking fostered the development of its growth drivers and fee-generating activities.
- International Retail Banking & Financial Services' net banking income rose +6.6% (+6.2%\*) in 2017, still driven by very good commercial momentum in all businesses and regions. As a result, in 2017, net banking income increased by +5.2% (+7.1%\*) for International Retail Banking, +12.0% (+6.6%\*)

for the Insurance business and +7.5% (+3.5%\*) for Financial Services to Corporates.

- Global Banking & Investor Solutions' revenues declined by -4.5% in 2017.
- Global Markets and Investor Services was resilient during the year despite the low volatility during the second part of the year. Despite the good performance of financing activities, Financing and Advisory revenues were slightly down due to a commodities derivatives franchise penalised by difficult market conditions. For Asset & Wealth Management, Lyxor's activities were significantly up while Private Banking was impacted by the low rate environment.

For 2017, the accounting impact of the revaluation of the Group's own financial liabilities was EUR -53 million (EUR -354 million in 2016). The DVA impact was EUR -4 million in 2017 (EUR -1 million in 2016). These two factors constitute the restated non-economic items in the analyses of the Group's results.

## OPERATING EXPENSES

The Group's operating expenses amounted to EUR -17,838 million in 2017, up 6.1% vs. 2016. Restated for exceptional items (in 2017, the exceptional expense related to the acceleration in the adaptation of French Retail Banking networks, amounting to EUR -390 million, the expense related to the receipt of a tax reassessment proposal following the tax audit by the French authorities regarding various operating taxes, amounting to EUR -145 million, the charge related to the consequences of the judgment of the Paris Court of Appeal of 21<sup>st</sup> December 2017 confirming the fine in respect of the dematerialisation of cheque processing, amounting to

EUR -60 million, and in 2016, the partial refund of the Euribor fine for EUR 218 million and RMBS litigation for EUR -47 million), underlying operating expenses totalled EUR -17,243 million in 2017 vs. EUR -16,988 million in 2016, representing a limited increase of +1.5%.

The increase reflects investments in the growth of International Retail Banking & Financial Services, the effects of rigorous cost control in Global Banking & Investor Solutions, as well as investments in the transformation of French Retail Banking's business model.

## OPERATING INCOME

The Group's book gross operating income totalled EUR 6,116 million in 2017 vs. EUR 8,481 million in 2016.

The Group's underlying gross operating income amounted to EUR 7,819 million in 2017 vs. EUR 7,940 million in 2016.

The Group's book operating income totalled EUR 4,767 million in 2017 vs. EUR 6,390 million in 2016.

Underlying operating income amounted to EUR 6,870 million in 2017 vs. EUR 6,199 million in 2016, up +10.8% vs. 2016.

## COST OF RISK

The Group's net cost of risk, excluding the variation in the provision for disputes, significantly decreased in 2017 (EUR -949 million vs. EUR -1,741 million in 2016) confirming the improvement in the Group's risk profile and the economic environment.

The provision for disputes totalled EUR 2.32 billion at end-2017 vs. EUR 2 billion at end-2016 following an allocation of EUR -800 million and a net reversal of EUR 400 million for the LIA settlement.

The commercial cost of risk amounted to 19 basis points in 2017, substantially lower than in 2016 (37 basis points):

- in French Retail Banking, the commercial cost of risk amounted to 30 basis points in 2017 vs. 36 basis points in 2016 in an improved economic environment in France;

- International Retail Banking & Financial Services' cost of risk was lower in 2017, at 29 basis points vs. 64 basis points in 2016. In an improved macro-economic environment, the Group continued with its risk management efforts;

- Global Banking & Investor Solutions' cost of risk amounted to -1 basis point in 2017 vs. 20 basis points in 2016.

The Group is expecting a commercial cost of risk of between 25 and 30 basis points for 2018.

The gross doubtful non-performing loans ratio was lower, at 4.4% at end-December 2017 (vs. 5.0% at end-December 2016). The Group's gross doubtful loans coverage ratio stood at 61% (vs. 64% at end-December 2016).

## NET INCOME

(In EUR m)	2017	2016
Reported Group net income	2,806	3,874
Group net income <sup>(1)</sup>	2,848	4,107
Underlying Group net income <sup>(2)</sup>	4,491	4,145

(In EUR m)	2017	2016
Underlying ROE <sup>(2)</sup>	8.3%	7.9%
Underlying ROTE <sup>(2)</sup>	9.6%	9.3%

(1) Excluding revaluation of own financial liabilities and DVA.

(2) Adjusted for non-economic and exceptional items, and for IFRIC 21. See methodological notes.

Net income for 2017 included an exceptional expense of EUR -416 million, corresponding to the impact of tax reforms in France and the United States:

- in France, the impact of all tax measures (refund of the 3% additional contribution, creation of the exceptional surtax and reduction in the corporate tax rate between now and 2022) amounted to EUR -163 million;

- in the United States, the reduction in the federal corporate tax rate resulted in the recognition of an expense of EUR -253 million.

Earnings per share amounted to EUR 2.92 in 2017 (EUR 4.26 in 2016). When adjusted for non-economic items, EPS was EUR 2.98 in 2017 (EUR 4.55 in 2016).

## REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING DATED 23<sup>rd</sup> MAY 2018

We have called this combined General Meeting on this day in order to submit for your approval 28 resolutions whose purpose is stated and commented below.

### RESOLUTIONS TO BE RESOLVED UPON BY AN ORDINARY MEETING

#### I – Accounts for the 2017 financial year and dividend (resolutions 1 to 3)

The **first resolution** is about the approval of the consolidated accounts. Consolidated net accounting income (Group share) for the 2017 financial year amounts to EUR 2,806,355,285.56. Detailed comments on the consolidated accounts appear in the Registration Document.

The **second and third resolutions** relate to the approval of the annual accounts for the 2017 financial year, the allocation of the income and the setting of the dividend. The net accounting income for the 2017 financial year amounts to EUR 799,976,569.25. Detailed comments on the annual accounts appear in the Registration Document.

The total amount of non-deductible expenses and charges for tax purposes which amounts to EUR 423,171 is related to the particular tax regime of the car rentals.

The dividend per share is set at EUR 2.20. It shall be traded ex-dividend on 30<sup>th</sup> May 2018 and be paid as from 1<sup>st</sup> June 2018. It complies with the provisions of the recommendation issued by the European Central Bank (ECB) on 28<sup>th</sup> December 2017 relating to dividend distribution policies.

#### II – Related party agreements and commitments (resolution 4)

Through the **fourth resolution**, you are invited to approve the Statutory auditors' special report setting out the related party agreements and commitments previously approved and which have remained applicable, without performance, during the 2017 financial year, namely:

- the “non-compete clause” agreements of which Mr Frédéric Oudéa, Mr Séverin Cabannes, Mr Bernardo Sanchez Incera and Mr Didier Valet are the beneficiaries, approved by your Meeting in 2017;
- the “severance pay” commitments subject to performance conditions of which Mr Frédéric Oudéa, Mr Séverin Cabannes, Mr Bernardo Sanchez Incera and Mr Didier Valet are the beneficiaries, approved by your Meeting in 2017;
- the “pension” commitments of which Mr Séverin Cabannes, Mr Bernardo Sanchez Incera and Mr Didier Valet are the beneficiary, respectively approved by your Meeting in 2009, 2010 and 2017.

Except for those already approved by your Meeting in 2017, no new commitment or agreement was concluded during the 2017 financial year.

#### III – Compensations (resolutions 5 to 12)

Through the **fifth and sixth resolutions**, you are invited, pursuant to Article L. 225-37-2 of the French Commercial Code, to approve the compensation policy for the chief executive officers (*dirigeants mandataires sociaux*) described in the report on corporate governance prepared by the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code.

The compensation policy specifies the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components composing the total compensation and the benefits of any kind attributable, due to their mandate, on the one hand to the Chairman of the Board of Directors (5<sup>th</sup> resolution) and, on the other hand, to the Chief Executive Officer and Deputy Chief Executive Officers (6<sup>th</sup> resolution).

If the General Meeting does not approve one or both resolutions, the principles and criteria approved by the General Meeting dated 23<sup>rd</sup> May 2017 for the relevant person(s) will continue to apply.

The aforementioned report on corporate governance appears in the Registration Document on pages 72 to 132 and its part relating to the said compensation policy for the chief executive officers (*dirigeants mandataires sociaux*) is appended to this report (Appendix 1).

Through the **seventh to eleventh resolutions**, you are invited, pursuant to Article L. 225-100 of the French Commercial Code, to approve the fixed, variable and exceptional components composing the total compensation and the benefits of any kind paid or awarded for the 2017 financial year to the chief executive officers (*dirigeants mandataires sociaux*), namely, Mr Lorenzo Bini Smaghi, Chairman of the Board of Directors, Mr Frédéric Oudéa, Chief Executive Officer, and Mr Séverin Cabannes, Mr Bernardo Sanchez Incera and Mr Didier Valet, Deputy Chief Executive Officers. These components are described in the report on corporate governance prepared by the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code. They are consistent with the compensation policy approved by your Meeting in 2017.

The vote of your Meeting on these components results from the amendment of Article L. 225-100 of the French Commercial Code, originating from the law No. 2016-1691 dated 9<sup>th</sup> December 2016 relating to transparency, the fight against corruption and the modernisation of the economic life (known as “Sapin 2 Law”) and replaces the advisory opinion that was previously sought pursuant to the AFEP-MEDEF Code.

Pursuant to these provisions, the payment to the concerned parties of the variable or exceptional compensation components awarded for the 2017 financial year is subject to the approval, by the ordinary General Meeting, of their compensation for the 2017 financial year.



The detailed tables setting out the individual compensation components, appearing in the report on corporate governance supplemented following the resignation of Mr Didier Valet on 14<sup>th</sup> March 2018, are appended to this report (Appendix 2).

For information, the Board of Directors dated 14<sup>th</sup> March 2018 decided that the compensation of Mr Didier Valet for the 2018 financial year will be limited to its fixed portion, calculated prorata temporis. He will not receive a severance payment and will not receive any amount in respect of the non-compete clause due to his term of office. Finally, he will lose all entitlement to the supplementary pension plan.

Through the **twelfth resolution**, your advisory opinion is sought, pursuant to Article L. 511-73 of the French Monetary and Financial Code, on the compensation paid in 2017 to the persons referred to in Article L. 511-71 of the French Monetary and Financial Code, hereinafter referred to as "Group regulated staff".

The Group regulated staff is defined according to the Commission Delegated Regulation (EU) No. 604/2014. The persons are identified either by qualitative criteria linked to their function and their level of responsibility, as well as their capacity to significantly engage the bank in terms of risk exposure, or by quantitative criteria linked to their level of total compensation in the last financial year.

For the financial year 2017, the regulated population at Group level included 810 persons, of whom 472 based outside France.

531 persons are identified by the qualitative criteria (staff identified by several criteria are included in the first of the relevant categories):

- the four chief executive officers (*dirigeants mandataires sociaux exécutifs*), Messrs. Oudéa, Cabannes, Sanchez Incera and Valet;
- the Chairman and the members of the Board of Directors, i.e. 14 persons;
- the members of the Group Executive Committee and the Group Management Committee, i.e. 63 persons;
- key staff members in charge of control functions (risks, compliance, audit) and support functions at Group level, i.e. 22 persons;
- within "material business units", key managers (Executive Committees members) and staff in charge of control functions, i.e. 236 persons;
- persons having credit authorisations exceeding the materiality thresholds set by the European Banking Authority (EBA) at Group level, i.e. 116 persons;
- staff in charge of trading activities who have responsibility for market risk limits exceeding the materiality thresholds set by the EBA at Group level, i.e. 76 persons.

279 persons are identified by the quantitative criteria:

- employees whose total compensation for 2016 is equal to EUR 500,000 or above and who are not already identified according to qualitative criteria. This includes profiles

having essential skills for the development of certain Group activities and some key employees who demonstrated exceptional performance during the last financial year. The profiles concerned belong essentially to the investment banking functions.

The increase of the regulated staff (+52 employees or +7% compared to 2016) is due notably to the requirement, as part of the implementation of the EBA guidelines as from 1<sup>st</sup> January 2017, to identify staff since they hold a position for at least 3 months.

The compensation of this population is subject to all the constraints defined by the Directive 2013/36/EU known as "CRD IV", and notably a cap on the ratio between the variable and the fixed compensation components. In that context, the Board of Directors specifies that the authorisation given by the General Meeting of Shareholders dated 20<sup>th</sup> May 2014 to increase the ratio between the variable and the fixed compensation components to 2 : 1 is still valid for the 2018 financial year, as the scope of the regulated population and the estimated financial impacts remain below those estimated and communicated in the Board's report in 2014. For information, the population impacted by this ratio consists of 329 people in 2017 (381 people in 2016), and the actual financial impact of EUR 40 million (EUR 44 million in 2016) remains significantly below the estimation of the maximum impact of EUR 130 million communicated in 2014.

As a result of the deferral of the payment of the variable compensation for this population, the total compensation actually paid during 2017 includes a significant portion of payments related to financial years preceding 2017; besides, the amounts paid following the vesting of the variable compensation instalments indexed on the Societe Generale share value are impacted by the share price fluctuations during the vesting and the retention periods.

The total amount of compensation amounts to EUR 492.1 million and includes:

- the fixed compensation for 2017: EUR 234.6 million;
- the non-deferred variable compensation for 2016: EUR 133.8 million;
- the deferred variable compensation for 2015: EUR 34.6 million;
- the deferred variable compensation for 2014: EUR 40.3 million;
- the deferred variable compensation for 2013: EUR 46 million;
- the shares or equivalent instruments vested and negotiable in 2017, resulting from long-term incentive plans: EUR 2.8 million.

The Board of Directors highlights the fact that the link to 2017 performance cannot be assessed based on the amounts actually paid in 2017 given the significant portion of deferred variable compensation. The information concerning compensation awarded for the 2017 financial year, which is linked to the performance and context of that particular financial year, will be made available to shareholders in the 2017 compensation policies and practices report, which will be published in April 2018 on the Group's website and will be included in the first update of the Registration Document.

## IV – Board of Directors – Renewal and appointment of Directors (resolutions 13 to 15)

Two Directors' terms of office will expire at the end of the Meeting dated 23<sup>rd</sup> May 2018. It is the term of office of Mr Lorenzo Bini Smaghi, Chairman of the Board of Directors, and the term of office of Mr Robert Castaigne. Besides, Mrs Ana-Maria Llopis Rivas, whose term of office will expire in 2019, expressed her wishes to end her term of office at the end of the 2018 General Meeting for personal reasons.

As Mr Robert Castaigne did not wish the renewal of his term of office, one renewal and two appointments are submitted for your approval.

Through the **thirteenth resolution**, the Board proposes, based on the opinion of the Nomination and Corporate Governance Committee, to renew, for a four-year term, the Director's term of office of Mr Lorenzo Bini Smaghi.

Mr Lorenzo Bini Smaghi is an independent Director of Societe Generale since 2014 and Chairman of the Board of Directors since 19<sup>th</sup> May 2015.

Mr Lorenzo Bini Smaghi, born on 29<sup>th</sup> November 1956, of Italian nationality, has a very extensive experience in the international financial world. An economist by training, he has held very important positions in the Italian administration and the European institutions. He was a member of the Executive Board of the European Central Bank from 2005 to 2011. He was also Chairman of the Board of Directors of SNAM in Italy.

In the event of renewal, the Nomination and Corporate Governance Committee will propose to the Board of Directors to renew him as Chairman on the basis of the very positive assessments as to the operation of the Board of Directors conducted each year since 2015.

Mr Bini Smaghi holds two other terms of office in Italy, namely Chairman of the Board of Directors of the listed company Italgas and Director of the unlisted company Tages Holding.

More detailed comments appear in the Registration Document.

As to the two appointments, the research process for candidates has been launched from July 2017, with the assistance of a consulting firm, on the basis of criteria defined by the Nomination and Corporate Governance Committee and the Board, namely:

- financial and accounting expertise;
- experience in the operation of large companies.

The Board of Directors defined these expertise profiles in light of its composition and ensured that its orientations would enable it to have all the skills necessary for the performance of its duty. This point is detailed in the Registration Document.

The Board verified that the selected candidates met these conditions and would have sufficient time to perform their duties. It also ensured keeping the balance of the composition of the Board in terms of parity and international experience.

Through the **fourteenth resolution**, the Board proposes, based on the opinion of the Nomination and Corporate Governance Committee, to appoint Mr Jérôme Contamine as Director, for a four-year term.

Aged 60 and of French nationality, Jérôme Contamine, former student of the École Polytechnique, ENSAE and ENA, is Chief Financial Officer of SANOFI since 2009. He was previously (2000-2009) Chief Financial Officer of Véolia Environnement (formerly Vivendi Environnement). Previously, he held various operational positions at Total. Mr Jérôme Contamine was an independent Director of Valéo, French listed company, from 2006 to 2017.

The Board of Directors, on the basis of the work carried out by the Nomination and Corporate Governance Committee, proposes that he be appointed as an independent Director.

More detailed comments appear in the convening brochure.

Through the **fifteenth resolution**, the Board proposes, based on the opinion of the Nomination and Corporate Governance Committee, to appoint Mrs Diane Côté as Director, for a four-year term.

Aged 54 and of Canadian nationality, Diane Côté, a former student of the University of Ottawa, has a financial and accounting training. She is Chief Risk Officer of the London Stock Exchange since 2012. From 1992 to 2012, she held important positions in audit, risk and finance areas in various insurance companies (Prudential, Standard Life, Aviva) in Canada and Great Britain. Previously, she worked as an auditor in Canada. Mrs Diane Côté is an independent Director of Novae Syndicates, English unlisted company, since 2015.

The Board of Directors, on the basis of the work carried out by the Nomination and Corporate Governance Committee, proposes that she be appointed as an independent Director.

More detailed comments appear in the convening brochure.

If these resolutions are passed, the Board of Directors will be composed of 14 members including two Directors representing the employees elected by the employees in March 2018 for 3 years. It will comprise five women elected by the Meeting, i.e. 41.6% of its members elected by the shareholders and five foreigners. Its composition will be balanced in terms of expertise. The independent Directors' rate will be of more than 91.6% (11/12) according to the calculation method of the AFEP-MEDEF Code which excludes the employees.

## V – Revaluation of the overall amount of attendance fees (resolution 16)

Through the **sixteenth resolution**, it is proposed to increase the amount of the attendance fees from EUR 1,500,000 to EUR 1,700,000 for the 2018 financial year and for subsequent financial years, until it is decided otherwise.

This budget would be an annual maximum budget which the Board could use in full or in part, according to the rules defined in its internal rules.

The current level of attendance fees had been set in 2016. The proposed increase is intended to take into account an increase in the workload resulting from, in particular, the work of the Risk Committee related to its mission as US Risk Committee. For the performance of this duty, the Risk Committee is extended to the members of the Audit and Internal Control Committee. In accordance with US regulations and in the absence of an American structure in which a specific Risk Committee would be housed, it is the parent company's Committee that must perform these duties. In practice, the Committee meets at least ten times a year for an average duration of two hours.

It is specified that as part of their supervisory tasks, banking supervisors precisely verify the time spent by the Directors for the preparation of committees and boards and request an increase of the training time. They also hear the members of the Board, particularly the Committees' Chairpersons.

Before making its decision, the Board ensured that it was in line with the level observed in other financial firms of comparable sizes and complexity in France and in Europe.

The Chairman and the Chief Executive Officer do not receive any attendance fee.

## VI – Statutory auditors (resolutions 17 and 18)

Through the **seventeenth** and **eighteenth resolutions**, the Board of Directors, following the recommendation of the Audit and Internal Control Committee, proposes, for the legal duration of six financial years, to renew the terms of office of the company Ernst & Young et Autres and of the company Deloitte & Associés as Statutory auditors.

The Audit and Internal Control Committee carried out an in-depth review of the Statutory auditors companies existing on the market and of the quality of the services of our Statutory auditors.

It appeared that no Statutory auditors company had at the same time the size, the capacity, the banking competence and the availability to be able to offer a quality of service justifying the replacement of our Statutory auditors.

It considered that the company Ernst & Young et Autres and the company Deloitte & Associés, which provide the international coverage that the Group needs, provided a quality service that justified the renewal of their terms of office.

This opinion was reinforced by the annual satisfaction surveys conducted with the Group's consolidated entities.

This recommendation complies with the maximum periods for terms of office provided for by the applicable regulations:

- the company Ernst & Young et Autres was appointed by the General Meeting which approved the accounts for the 2011 financial year. It is affiliated with the Ernst & Young network of which your former Statutory auditor Ernst & Young Audit was a member, appointed by the General Meeting which approved the accounts for the 1999 financial year;
- the company Deloitte & Associés, affiliated with the Deloitte Touche Tohmatsu network, was appointed by the General Meeting which approved the accounts for the 2002 financial year.

After analysis, the Board of Directors suggests following the recommendation of the Audit and Internal Control Committee.

The company Ernst & Young et Autres will be represented by Mr Micha Missakian, a new signatory to replace Mrs Isabelle Santenac who has performed these duties since 2010, and the company Deloitte & Associés will be represented by Mr Jean-Marc Mickeler, who resumes duties following a 3-year cooling-off period (*période de viduité*) to replace Mr José Luis Garcia.

These representatives may be replaced during the term of office and shall in no case perform their duties for more than 6 years.

The information relating to the Statutory auditors, and more particularly to the fees received by these networks in respect of services performed for the Societe Generale Group, appears in the Registration Document.

These proposals comply with applicable provisions, in particular those resulting from Directive 2014/56/EU (transposed into French law) and from Regulation (EU) No. 537/2014 dated 16<sup>th</sup> April 2014 on statutory audit.

Incidentally, it is brought to your attention that the substitute Statutory auditors' terms of office of the company Picarle et Associés and of the company BEAS will expire at the end of the General Meeting dated 23<sup>rd</sup> May 2018 and that pursuant to Article L. 823-1 of the French Commercial Code, Societe Generale is no longer required to have substitute Statutory auditors. Accordingly, you are not invited to appoint or renew substitute Statutory auditors.

## VII – Authorisation to buy back Societe Generale's shares (resolution 19)

The **nineteenth resolution** is intended to renew the authorisation to buy back shares which was granted to the Board of Directors by your Meeting dated 23<sup>rd</sup> May 2017 (18<sup>th</sup> resolution).

Your Board used this authorisation only to continue the performance of the liquidity agreement.

The shares bought back using previous authorisations are assigned to the allocation to the employees and chief executive officers (*dirigeants mandataires sociaux*) of the Group. They include in particular issued shares of the free allocation plans and share allocations to chief executive officers (*dirigeants mandataires sociaux*) as part of their variable compensation.

As at 7<sup>th</sup> February 2018, your Company directly held 6,850,304 shares, i.e. 0.85% of the total number of shares comprising the share capital.

The resolution submitted for the vote maintains the number of shares that your Company could purchase at 5% of the total number of shares comprising the share capital at the completion date of these purchases, and at 10% the total number of shares that your Company could hold after these purchases.

This resolution has the same purposes for which you resolved favourably in the past years.

These purchases could allow:

- as part of the 27<sup>th</sup> resolution of this Meeting, to buy back shares for cancellation solely to offset the dilution resulting from share issuances relating to free shares plans or share capital increases reserved for employees;

- to grant, cover and honour any free shares allocation plan, employee savings plan or any other form of allocation for the benefit of employees and executive officers of the Group;
- to meet obligations relating to debt securities convertible into equity securities;
- to hold and subsequently deliver shares as payment or exchange as part of Group's external growth transactions;
- to continue the performance of the liquidity agreement.

The purchase of these shares, as well as their sale or transfer, could be carried out, on one or more occasions, by any means and at any time, except during a public tender offer on the Company's securities, in accordance with the limits and forms set by the regulations.

The maximum purchase price will be set at EUR 75 per share, i.e. 1.19 times the net asset per existing share as at 31<sup>st</sup> December 2017.

This authorisation will be valid for 18 months.

The Board of Directors will ensure that the implementation of the buybacks is conducted in compliance with the prudential requirements as set by the regulations.

A detailed report on the share buyback transactions carried out in 2017 appears in the Registration Document. The electronic version of the description of the share buyback programme will be available on the Company's website prior to the Meeting.

## RESOLUTIONS TO BE RESOLVED UPON BY AN EXTRAORDINARY MEETING

The Board of Directors was granted financial authorisations by your Meeting in 2016 and such financial authorisations expire this year. The use made by the Board of Directors of such authorisations is listed and detailed in the attached table. Your Board has not used any of these authorisations except those

relating to free shares allocations. It is now proposed to end these authorisations and to authorise new delegations in favour of the Board of Directors for a uniform period of 26 months (resolutions 20 to 27).

### VIII – Ceilings for issuances giving access to the share capital (resolutions 20 to 26)

The different ceilings are summarised in the table hereafter. The overall ceiling and the ceiling for issuances with pre-emptive subscription rights are limited to 32.99%, compared to 39.99% in 2016.

<p>Overall ceiling: <b>32.99% of the share capital</b> at the date of the Meeting, i.e. a maximum nominal amount of EUR 333,200,000<sup>(1)</sup></p>	<p>Issuances with pre-emptive subscription rights (PSR) (20<sup>th</sup> resolution)</p>	32.99%	
	<p>Issuances subject to a common ceiling of <b>10% of the share capital</b> at the date of the Meeting, i.e. a maximum nominal amount of EUR 100,980,000</p>	<p>Issuances without PSR by offer to the public (21<sup>st</sup> resolution)</p>	10%
		<p>Issuances without PSR to remunerate contributions in kind (22<sup>nd</sup> resolution)</p>	10%
		<p>Issuances without PSR of contingent convertible super-subordinated bonds through private placement (23<sup>rd</sup> resolution)</p>	10%
		<p>Issuances reserved for employees (24<sup>th</sup> resolution)</p>	1.5%
		<p>Issuances related to free allocations of shares to the regulated persons or assimilated (25<sup>th</sup> resolution) * including a maximum ceiling of 0.1% for allocations to Societe Generale's Chief Executive Officers (<i>Dirigeants mandataires sociaux</i>)</p>	1.4%*
		<p>Issuances related to free allocations of shares to employees other than the regulated persons or assimilated (26<sup>th</sup> resolution)</p>	0.6%
<p>EUR 550 million<sup>(2)</sup></p>	<p>Incorporation into the share capital of reserves, profits, premiums or any other item which may be incorporated into the share capital (20<sup>th</sup> resolution)</p>		

(1) The ceiling for issuances of securities representing debt giving access to the share capital would be set at EUR 6 billion (20th to 24th resolutions).

(2) The existence of a separate and independent ceiling is justified by the nature of the incorporations of reserves and others, which is entirely different, as they occur either through the allocation of free shares to the shareholders or through the increase of the nominal value of existing shares, i.e. without dilution for the shareholders and without any change in the volume of the Company's equity.

These amounts are set subject to, as the case may be, the additional share capital increases resulting from the rights adjustment of certain security holders in the event of issuance of new securities.

In order to ensure that you will have the opportunity to resolve upon the financial authorisations set forth by this Meeting

during a public tender offer, such financial authorisations would be suspended during a public tender offer on the share capital of the Company, except for the resolutions relating to the issuances reserved for the employees in the context of a Global employee share ownership plan and the free allocations of performance shares to the employees and chief executives officers.

**IX – Authorisations for issuances of ordinary shares and securities giving access to the share capital, excluding issuances reserved for employees or related to the free allocation of shares (resolutions 20 to 23)**

Although Societe Generale does not contemplate to proceed with an increase of its share capital, the renewal of these authorisations tends to enable the Board of Directors to have the possibility to proceed with share capital increases within short time frames. This ability to quickly react falls within the criteria used by the ECB to assess the credibility of the preventive recovery plan that your Company must establish to meet the requirements of the banking crisis prevention and management directive implemented into French law by the order dated 20<sup>th</sup> August 2015.

The securities likely to be issued pursuant to the financial authorisations which have been proposed might be the following:

- ordinary shares of the Company;
- equity securities giving access to other equity securities of the Company or a company in which the Company directly or indirectly owns more than half of the share capital (a “Subsidiary”) and/or giving right to the allocation of debt securities of the Company or a Subsidiary. Such securities may notably comprise shares with shares warrants attached (ABSA) or shares with bond warrants attached (ABSO);
- debt securities giving access to equity securities to be issued of the Company or a Subsidiary such as in particular bonds convertible into or exchangeable for new or existing shares (OCEANE).

**A – Issuances with and without pre-emptive subscription rights through public offering except during a public tender offer on the share capital of the Company (resolutions 20 and 21)**

The **twentieth and twenty-first resolutions** are intended to renew the authorisations to increase the share capital with or without pre-emptive subscription rights granted for 26 months by your Meeting dated 18<sup>th</sup> May 2016.

The Board of Directors did not make use of these authorisations and undertakes to use these new authorisations only if needed in order to strengthen the means for development and financing of your Company. It would give priority to an operation with pre-emptive subscription rights, as it did in 2006, 2008 and 2009.

However, the Board deems it necessary to have the possibility to proceed with share capital increases without pre-emptive subscription rights of the shareholders in order to be able, if necessary, to simplify the formalities and reduce the regulatory deadlines to implement an issuance through a public placement, either on the French stock market, on international stock markets or on both simultaneously, depending on the circumstances at that time. This type of placement constitutes a means to broaden the shareholder base of the Company, and therefore its reputation, and to optimise the raising of equity.

The Board of Directors would of course set the issue price of the securities in the best interests of the Company and its

shareholders, while taking into account all of the requirements set by law and by financial market rules.

These authorisations may not be used by the Board of Directors during a public tender offer on the securities of the Company.

**Issuance with pre-emptive subscription rights (resolution 20)**

In case of an issuance with pre-emptive subscription rights of ordinary shares or securities giving access to the share capital, the shareholders will have pre-emptive subscription rights in proportion to the number of their shares to the securities issued in accordance with applicable law and regulatory requirements. Upon an explicit decision of the Board of Directors, the unsubscribed irreducible (*à titre irréductible*) equity securities would be allocated to the shareholders who will have subscribed an amount of securities greater than the amount to which they could subscribe on a preferential basis, in proportion to the number of the subscription rights available to them and, in any case, within the limit of their requests.

**Issuance without pre-emptive subscription rights (resolution 21)**

In case of an issuance without pre-emptive subscription rights of ordinary shares or securities giving access to the share capital, the Board of Directors would have the ability to establish in favour of the shareholders a priority subscription period for the issuance(s) carried out pursuant to this resolution, provided that the amount(s) of the issuance(s) would not exceed 5% of the share capital. As soon as the aforementioned amounts would exceed 5% of the share capital, the shareholders would be compulsory provided with a priority subscription period for the entirety of the issuance carried out. This priority subscription right would not result in the creation of negotiable rights but could, upon decision of the Board of Directors, be exercised both on an irreducible (*à titre irréductible*) and reducible (*à titre réductible*) basis.

Furthermore, the issue price of ordinary shares issued without pre-emptive subscription rights would be set pursuant to legal and regulatory conditions in force at the time of issuance, i.e. to date, the weighted average price over the last three trading sessions preceding the setting of the price, possibly decreased by a maximum discount of 5%. With respect to the securities to be issued, their price would be such that the amount immediately received by the Company increased, where applicable, by the one which may be received in the future by the Company is, for each ordinary share issued consequently to the issuance of those securities, at least equal to this same amount.

**B – Issuance in case of contribution in kind except during a public tender offer on the share capital of the Company (resolution 22)**

Through the **twenty-second resolution**, it is proposed to renew the authorisation granted to the Board of Directors since 2005 aiming at, where relevant, increasing the share capital up to a limit of 10%, in order to remunerate contributions in kind of equity securities or securities giving access to the share capital, except in case of a public exchange offer.

The Board has never made use of this authorisation but wishes to benefit from this possibility if the case would occur.

Any issuance in this context would be preceded by the involvement of a Contribution auditor.

This authorisation shall not impact the overall ceiling for share capital increases that may be implemented by the Board of Directors, as the amount set by the Meeting would count towards the ceilings set forth in the twentieth and twenty-first resolutions.

This authorisation cannot be used by the Board of Directors during a public tender offer on the securities of the Company.

## **C – Issuance of super-subordinated bonds convertible into shares also known as contingent convertible bonds “CoCos” except during a public tender offer on the Company’s share capital (resolution 23)**

Through the **twenty-third resolution**, it is proposed to authorise your Board to issue, through private placements, convertible contingent super-subordinated bonds (“CoCos”) which would be converted into ordinary shares of the Company in the event that the Group’s Common Equity Tier 1 (hereinafter “CET1”) would fall below a threshold set by the issuance agreement, threshold which shall not exceed 7%. This 7% level is to be compared to a CET1 Pillar 2 requirement of 7.75% for the year 2017 (with the benefit of transitional measures and excluding countercyclical buffer) and a Societe Generale’s CET1 level of 11.57% as at 31<sup>st</sup> December 2017 (with the benefit of transitional measures).

This kind of CoCos is an additional tier 1 instrument (AT1) which is intended to absorb losses under certain conditions of solvability or liquidation of the institution, or even according to the assessment of the resolution Authority.

These CoCos are part of the capital tier 1 ratio (Tier1 ratio) which includes the CET1 and the AT1 instruments. The Tier1 ratio requirement in 2017 was 9.25% (excluding countercyclical buffer). AT1 instruments are also included in the calculation of the leverage ratio.

The AT1 instruments are governed by Article 54 of the CRR European Regulation. This regulation provides for two broad categories of instruments which may be issued:

- either with a mechanism of full or partial loss-absorption on the principal;
- or with a mechanism of conversion into Common Equity Tier 1 (i.e. conversion into ordinary shares) in the form of CoCos.

Since August 2013, Societe Generale has carried out six issuances of AT1 instruments of the aforementioned first category, placed with institutional investors and including a low trigger loss-absorption mechanism, i.e. involving the depreciation of the instrument in case the CET1 ratio of Societe Generale would fall below 5.125%.

In order to have the possibility to issue high trigger AT1 instruments, i.e. which are likely to absorb the losses of the issuer if the CET1 ratio would fall below 7%, as provided in the regulations and used in other jurisdictions (e.g. Swiss and British), your Board seeks the renewal of the resolution passed by your Meeting in 2016.

Thus, Societe Generale could issue contingent convertible bonds comprising a mechanism of conversion into shares in the event the CET1 ratio would fall below 7% (high trigger). Such authorisation would enable Societe Generale, which did not use the resolution passed in 2016, to widen the investor base, if necessary.

The requested authorisation is about 10% of the share capital, this amount counting towards the aforementioned overall ceiling and the ceiling for authorisations without pre-emptive subscription rights proposed under the twenty-first resolution. This kind of bonds is not intended to be offered to any investor. Consequently, the Board of Directors considers appropriate to, regarding these very specific instruments, exclude the pre-emptive subscription rights of shareholders and to authorise it to use private placements. Thus, these CoCos would be issued to investors who are mainly professional as defined in II of Article L. 411-2 of the French Monetary and Financial Code.

The issue price of the shares to be issued through conversion of CoCos shall not be lower than, at the Board of Directors’ discretion, (i) the average price of the share on the Euronext Paris regulated market, volume-weighted during the last trading session preceding the setting of the CoCos’ issue price or (ii) the average price of the share on the Euronext Paris regulated market, volume-weighted set during a trading session when the CoCos’ issue price is set, in both cases, possibly decreased by a maximum discount of 50%. This level of discount is in line with market practices since, for this type of instruments convertible into shares, investors expect a significant discount compared to the share price at the date of issuance. Indeed, if a conversion were to take place, it would take place in a context of heavy losses, at a time when the share price would be very discounted compared to the one at the date of the issuance of the CoCos. It is emphasised that this type of instruments is used to enable business continuity in a very weakened context in order to allow the re-establishment of the financial institution and avoid a situation which would be more detrimental, in particular for the shareholder.

This authorisation may not be used by the Board of Directors during a public tender offer on the Company’s securities.

## **X – Authorisations for issuances giving access to the share capital in favour of the employees and chief executive officers (resolutions 24 to 26)**

### **A – Global employee share ownership plan (GESOP) – Authorisation for issuances reserved for employees (resolution 24)**

Through the **twenty-fourth resolution**, it is proposed to renew the authorisation enabling the Board of Directors to propose share capital increases reserved for employees, up to a limit of 1.5% of the share capital compared to 1% in 2016 (3% in 2012 and 2% in 2014) for 26 months, this ceiling counting towards the one provided in the 20<sup>th</sup> resolution.

This increase of the ceiling is justified by the cancellation of the share capital increase in 2017 (for reasons of legal certainty) and the interest shown by the employees for such an operation, the last of which dates back to 2014.

This new authorisation would enable to issue, in accordance with legal provisions in force, shares or securities giving access

to the share capital, where necessary, in separate parts, to members of a company or group employee savings plan of Societe Generale as well as companies affiliated to it under the conditions of Article L. 225-180 of the French Commercial Code and Articles L. 3344-1 and L. 3344-2 of the French Labour Code.

It would include the cancellation of shareholders' pre-emptive subscription rights in favour of the members to the said plans.

The subscription price would be equal to the average closing prices during the twenty trading sessions preceding the date of the decision setting the opening date for subscription, decreased by a 20% discount. However, the Board of Directors could proceed with the free allocation of shares or other securities giving access to the share capital instead of the discount, reduce or decide not to grant the discount, within the legal or regulatory limits.

Moreover, within the limits set by Article L. 3332-21 of the French Labour Code, the Board of Directors could proceed with the free allocation of shares or other securities giving access to the share capital instead of the employer contribution "abondement", within the legal or regulatory limits.

The Board of Directors could also decide that this transaction, instead of taking place *via* share capital increases, would be carried out through the transfer of shares under the conditions of Article L. 3332-24 of the French Labour Code.

Finally, in accordance with legal provisions, the decision setting the subscription date could be taken either by the Board of Directors or by its delegate. The final terms of the transaction carried out as well as its impact would be brought to your attention through the Board of Directors' and the Statutory auditors' additional reports as required by the provisions in force.

In the absence of operations offered to employees since 2014, the percentage of employee ownership in the share capital, which was 7.42% as at 31<sup>st</sup> December 2014, is 5.93% as at 31<sup>st</sup> December 2017.

It is reminded that the employees, whether they are shareholders or unit holders of the company mutual fund (FCPE) "Société Générale actionnariat (FONDS E)" invested in Societe Generale shares, have the right to vote in General Meetings.

## **B – Authorisation to proceed with the free allocation of performance shares to regulated persons and assimilated staff, including the chief executive officers and other employees (resolutions 25 and 26)**

Through the **twenty-fifth** and **twenty-sixth** resolution, it is proposed to authorise the Board of Directors to proceed with the free allocation of Societe Generale shares in accordance with Articles L. 225-197-1 et seq. of the French Commercial Code.

Both resolutions, granted for a period of 26 months, will enable to include the allocations of Societe Generale shares within a favourable framework for Societe Generale and its shareholders as much as for the beneficiaries of performance shares.

It shall be stated that the Chairman of the Board of Directors does not receive any performance share.

### **1. Free allocations of Societe Generale performance shares to regulated employees and assimilated staff (resolution 25)**

The Directive CRD IV, in force as of 1<sup>st</sup> January 2014, requires that a minimum of 40% of variable compensation of Group regulated employees is deferred over at least a three-year period and subject to vesting conditions. The regulations also required that at least 50% of this variable compensation is awarded in the form of shares or subordinated debt issued by Societe Generale, thus contributing to the alignment of this variable component with the Group's long-term performance and risks.

The Board of Directors seeks authorisation to allocate Societe Generale shares to regulated persons within the meaning of the Directive CRD IV, i.e. the employees and executive officers identified by the Directive as stated in this report (twelfth resolution) and, beyond, a larger population, also called assimilated staff, including:

- employees who, while working within activities considered as having significant impact on the Group's risk profile within Global Banking and Investor Solutions, are not considered as having individually, by their management level and decision-making power, a significant impact on risk. They are therefore not included in the scope of the CRD IV regulated population but are assimilated by the Group's internal policy depending on their level of variable compensation;
- employees holding specific control or support functions within Group's corporate divisions or specific management functions but not covered at individual level by the Directive CRD IV; they are assimilated by the Group's internal policy depending on their level of variable compensation;
- the regulated persons under the Directive Solvency II.

Variable compensations awarded by Societe Generale to regulated persons are paid according to the payout rules compliant with the regulations, with a variable compensation deferred for at least 40% of its amount over a three-year minimum period. The higher the level of the variable compensation is, the higher is the proportion of the deferred non-vested component. In addition, more than 50% of this variable compensation is indexed to Societe Generale share. Although it is not directly targeted by the Directive CRDIV, assimilated staff is also subject to deferral schemes for their variable compensation.

Societe Generale's chief executive officers (*dirigeants mandataires sociaux*) are subject to the following scheme: the annual variable portion is deferred over 3 years and the long-term incentive is deferred over at least 4 years and subject to stringent vesting conditions.

Allocations carried out pursuant to this resolution comprise a vesting period of at least three years, except for the part remunerating the annual variable part which is deferred over two years in accordance with the regulations. In such case, the vesting period will be two years. Assimilated staff will be subject to the same rules.

The long-term incentives awarded to the chief executive officers (*dirigeants mandataires sociaux*) will be subject to a minimum vesting period of four years.

A retention period of at least six months will be required following the vesting.

The shares allocated as part of this resolution will be entirely subject to performance conditions tailored according to the divisions and activity. For Societe Generale's chief executive officers (*dirigeants mandataires sociaux*), performance conditions will also be linked to the variable component concerned, annual variable compensation or long-term incentive.

For the deferred annual variable compensation of the regulated population and assimilated staff awarded in 2019 and 2020 for the preceding financial year, if a minimum performance level is not reached each year, the corresponding part of the award will be partially or entirely forfeited (pursuant to the *malus* principle mentioned in Article L. 511-83 of the Financial and Monetary Code):

- for chief executive officers (*dirigeants mandataires sociaux*) of Societe Generale, these performance thresholds correspond to cumulative conditions of profitability (excluding exceptional items when appropriate) and capital requirements;
- for other regulated persons and assimilated staff, a profitability criterion (excluding exceptional items when appropriate) applies. For the 2018 plan awarded in respect of the 2017 financial year, the vesting criteria are, depending on business lines, the operating income performance target measured at the core business, business unit or entity level of the beneficiary, or the net income of the entity.

The shares allocated will also be accompanied by a presence condition for regulated employees and assimilated staff. For Societe Generale's chief executive officers (*dirigeants mandataires sociaux*), the presence condition applies during the estimated duration of their term of office; beyond, considering their status as executive officer, the Board only has the ability to deny the payment of all or part of the amounts at stake if an event caused during the term of office occurs and calls these payments into question.

The performance conditions are detailed in the Compensation policies and practices report published each year on Societe Generale Group's website.

For the long-term incentive scheme awarded to the chief executive officers (*dirigeants mandataires sociaux*) in 2019 and 2020 for the preceding financial year, vesting will be subject to a stringent performance condition compared to our peers and measured by the Total Shareholder Return (TSR). For Societe Generale's chief executive officers (*dirigeants mandataires sociaux*), the plan awarded in 2019 for the 2018 financial year will be based on the following conditions:

- the number of shares definitely vested will be determined on the basis of the relative performance of Societe Generale share compared to a sample of 11 comparable European banking groups;
- this performance will be assessed depending on the ranking of Societe Generale in the peers sample in terms of annual TSR, measured over the shares vesting period, i.e. 4 years minimum, according to the vesting grid imposing the following vesting ratios for the chief executive officers (*dirigeants mandataires sociaux*):

Societe Generale Rank	Rank					Ranks 7 to 9	Ranks10 to 12
	1*, 2 and 3	Rank 4	Rank 5	Rank 6	Rank 6		
As % of the maximum number allocated	100%	83.3%	66.7%	50%	25%	0%	

\* The highest rank.

- the sample will be determined on the day when the Board of Directors resolves to grant the plan. For illustrative purposes, the peers sample for the 2018 long-term incentive award includes: Barclays, BBVA, BNP Paribas, Crédit Agricole SA, Crédit Suisse, Deutsche Bank, Intesa, Nordea, Santander, UBS, Unicredit;
- the final value of the award is capped at EUR 77 per share, i.e. 1.2 times the value of the net asset per share of the Group as at 31<sup>st</sup> December 2017;
- no long-term incentive will be paid if the Group profitability condition is not met for the financial year preceding the vesting;
- shares allocated as part of this plan are entirely subject to a presence condition.

Besides, on an exceptional basis, in order to retain employees and to reward performance, some regulated employees and assimilated staff may be granted long-term incentives, vesting over a minimum of three years, if their variable compensation is below a certain threshold defined by the Group Human Resource Division. The final vesting of the shares will be subject to a presence condition and a profitability condition, identical to the one applied within the framework of the twenty-sixth resolution, measured over the whole vesting period.

It is proposed to set the ceiling of the allocations of performance shares in favour of the regulated population and assimilated staff at 1.4% of the share capital for a period of 26 months, including 0.1% dedicated to allocations to Societe Generale's chief executive officers (*dirigeants mandataires sociaux*), and 0.5% dedicated to the allocations made as the variable compensation which is deferred over two years. These ceilings aim to cover the allocations as annual variable compensation and the long-term incentive plans, where relevant, made in 2019 and 2020.

It is stated that, as part of the European regulations, beneficiaries of shares or share-equivalent instruments are prohibited from using hedging strategies during the entire vesting and holding periods.

## 2. Free allocations of Societe Generale performance shares to employees (excluding regulated persons and assimilated staff) as part of the annual long-term incentive plan (resolution 26)

The long-term incentive plan is a key component of the policy aimed at recognising potential and performance of the Group's employees. Thanks to its duration and vesting conditions, it enables to win the loyalty of the beneficiaries and to align their interests more closely to the ones of shareholders.

In 2017, more than 6000 employees benefited from this plan, giving priority to strategic talents, emerging and confirmed, and key Group's employees.

For the plans awarded in 2019 and 2020, the granting decided by the Board of Directors will open a vesting period



of three years at the end of which, if the conditions set by the Board of Directors are met, the beneficiary will become shareholder. No additional retention period will follow this vesting period. The shares allocated will be entirely subject to a presence condition and also to the achievement of a condition of profitability, measured over the whole vesting period. The measurement criterion is the average positive net income (Group share), excluding non-economic items, measured over the three years of the vesting period for all beneficiaries.

It is proposed to set the ceiling on the performance shares allocations at 0.6% of the capital for a 26-month period. It is stated that since November 2010, all allocations are entirely subject to performance conditions, several of which were not reached. Besides, in accordance with the European regulations, the beneficiaries of shares or share equivalents are prohibited from using hedging strategies during the entire vesting and retention periods. The Registration Document includes a follow-up on free shares allocation plans.

## XI – Authorisation to reduce the share capital through cancellation of shares (resolution 27)

The **twenty-seventh resolution** is intended to renew for a 26-month period the authorisation granted to your Board of Directors on 18<sup>th</sup> May 2016 to cancel shares acquired by the Company pursuant to authorisations granted by your Meetings as part of buyback programs and within the limit of 5% of the share capital by 24-month periods.

Societe Generale did not use the previous authorisations and the last cancellation of shares occurred on 2<sup>nd</sup> November 2008.

This cancellation would be, where necessary, carried out in compliance with the prudential requirements as set by the regulations and the supervisor.

## XII – Powers (resolution 28)

This **twenty-eighth resolution** is a standard resolution which grants general powers for formalities.

## APPENDIX 1

### POLICY GOVERNING REMUNERATION OF CHIEF EXECUTIVE OFFICERS, SUBJECT TO SHAREHOLDERS' APPROVAL

The policy governing the remuneration of the Chief Executive Officers, presented below, was defined by the Board of Directors on 7<sup>th</sup> February 2018 following the recommendations of the Compensation Committee. This policy has essentially remained unchanged since 2017.

In the course of its work, the Compensation Committee relied on studies conducted by the independent firm of Willis Towers Watson. These studies are based on the CAC 40 as well as a panel of comparable European banks providing a benchmark, and enable an assessment of:

- the competitiveness of the Chief Executive Officers' overall remuneration in comparison to a panel of peers;

- Societe Generale's results as compared to the criteria defined by the Group to assess the Chief Executive Officers' performance; and

- the correlation between the Chief Executive Officers' performance and their remuneration.

In accordance with Article L. 225-37-2 of the French Commercial Code, this policy is subject to the approval of the General Meeting. If it is rejected, then the remuneration policy approved by the General Meeting of 23<sup>rd</sup> May 2017 will remain in effect.

Furthermore, as from 2018, variable (annual variable remuneration and long-term incentives) or exceptional components of remuneration cannot be paid until they have been approved by the General Meeting.

## Remuneration principles

The remuneration policy for the Chief Executive Officers aims to ensure that the Company's top-level positions attract the most promising candidates and to cultivate motivation and loyalty on a lasting basis, whilst also ensuring appropriate compliance and risk management. It is also designed to recognise the long-term implementation of the Group's strategy in the interests of its shareholders, clients and staff, in accordance with the principles laid down by the Group's Code of Conduct.

The policy takes into account the completeness of the remuneration components and any other benefits granted when performing an overall assessment of the Chief Executive

Officers' compensation. It ensures that these different elements are balanced, in the general interest of the Group. In accordance with the "Pay for performance" principle, non-financial aspects are taken into account in addition to financial performance criteria when determining variable remuneration; such non-financial aspects include in particular elements related to corporate social responsibility and compliance with the Group's leadership model. For the purposes of variable remuneration, performance is assessed on an annual and multi-annual basis, taking into account both Societe Generale's intrinsic performance and its performance as compared to its market and competition.

Furthermore, the Chief Executive Officers' remuneration complies with:

- the CRD4 Directive of 26<sup>th</sup> June 2013, the aim of which is to impose remuneration policies and practices compatible with effective risk management. CRD4 has been transposed into

national law and its principles in terms of remuneration have been in effect since 1<sup>st</sup> January 2014;

- the French Commercial Code; and
- the recommendations of the AFEP-MEDEF Code.

## Remuneration of the non-executive Chairman

The Board of Directors' meeting of 7<sup>th</sup> February 2018 resolved to maintain Mr Bini Smaghi's fixed remuneration at EUR 850,000 throughout the remainder of his term of office, which expires at the end of the General Meeting of 23<sup>rd</sup> May 2018. This remuneration is unchanged since his appointment on 19<sup>th</sup> May 2015.

The Board of Directors proposed to renew his term of office as Director and, pursuant to a proposal from the Nomination and Corporate Governance Committee, confirmed that he would remain Chairman of the Board provided the General Meeting approved the renewal of his term of office.

In anticipation of these future decisions, the Board of Directors, pursuant to a proposal from the Compensation Committee, resolved to increase his fixed remuneration to EUR 925,000

*per annum* for the duration (four years) of his new term of office (+8.82% compared with his fixed remuneration as set in 2015). The Board based its decision on remuneration trends observed within the Group over the period and a review of the remuneration paid to non-executive Board Chairs in other listed European banks and financial institutions of comparable size and with similar activities.

He does not receive attendance fees.

In order to guarantee total independence in fulfilling his mandate, he receives neither variable compensation, nor securities, nor any compensation contingent on the performance of Societe Generale or the Group.

He is provided with company accommodation for the performance of his duties in Paris.

## Remuneration of General Management

### Balanced remuneration taking into account the expectations of the various stakeholders

The remuneration of Chief Executive Officers is broken down into three components:

- **Fixed Remuneration (FR)** rewards experience and responsibilities, and takes into account market practices. It accounts for a significant proportion of overall remuneration;
- **Annual Variable Remuneration (AVR)** rewards performances achieved during the year and the contribution of Chief Executive Officers to the success of the Societe Generale Group;
- **Long-Term Incentives (LTIs)** aim to strengthen the association between Chief Executive Officers and shareholders' interests, and to provide the former with an incentive to deliver long-term performance. Vesting of LTIs is subject to a condition of presence and is based on the Group's performance as measured against internal and external criteria over periods of four and six years.

Pursuant to CRD4, and further to the authorisation granted by the General Meeting in May 2014, variable compensation (i.e. annual variable remuneration plus long-term incentives) is capped at 200% of fixed remuneration.

Furthermore, Chief Executive Officers who receive remuneration in the form of shares or share equivalents are prohibited from implementing hedging or insurance strategies over the vesting and holding periods.

### Fixed remuneration

In line with the recommendations of the AFEP-MEDEF Code, fixed remuneration is only reviewed at relatively long intervals.

The annual fixed remuneration of Frédéric Oudéa, Chief Executive Officer, amounts to EUR 1,300,000 and that of Séverin Cabannes and Bernardo Sanchez Incera, Deputy Chief Executive Officers, to EUR 800,000. These amounts have not changed since the Board of Directors' resolution dated 31<sup>st</sup> July 2014, and were approved by the Joint General Meeting of 23<sup>rd</sup> May 2017.

The annual fixed remuneration of Didier Valet, appointed Deputy Chief Executive Officer on 13<sup>th</sup> January 2017, effective 16<sup>th</sup> January 2017, was set by the Board of Directors on 13<sup>th</sup> January 2017 at the same amount as for the other Deputy Chief Executive Officers, i.e. EUR 800,000.

Any modification of fixed remuneration decided by the Board of Directors based on a proposal from the Compensation Committee must be approved by the General Meeting before entering into effect.

### Annual variable remuneration

#### **General principles**

The Board of Directors defines each year the evaluation criteria for the Chief Executive officers' annual variable remuneration in respect of the previous year.

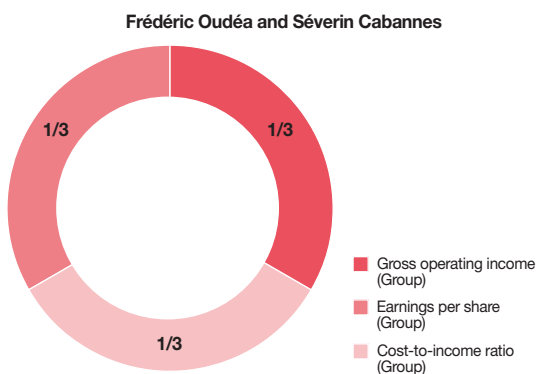
Annual variable remuneration is 60% based on quantitative criteria, and 40% on qualitative criteria, thus combining an evaluation of the Group's financial performance with an assessment of managerial skills, in line with the Group's strategy and leadership model.

60%

**Quantitative criteria** based on annual financial performance. Indicators and target achievement levels are set in advance by the Board of Directors, primarily based on the budget targets for the Group and the businesses within each Chief Executive Officer's scope of supervision.

## Quantitative portion

For Frédéric Oudéa and Séverin Cabannes, the quantitative portion is measured according to the achievement of Group targets in terms of earnings per share, gross operating income and cost/income ratio, each indicator being equally weighted. For Bernardo Sanchez Incera and Didier Valet, the economic criteria concern both the Group as a whole and their specific area of responsibility.



## Qualitative portion

Each year, the Board of Directors sets between six and ten qualitative targets for the next financial year. Most of these targets are collective, reflecting the team spirit that is essential within General Management. Targets specific to each Chief Executive Officer are also set, according to their respective areas of responsibility.

These targets, defined in line with the Group's leadership model, are based on a number of main areas, including:

- strategy of the Group and businesses;
- operational efficiency and risk management;
- customer satisfaction and innovation;
- achievement of corporate social responsibility targets, reflected in particular by Societe Generale's positioning within the upper quartile of the bank rankings established by extra-financial ratings agency RobecoSam.

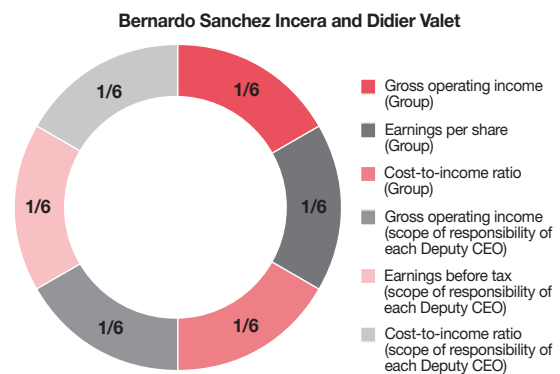
## Vesting and payment of annual variable remuneration

With a view to strengthening the correlation between remuneration and the Group's risk appetite targets, whilst promoting alignment with shareholders' interests, and in accordance with the CRD4 Directive, vesting of at least 60% of the annual variable remuneration is deferred for three years, pro rata. This concerns both cash payments and shares or share equivalents granted subject to the achievement of long-term targets in terms of Group profitability and equity; the amount thereof is reduced if the targets are not met. A six-month holding period applies after each definitive vesting date.

40%

**Qualitative criteria** based essentially on the achievement of key targets in relation to the Group's strategy, operational efficiency and risk management, as well as the CSR policy.

These indicators reflect targets in terms of operational efficiency and risk management over the relevant scope of responsibility, and value creation for the shareholders. Comprising both financial and operational elements, these indicators are directly linked to the Group's strategy and are based on compliance with a predefined budget.



The amount of the variable portion granted in shares or share equivalents is converted on the basis of a share price determined each year by the Board of Directors, corresponding to the trade-weighted average based on the last 20 trading days prior to the Board meeting. The portion of annual variable remuneration granted as share equivalents gives rise to the payment of an amount equivalent to the dividend payment, where applicable, throughout the compulsory holding period. No dividends are paid during the vesting period.

Furthermore, if the Board observes that a decision taken by the Chief Executive Officers has particularly significant consequences for the Company's results or image, it may decide not only to reconsider payment of the deferred annual variable remuneration in full or in part (*malus* clause), but also to recover, for each award, all or part of the sums already distributed over a five-year period (*clawback* clause).

Lastly, vesting of the deferred annual variable remuneration is also subject to a condition of presence throughout the term of office concerned. The exceptions to this requirement are as follows: retirement, death, disability, incapacity to carry out duties or termination for reasons of a strategic divergence with the Board of Directors.

After expiry of the term of office concerned, the condition of presence no longer applies. However, if the Board observes, after the departure of the Chief Executive Officer, that a decision taken during his term of office has particularly significant consequences for the Company's results or image, it may decide to reconsider payment of the deferred annual variable remuneration in full or in part.

## Cap

In compliance with the AFEP-MEDEF Code, since 1<sup>st</sup> September 2014 annual variable remuneration has been capped at 135% of annual fixed remuneration for the Chief Executive Officer and at 115% for the Deputy Chief Executive Officers.

## Long-term incentives

### General principles

In order to implicate the Chief Executive Officers in the Company's long-term progress and to align their interests with those of the shareholders, since 2012 they have been awarded long-term incentives, consisting of shares or share equivalents.

In order to comply with the recommendations of the AFEP-MEDEF Code, the Board of Directors decides each year, during the meeting approving the financial statements from the previous year, on any award of Societe Generale shares or share equivalents to the Chief Executive Officers; the fair value of any such award upon granting is proportional to other compensation elements and is set in line with practices from previous years. Such fair value is set on the basis of the share closing price on the day before the Board meeting.

Furthermore, Chief Executive Officers cannot be awarded long-term incentives upon leaving office.

### Vesting and payment of long-term incentives

As in previous years, the plan is as follows:

- granting of shares or share equivalents in two instalments, with vesting periods of four and six years, followed by a one-year holding period, thus increasing the indexing periods to five and seven years respectively;
- definitive vesting subject to a condition of presence throughout the vesting periods, as well as a performance condition. Vesting depends on the relative performance of the Societe Generale share as measured by the increase in Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. Thus, the entirety of the award will only vest if Societe Generale's TSR is in the upper quartile of the sample; if it is slightly above the median value, the vesting rate will be 50% of the total number of shares or share equivalents granted; no shares or share equivalents will vest if the TSR is too low. If the Group

is not profitable in the year preceding the definitive vesting of long-term incentives, no payment will be made, regardless of the performance of the Societe Generale share;<sup>(1)</sup>

(1) The complete vesting chart is shown below:

SG Rank	Ranks 1*, 2 and 3			Rank 4	Rank 5	Rank 6	Ranks 7, 8 and 9		Ranks 10, 11 and 12
	As a % of the max. number granted								
	100%	83.3%	66.7%	50%	25%	0			

\* Highest rank in the sample.

- any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors.

Lastly, the beneficiaries of long-term incentives are also subject to a *malus* clause. Thus, if the Board observes that a decision taken by the Chief Executive Officers has particularly significant consequences for the Company's results or image, it may decide to reconsider payment of the long-term incentives in full or in part.

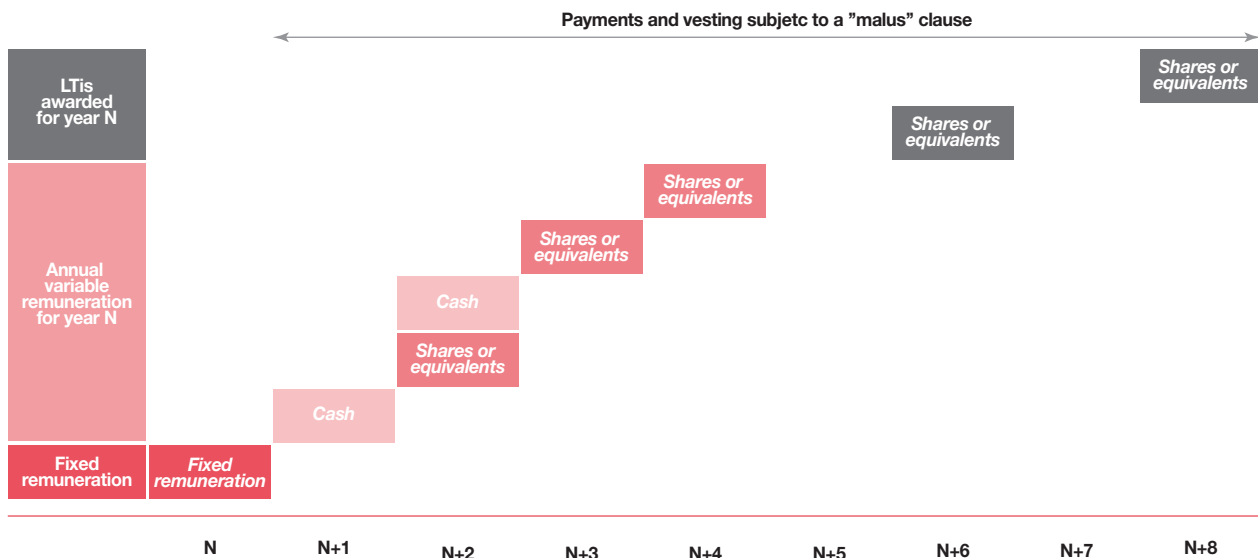
## Cap

In accordance with the AFEP-MEDEF Code, the Board of Directors decided, on 7<sup>th</sup> February 2018, to maintain the cap, at the same level as for annual variable remuneration, on the total amount of long-term incentives awarded (as measured under IFRS). The amount awarded is thus limited to 135% of annual fixed remuneration for Frédéric Oudéa and at 115% for the Deputy Chief Executive Officers.

This provision applies in addition to the cap on the definitive vesting value of shares or the payment value of share equivalents. These values are capped at an amount corresponding to a multiple of the book value per share of the Societe Generale Group as at 31<sup>st</sup> December in the year in respect of which the long-term incentives are granted.

In all events, in accordance with applicable regulations, the variable component awarded (i.e. annual variable remuneration plus long-term incentives) must not exceed two times the fixed remuneration.

**Total remuneration – payment or share delivery timeline**



**Post-employment benefits: pensions, severance pay, non-compete clause**

**Pension**

As Frédéric Oudéa terminated his employment contract by resigning when he was appointed Chairman and Chief Executive Officer in 2009, he no longer enjoys the right to any supplementary pension from Societe Generale.

**Supplementary pension allocation plan**

Mr. Cabannes and Mr. Sanchez Incera retain the benefit of the supplementary pension allocation plan for senior managers that applied to them as employees prior to their appointment as Chief Executive Officers<sup>(1)</sup>.

This supplementary plan, introduced in 1991 and satisfying the requirements of Article L. 137-11 of the French Social Security Code, provides senior executives appointed as from this date and “outside classification” with a supplementary pension as from the date on which they claim their French Social Security pension. Their total pension thus amounts to the product of the following:

- the average, over the last ten years of their career, of the proportion of their fixed remuneration exceeding “Tranche B” of the AGIRC pension plus variable remuneration of up to 5% of their fixed remuneration;
- the rate equal to the number of years of professional service at Societe Generale divided by 60, corresponding to a potential acquisition of annuity rights of 1.67% a year (it being noted that the years of service taken into account are capped at 42).

The AGIRC “Tranche C” pension acquired in respect of their career at Societe Generale is deducted from this total pension. The supplementary amount covered by Societe Generale is increased for beneficiaries who have raised three or more

children, as well as for those who retire after the legal retirement age set by French Social Security. It may not be less than one-third of the full-rate service value of the AGIRC “Tranche B” points acquired by the beneficiary since gaining “Outside Classification” status.

Each year, potential annuity rights are calculated according to projected length of service and salary at retirement, based on recognised actuarial principles. They are prefinanced with an insurance company.

The rights are subject to the employee being employed by the Company upon claiming their pension.

Upon Didier Valet’s appointment as Chief Executive Officer on 13<sup>th</sup> January 2017, the Board of Directors authorised a related-party commitment pursuant to which Mr Valet retains the benefit of the supplementary pension plan for senior managers that applied to him as an employee. This related-party commitment was approved by the General Meeting of 23<sup>rd</sup> May 2017.

As required by law, the annual increase in supplementary pension benefits conditional upon the beneficiary completing his career within the Company is subject, as from his appointment, to the following performance condition: potential annuity rights for any given year will only be awarded in full if at least 80% of the variable remuneration performance conditions for that year are met. For performance levels of 50% or below, there will be no increase in the annuities. For an achievement rate of between 80% and 50%, the benefits awarded for the year will be calculated on a straight-line basis.

This pension scheme will likely have to be amended in 2018, in view of expected changes in the regulations on supplementary pension schemes involving benefits that are not fixed (Article L. 137-11 of the French Social Security Code).

<sup>(1)</sup> Related-party agreements with Mr. Cabannes and Mr. Sanchez Incera approved by the General Meetings of 19<sup>th</sup> May 2009 and 25<sup>th</sup> May 2010 respectively.

## Valmy pension savings scheme (formerly IP Valmy scheme)

Mr Cabannes, Mr Sanchez Incera and Mr Valet also remain entitled to the supplementary defined-contribution pension plan that they had as employees prior to their appointment as Chief Executive Officers.

This defined-contribution plan, established in line with Article 83 of the French General Tax Code, was implemented in 1995 and amended on 1<sup>st</sup> January 2018 (and is now called Épargne Retraite Valmy, i.e. Valmy pension savings scheme). Membership is compulsory for all employees with more than six months' seniority within the Company and allows beneficiaries to save for their retirement, with benefits being paid in the form of life annuities upon retirement. Contributions correspond to 2% of the employee's remuneration, capped at twice the annual French Social Security cap, 1.5% of which is paid by the Company. The plan is now insured with Sogecap (as opposed to the insurance company Valmy, as previously).

## Severance pay

Since 2017, the rules governing the Chief Executive Officer's or Deputy Chief Executive Officers' departure from the Group upon termination of their duties have been harmonised. The rules were defined in light of market practices, and are compliant with the AFEP-MEDEF Code.

## Non-compete clause<sup>(1)</sup>

The Chief Executive Officers (Frédéric Oudéa, Séverin Cabannes, Bernardo Sanchez Incera and Didier Valet) have signed a non-compete clause in favour of Societe Generale, valid for a period of six months as from the date on which their duties as Chief Executive Officer end, in accordance with standard practice for financial institutions. The clause prohibits them from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, they may continue to receive their fixed salary.

The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.

In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a penalty equal to six months' fixed salary. Societe Generale will in such

a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.

This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.

## Severance pay<sup>(2)</sup>

In accordance with the recommendations of the AFEP-MEDEF Code, Frédéric Oudéa gave up his employment contract upon his appointment to the position of Chairman and Chief Executive Officer in 2009. He thus forfeited his entitlement to the benefits and guarantees which he would have enjoyed as an employee with close to 15 years of service. Similarly, as a result of the suspension of the employment contracts of the Deputy Chief Executive Officers, any amounts as may payable to them in statutory or contractual severance pay would be low to nil.

The features of the severance pay are as follows:

- payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;
- payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office;
- no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension;
- the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.

In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).

(1) Related-party agreements with Mr Oudéa, Mr Cabannes, Mr Sanchez Incera and Mr Valet approved by the General Meeting of 23<sup>rd</sup> May 2017.

(2) Related-party commitments with Mr Oudéa, Mr Cabannes, Mr Sanchez Incera and Mr Valet approved by the General Meeting of 23<sup>rd</sup> May 2017.

## Other benefits of Chief Executive Officers

The Chief Executive Officers have their own company car, available to them for private as well as professional use, and insurance providing the same cover in terms of health and death/invalidity benefits as for employees.

### Exceptional variable remuneration

Societe Generale does not generally award exceptional variable remuneration to its Chief Executive Officers. However, in light of the new legislation requiring prior approval of all aspects of the remuneration policy, the Board of Directors would like to reserve the right to pay additional variable remuneration if

warranted in certain highly specific situations, for example due to the impact on the Company, or the commitment demanded and challenges involved. Such remuneration would need to be justified, and would be set in accordance with the general principles of the AFEP-MEDEF Code on remuneration, as well as with the recommendations of the French Financial Markets Authority (AMF).

It would be paid on the same terms as the annual variable remuneration, i.e. partially deferred for a period of three years, and subject to the same conditions in terms of vesting. It would be included within the calculation of variable remuneration capped at 200% of the fixed component.

## Appointment of a new Chief Executive Officer

As a general rule, the remuneration components and structure described in this remuneration policy will also apply to any new Chief Executive Officer appointed whilst said policy remains in effect, according to his responsibilities and professional experience. The same principle will also apply to all other benefits granted to Chief Executive Officers (supplementary pension plan, insurance, etc.).

The Board of Directors is therefore responsible for setting the new Chief Executive Officer's fixed salary in light of these elements, in line with the salary of existing Chief Executive

Officers and the practices of comparable European financial institutions.

Lastly, any new Chief Executive Officer selected from outside the Societe Generale Group may be awarded a hiring bonus designed to act as compensation, if appropriate, for the remuneration forfeited in leaving his previous employer. This remuneration would vest on a deferred basis, and would be conditional upon the satisfaction of performance conditions similar to those applicable to the Chief Executive Officers' deferred variable remuneration.

## APPENDIX 2

### TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID OR GRANTED FOR FINANCIAL YEAR 2017 TO CHIEF EXECUTIVE OFFICERS AND SUBJECT TO SHAREHOLDERS' APPROVAL

**TABLE 1**

**Lorenzo BINI SMAGHI, Chairman of the Board of Directors**

*Remuneration compliant with the policy approved by the General Meeting of 23<sup>rd</sup> May 2017*

Remuneration components paid or granted for financial year 2017	Amount or book value put to a vote	Description
Fixed remuneration	EUR 850,000	Gross fixed remuneration paid in 2017, unchanged since his appointment as Chairman of the Board of Directors on 19 <sup>th</sup> May 2015.
Annual variable remuneration	N/A	Lorenzo Bini Smaghi does not receive any variable remuneration.
Attendance fees	N/A	Lorenzo Bini Smaghi does not receive any attendance fees.
Value of benefits in kind	EUR 53,400	He is provided with company accommodation for the performance of his duties in Paris.

**TABLE 2**

**Frédéric OUDÉA, Chief Executive Officer**

Remuneration compliant with the policy approved by the General Meeting of 23<sup>rd</sup> May 2017

Remuneration components paid or granted for financial year 2017	Amount or book value put to a vote	Description
Fixed remuneration	EUR 1,300,000	Gross fixed remuneration paid in 2017, unchanged since the Board of Director's decision of 31 <sup>st</sup> July 2014 (confirmed in May 2015 when the functions of Chairman of the Board and Chief Executive Officer were separated).
Annual variable remuneration		Frédéric Oudéa benefits from annual variable remuneration broken down into two sub-components: 60% based on financial targets and 40% on qualitative targets. These elements are described on page 105 of the 2018 Registration Document. This annual variable remuneration is capped at 135% of fixed remuneration.
■ o.w. annual variable remuneration payable in 2018	EUR 261,144 (nominal amount)	<b>Evaluation of 2017 performance</b> – Given the quantitative and qualitative criteria defined by the Board of Directors in March 2017 and the achievement rates observed in financial year 2017, Mr Oudéa's annual variable remuneration was set at EUR 1,305,720 <sup>(1)</sup> . This corresponds to an overall target achievement rate of 74.40% of his maximum annual variable remuneration (see p.106 of the 2018 Registration Document). In accordance with CRD4, applicable to credit institutions, and Article L. 225-100 of the French Commercial Code, <b>the payment conditions for annual variable remuneration</b> are as follows: <ul style="list-style-type: none"> <li>■ 60% of annual variable remuneration is conditional upon achievement of Group profitability and Core Tier 1 targets as determined for financial years 2018, 2019 and 2020. Two-thirds of this is converted into Societe Generale shares transferable for 3.5 years, pro rata;</li> <li>■ the remainder, i.e. 40% of this variable remuneration, is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018. Half of this is converted into Societe Generale share equivalents subject to a one-year holding period;</li> <li>■ payment of the full annual variable remuneration in respect of 2017 is subject to approval by the General Meeting of 23<sup>rd</sup> May 2018.</li> </ul>
■ o.w. annual variable remuneration payable in subsequent years	EUR 1,044,576 (nominal amount)	
Multi-annual variable remuneration	N/A	Frédéric Oudéa does not receive any multi-annual variable remuneration.
Exceptional compensation	N/A	Frédéric Oudéa does not receive any exceptional compensation.
Value of options granted during the financial year	N/A	Frédéric Oudéa has not been awarded any stock options since 2009.
Value of shares or share equivalents granted under the long-term incentive plan in respect of the financial year	EUR 850,000 (Value according to IFRS 2 at 6 <sup>th</sup> February 2018) This amount corresponds to an award of 35,160 shares	Since 2012, the Chief Executive Officers have been eligible for a long-term incentive plan consisting of shares or share equivalents in order to implicate them more closely in the Company's long-term progress and to align their interests with those of the shareholders. The details of the plan granted in respect of 2017 by the Board of Directors at its meeting of 7 <sup>th</sup> February 2018 are as follows: <ul style="list-style-type: none"> <li>■ cap on grants, identical to the cap on annual variable remuneration;</li> <li>■ an award of 35,160 shares granted in two instalments, with vesting periods of four and six years followed by a one-year holding period after vesting, thus increasing the indexing periods to five and seven years;</li> <li>■ payment of the long-term incentives in respect of 2017 is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018, in accordance with Article L. 225-100 of the French Commercial Code;</li> <li>■ definitive vesting subject to presence and performance conditions. The performance condition is measured by the increase in Societe Generale's Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. The vesting rate will thus depend on SG's ranking: rank 1 to 3, 100% vesting; rank 4: 83.3%; rank 5: 66.7%; rank 6, 50%; ranks 7, 8 and 9: 25%; and ranks 10, 11 and 12: 0%;</li> <li>■ if the Group is not profitable (as measured by Group net income, excluding strictly accounting-related impacts associated with the revaluation of own debt and the Debt Value Adjustment) in the year preceding the definitive vesting of long-term incentives, no payment will be due, regardless of the performance of the Societe Generale share;</li> <li>■ any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors;</li> <li>■ lastly, the Board of Directors decided to cap the final vesting value to EUR 77 per share, i.e. approximately 1.2 times the book value per share of the Societe Generale Group at 31<sup>st</sup> December 2017.</li> </ul> <p>The award is granted pursuant to the 19<sup>th</sup> resolution of the General Meeting of 18<sup>th</sup> May 2016, and represents less than 0.01% of the capital.</p>
Attendance fees	N/A	
Value of benefits in kind	EUR 5,925	Frédéric Oudéa is provided with a company car.

(1) Nominal amount decided by the Board of Directors on 7<sup>th</sup> February 2018.



**For information, remuneration components that have been put to a shareholder vote in accordance with the procedure governing related-party agreements or commitments**

Amounts or book value put to a vote	Description
<p>Severance pay</p> <p>No amount due in respect of the financial year</p>	<p>The features of the severance pay, constituting a related-party commitment authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (5<sup>th</sup> resolution), are as follows:</p> <ul style="list-style-type: none"> <li>■ payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;</li> <li>■ payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office;</li> <li>■ no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension;</li> <li>■ the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.</li> </ul> <p>In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration).</p>
<p>Non-compete clause</p> <p>No amount due in respect of the financial year</p>	<p>Frédéric Oudéa is bound by a non-compete clause, constituting a related-party agreement authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (5<sup>th</sup> resolution). For a duration of six months as from the date of expiry or termination of his term of office as Chief Executive Officer, such clause prohibits him from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, he may continue to receive his fixed salary.</p> <p>The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.</p> <p>In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a sum equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.</p> <p>This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.</p>
<p>Supplementary pension plan</p> <p>N/A</p>	<p>Frédéric Oudéa does not have any supplementary pension plan.</p>

TABLE 3

**Séverin CABANNES, Deputy Chief Executive Officer**
*Remuneration compliant with the policy approved by the General Meeting of 23<sup>rd</sup> May 2017*

Remuneration components paid or granted for financial year 2017	Amount or book value put to a vote	Description
Fixed remuneration	EUR 800,000	Gross fixed remuneration paid in 2017, unchanged since the Board of Directors' decision of 31 <sup>st</sup> July 2014.
Annual variable remuneration		Séverin Cabannes benefits from annual variable remuneration broken down into two sub-components: 60% based on financial targets and 40% on qualitative targets. These elements are described on page 105 of the 2018 Registration Document. This annual variable remuneration is capped at 115% of fixed remuneration.
<ul style="list-style-type: none"> <li>■ o.w. annual variable remuneration payable in 2018</li> </ul>	EUR 134,600 (nominal amount)	<p><b>Evaluation of 2017 performance</b> – Given the quantitative and qualitative criteria defined by the Board of Directors in March 2017 and the achievement rates observed in financial year 2017, Mr Cabannes' annual variable remuneration was set at EUR 672,998<sup>(1)</sup>. This corresponds to an overall target achievement rate of 73.15% of his maximum annual variable remuneration (see p. 106 of the 2018 Registration Document).</p> <p>In accordance with CRD4, applicable to credit institutions, and Article L. 225-100 of the French Commercial Code, <b>the payment conditions for annual variable remuneration</b> are as follows:</p> <ul style="list-style-type: none"> <li>■ 60% of annual variable remuneration is conditional upon achievement of Group profitability and Core Tier 1 targets as determined for financial years 2018, 2019 and 2020. Two-thirds of this is converted into Societe Generale shares transferable for 3.5 years, pro rata;</li> <li>■ the remainder, i.e. 40% of this variable remuneration, is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018. Half of this is converted into Societe Generale share equivalents subject to a one-year holding period;</li> <li>■ payment of the full annual variable remuneration in respect of 2017 is subject to approval by the General Meeting of 23<sup>rd</sup> May 2018.</li> </ul>
o.w. annual variable remuneration payable in subsequent years	EUR 538,398 (nominal amount)	
Multi-annual variable remuneration	N/A	Séverin Cabannes does not receive any multi-annual variable remuneration.
Exceptional compensation	N/A	Séverin Cabannes does not receive any exceptional compensation.
Value of options granted during the financial year	N/A	Séverin Cabannes has not been awarded any stock options since 2009.
Value of shares or share equivalents granted under the long-term incentive plan in respect of the financial year	EUR 570,000 (Value according to IFRS 2 at 6 <sup>th</sup> February 2018) This amount corresponds to an award of 23,578 shares	<p>Since 2012, the Chief Executive Officers have been eligible for a long-term incentive plan consisting of shares or share equivalents in order to implicate them more closely in the Company's long-term progress and to align their interests with those of the shareholders. The details of the plan granted in respect of 2017 by the Board of Directors at its meeting of 7<sup>th</sup> February 2018 are as follows:</p> <ul style="list-style-type: none"> <li>■ cap on grants, identical to the cap on annual variable remuneration;</li> <li>■ an award of 23,578 shares granted in two instalments, with vesting periods of four and six years followed by a one-year holding period after vesting, thus increasing the indexing periods to five and seven years;</li> <li>■ payment of the long-term incentives in respect of 2017 is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018, in accordance with Article L. 225-100 of the French Commercial Code;</li> <li>■ definitive vesting subject to presence and performance conditions. The performance condition is measured by the increase in Societe Generale's Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. The vesting rate will thus depend on SG's ranking: rank 1 to 3, 100% vesting; rank 4: 83.3%; rank 5: 66.7%; rank 6, 50%; ranks 7, 8 and 9: 25%; and ranks 10, 11 and 12: 0%;</li> <li>■ if the Group is not profitable (as measured by Group net income, excluding strictly accounting-related impacts associated with the revaluation of own debt and the Debt Value Adjustment) in the year preceding the definitive vesting of long-term incentives, no payment will be due, regardless of the performance of the Societe Generale share;</li> <li>■ any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors;</li> <li>■ lastly, the Board of Directors decided to cap the final vesting value to EUR 77 per share, i.e. approximately 1.2 times the book value per share of the Societe Generale Group at 31<sup>st</sup> December 2017.</li> </ul> <p>The award is granted pursuant to the 19<sup>th</sup> resolution of the General Meeting of 18<sup>th</sup> May 2016, and represents less than 0.01% of the capital.</p>
Attendance fees	EUR 3,333	Variable remuneration paid to Deputy Chief Executive Officers is reduced by the amount of any attendance fees received from other Societe Generale Group companies.
Value of benefits in kind	EUR 6,411	Séverin Cabannes is provided with a company car.

 (1) Nominal amount decided by the Board of Directors on 7<sup>th</sup> February 2018.

**For information, remuneration components that have been put to a shareholder vote in accordance with the procedure governing related-party agreements or commitments**

Amounts or book value put to a vote	Description
Severance pay	<p>The features of the severance pay, constituting a related-party commitment authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (6<sup>th</sup> resolution), are as follows:</p> <ul style="list-style-type: none"> <li>■ payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;</li> <li>■ payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office;</li> <li>■ no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension;</li> <li>■ the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.</li> </ul> <p>In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).</p>
Non-compete clause	<p>Séverin Cabannes is bound by a non-compete clause, constituting a related-party agreement authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (6<sup>th</sup> resolution). For a duration of six months as from the date of expiry or termination of his term of office as Chief Executive Officer, such clause prohibits him from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, he may continue to receive his fixed salary.</p> <p>The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.</p> <p>In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a sum equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.</p> <p>This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.</p>
Supplementary pension plan	<p>Séverin Cabannes retains the benefit of the supplementary pension allocation plan for senior managers that applied to him as an employee prior to his appointment as Chief Executive Officer. This supplementary plan, introduced in 1991 and satisfying the provisions of Article L. 137-11 of the French Social Security Code, provides beneficiaries with an annual pension, covered by Societe Generale, as described on p. 103. This allowance depends in particular on the beneficiary's length of service within Societe Generale and the proportion of his fixed compensation exceeding "Tranche B" of the AGIRC pension.</p> <p>For example, assuming he retires at the age of 63, and based on his current annual fixed salary (corrected for the effects of inflation), Mr Cabannes' potential pension rights as at 31<sup>st</sup> December 2017 represented an estimated annual pension of EUR 184k (i.e. 12.5% of his reference remuneration as defined by the AFEP-MEDEF Code), regardless of the conditions under which the commitment is honoured.</p> <p>In accordance with the procedure for related-party agreements, this commitment was authorised by the Board of Directors on 12<sup>th</sup> May 2008 and approved by the General Meeting on 19<sup>th</sup> May 2009 (7<sup>th</sup> resolution).</p> <p>Mr Cabannes also remains entitled to the supplementary defined-contribution pension plan that he had as an employee prior to his appointment as Chief Executive Officer. This defined-contribution plan, established in line with Article 83 of the French General Tax Code, was implemented in 1995 and amended on 1<sup>st</sup> January 2018 (and is now called Épargne Retraite Valmy, i.e. Valmy pension savings scheme). Membership is compulsory for all employees with at least six months' seniority within the Company and allows beneficiaries to save for their retirement, with benefits being paid in the form of life annuities upon retirement. Contributions correspond to 2% of the employee's remuneration, capped at twice the annual French Social Security cap, 1.5% of which is paid by the Company. The plan is now insured with Sogecap (as opposed to the insurance company Valmy, as previously).</p> <p>At 31<sup>st</sup> December 2017, Mr Cabannes had acquired deferred life annuity rights of EUR 939 per annum.</p>

TABLE 4

## Bernardo SANCHEZ INCERA, Deputy Chief Executive Officer

Remuneration compliant with the policy approved by the General Meeting of 23<sup>rd</sup> May 2017

Remuneration components paid or granted for financial year 2017	Amount or book value put to a vote	Description
Fixed remuneration	EUR 800,000	Gross fixed remuneration paid in 2017, unchanged since the Board of Directors' decision of 31 <sup>st</sup> July 2014.
Annual variable remuneration		Bernardo Sanchez Incera benefits from annual variable remuneration broken down into two sub-components: 60% based on financial targets and 40% on qualitative targets. These elements are described on page 105 of the 2018 Registration Document. This annual variable remuneration is capped at 115% of fixed remuneration.
<ul style="list-style-type: none"> <li>■ o.w. annual variable remuneration payable in 2018</li> </ul>	EUR 140,488 (nominal amount)	<p><b>Evaluation of 2017 performance</b> – Given the quantitative and qualitative criteria defined by the Board of Directors in March 2017 and the achievement rates observed in financial year 2017, Mr Sanchez Incera's annual variable remuneration was set at EUR 702,438(1). This corresponds to an overall target achievement rate of 76.35% of his maximum annual variable remuneration (see p. 106 of the 2018 Registration Document).</p> <p>In accordance with CRD4, applicable to credit institutions, and Article L. 225-100 of the French Commercial Code, <b>the payment conditions for annual variable remuneration</b> are as follows:</p> <ul style="list-style-type: none"> <li>■ 60% of annual variable remuneration is conditional upon achievement of Group profitability and Core Tier 1 targets as determined for financial years 2018, 2019 and 2020. Two-thirds of this is converted into Societe Generale shares transferable for 3.5 years, pro rata;</li> </ul>
<ul style="list-style-type: none"> <li>■ o.w. annual variable remuneration payable in subsequent years</li> </ul>	EUR 561,950 (nominal amount)	<ul style="list-style-type: none"> <li>■ the remainder, i.e. 40% of this variable remuneration, is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018. Half of this is converted into Societe Generale share equivalents subject to a one-year holding period;</li> <li>■ payment of the full annual variable remuneration in respect of 2017 is subject to approval by the General Meeting of 23<sup>rd</sup> May 2018.</li> </ul>
Multi-annual variable remuneration	N/A	Bernardo Sanchez Incera does not receive any multi-annual variable remuneration.
Exceptional compensation	N/A	Bernardo Sanchez Incera does not receive any exceptional compensation.
Value of options granted during the financial year	N/A	Bernardo Sanchez Incera has not been awarded any stock options since 2010.
Value of shares or share equivalents granted under the long-term incentive plan in respect of the financial year	EUR 570,000 (Value according to IFRS 2 at 6 <sup>th</sup> February 2018) This amount corresponds to an award of 23,578 shares	<p>Since 2012, the Chief Executive Officers have been eligible for a long-term incentive plan consisting of shares or share equivalents in order to implicate them more closely in the Company's long-term progress and to align their interests with those of the shareholders.</p> <p>The details of the plan granted in respect of 2017 by the Board of Directors at its meeting of 7<sup>th</sup> February 2018 are as follows:</p> <ul style="list-style-type: none"> <li>■ cap on grants, identical to the cap on annual variable remuneration;</li> <li>■ an award of 23,578 shares granted in two instalments, with vesting periods of four and six years followed by a one-year holding period after vesting, thus increasing the indexing periods to five and seven years;</li> <li>■ payment of the long-term incentives in respect of 2017 is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018, in accordance with Article L. 225-100 of the French Commercial Code;</li> <li>■ definitive vesting subject to presence and performance conditions. The performance condition is measured by the increase in Societe Generale's Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. The vesting rate will thus depend on SG's ranking: rank 1 to 3, 100% vesting; rank 4: 83.3%; rank 5: 66.7%; rank 6, 50%; ranks 7, 8 and 9: 25%; and ranks 10, 11 and 12: 0%;</li> <li>■ if the Group is not profitable (as measured by Group net income, excluding strictly accounting-related impacts associated with the revaluation of own debt and the Debt Value Adjustment) in the year preceding the definitive vesting of long-term incentives, no payment will be due, regardless of the performance of the Societe Generale share;</li> <li>■ any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors;</li> <li>■ lastly, the Board of Directors decided to cap the final vesting value to EUR 77 per share, i.e. approximately 1.2 times the book value per share of the Societe Generale Group at 31<sup>st</sup> December 2017.</li> </ul> <p>The award is granted pursuant to the 19<sup>th</sup> resolution of the General Meeting of 18<sup>th</sup> May 2016, and represents less than 0.01% of the capital.</p>
Attendance fees	EUR 34,338	Variable remuneration paid to Deputy Chief Executive Officers is reduced by the amount of any attendance fees received from other Societe Generale Group companies.
Value of benefits in kind	EUR 7,179	Bernardo Sanchez Incera is provided with a company car.

(1) Nominal amount decided by the Board of Directors on 7<sup>th</sup> February 2018.

**For information, remuneration components that have been put to a shareholder vote in accordance with the procedure governing related-party agreements or commitments**

Amounts or book value put to a vote	Description
Severance pay	<p>No amount due in respect of the financial year</p> <p>The features of the severance pay, constituting a related-party commitment authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (7<sup>th</sup> resolution), are as follows:</p> <ul style="list-style-type: none"> <li>■ payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;</li> <li>■ payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office;</li> <li>■ no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension;</li> <li>■ the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.</li> </ul> <p>In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).</p>
Non-compete clause	<p>No amount due in respect of the financial year</p> <p>Bernardo Sanchez Incera is bound by a non-compete clause, constituting a related-party agreement authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (7<sup>th</sup> resolution). For a duration of six months as from the date of expiry or termination of his term of office as Chief Executive Officer, such clause prohibits him from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, he may continue to receive his fixed salary.</p> <p>The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.</p> <p>In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a sum equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.</p> <p>This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.</p>
Supplementary pension plan	<p>No amount due in respect of the financial year</p> <p>Bernardo Sanchez Incera retains the benefit of the supplementary pension allocation plan for senior managers that applied to him as an employee prior to his appointment as Chief Executive Officer. This supplementary plan, introduced in 1991 and satisfying the provisions of Article L. 137-11 of the French Social Security Code, provides beneficiaries with an annual pension, covered by Societe Generale, as described on p. 103. This allowance depends in particular on the beneficiary's length of service within Societe Generale and the proportion of his fixed compensation exceeding "Tranche B" of the AGIRC pension.</p> <p>For example, assuming he retires at the age of 63, and based on his current annual fixed salary (corrected for the effects of inflation), Mr Sanchez Incera's potential pension rights as at 31<sup>st</sup> December 2017 represented an estimated annual pension of EUR 148k (i.e. 9.9% of his reference remuneration as defined by the AFEP-MEDEF Code), regardless of the conditions under which the commitment is honoured.</p> <p>In accordance with the procedure for related-party agreements, this commitment was authorised by the Board of Directors on 12<sup>th</sup> January 2010 and approved by the General Meeting on 25<sup>th</sup> May 2010 (8<sup>th</sup> resolution).</p> <p>Mr Sanchez Incera also remains entitled to the supplementary defined-contribution pension plan that he had as an employee prior to his appointment as Chief Executive Officer. This defined-contribution plan, established in line with Article 83 of the French General Tax Code, was implemented in 1995 and amended on 1<sup>st</sup> January 2018 (and is now called Épargne Retraite Valmy, i.e. Valmy pension savings scheme). Membership is compulsory for all employees with at least six months' seniority within the Company and allows beneficiaries to save for their retirement, with benefits being paid in the form of life annuities upon retirement. Contributions correspond to 2% of the employee's remuneration, capped at twice the annual French Social Security cap, 1.5% of which is paid by the Company. The plan is now insured with Sogecap (as opposed to the insurance company Valmy, as previously).</p> <p>At 31<sup>st</sup> December 2017, Mr Sanchez Incera had acquired deferred life annuity rights of EUR 578 per annum.</p>

TABLE 5

**Didier VALET, Deputy Chief Executive Officer**

 Remuneration compliant with the policy approved by the General Meeting of 23<sup>rd</sup> May 2017

Remuneration components paid or granted for financial year 2017	Amount or book value	Amount actually paid or due following his resignation	Description
Fixed remuneration	EUR 766,667	EUR 766,667	Gross annual remuneration, as set by the Board of Directors on 13 <sup>th</sup> January 2017 upon Didier Valet's appointment as Deputy Chief Executive Officer, effective as from 16 <sup>th</sup> January 2017, amounts to EUR 800,000.
Annual variable remuneration			Didier Valet benefits from annual variable remuneration broken down into two sub-components: 60% based on financial targets and 40% on qualitative targets. These elements are described on page 105 of the 2018 Registration Document. This annual variable remuneration is capped at 115% of fixed remuneration.
<ul style="list-style-type: none"> <li>■ o.w. annual variable remuneration payable in 2018</li> </ul>	EUR 130,272 (nominal amount)	EUR 130,272 (nominal amount)	<b>Evaluation of 2017 performance</b> – Given the quantitative and qualitative criteria defined by the Board of Directors in March 2017 and the achievement rates observed in financial year 2017, Didier Valet's annual variable remuneration was set at EUR 651,360 <sup>(1)</sup> . This corresponds to an overall target achievement rate of 70.80% of his maximum annual variable remuneration (see p. 106 of the 2018 Registration Document). In accordance with CRD4, applicable to credit institutions, and Article L. 225-100 of the French Commercial Code, <b>the payment conditions for annual variable remuneration</b> are as follows: <ul style="list-style-type: none"> <li>■ 60% of annual variable remuneration is conditional upon achievement of Group profitability and Core Tier 1 targets as determined for financial years 2018, 2019 and 2020. Two-thirds of this is converted into Societe Generale shares transferable for 3.5 years, pro rata;</li> <li>■ the remainder, i.e. 40% of this variable remuneration, is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018. Half of this is converted into Societe Generale share equivalents subject to a one-year holding period;</li> <li>■ payment of the full annual variable remuneration in respect of 2017 is subject to approval by the General Meeting of 23<sup>rd</sup> May 2018.</li> </ul>
<ul style="list-style-type: none"> <li>■ o.w. annual variable remuneration payable in subsequent years</li> </ul>	EUR 521,088 (nominal amount)	EUR 130,272 (nominal amount) Variable remuneration vested as at 14 <sup>th</sup> March 2018	
Multi-annual variable remuneration	N/A	N/A	Didier Valet does not receive any multi-annual variable remuneration.
Exceptional compensation	N/A	N/A	Didier Valet does not receive any exceptional compensation.
Value of options granted during the financial year	N/A	N/A	Didier Valet has not been awarded any stock options since 2010.
Value of shares or share equivalents granted under the long-term incentive plan in respect of the financial year	EUR 570,000 (Value according to IFRS 2 at 6 <sup>th</sup> February 2018) This amount corresponds to an award of 23,578 shares	EUR 0	Since 2012, the Chief Executive Officers have been eligible for a long-term incentive plan consisting of shares or share equivalents in order to implicate them more closely in the Company's long-term progress and to align their interests with those of the shareholders. The details of the plan granted in respect of 2017 by the Board of Directors at its meeting of 7 <sup>th</sup> February 2018 are as follows: <ul style="list-style-type: none"> <li>■ cap on grants, identical to the cap on annual variable remuneration;</li> <li>■ an award of 23,578 shares granted in two instalments, with vesting periods of four and six years followed by a one-year holding period after vesting, thus increasing the indexing periods to five and seven years;</li> <li>■ payment of the long-term incentives in respect of 2017 is conditional upon approval by the General Meeting of 23<sup>rd</sup> May 2018, in accordance with Article L. 225-100 of the French Commercial Code;</li> <li>■ definitive vesting subject to presence and performance conditions. The performance condition is measured by the increase in Societe Generale's Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. The vesting rate will thus depend on SG's ranking: rank 1 to 3, 100% vesting; rank 4: 83.3%; rank 5: 66.7%; rank 6, 50%; ranks 7, 8 and 9: 25%; and ranks 10, 11 and 12: 0%;</li> <li>■ if the Group is not profitable (as measured by Group net income, excluding strictly accounting-related impacts associated with the revaluation of own debt and the Debt Value Adjustment) in the year preceding the definitive vesting of long-term incentives, no payment will be due, regardless of the performance of the Societe Generale share;</li> <li>■ any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors;</li> <li>■ lastly, the Board of Directors decided to cap the final vesting value to EUR 77 per share, i.e. approximately 1.2 times the book value per share of the Societe Generale Group at 31<sup>st</sup> December 2017.</li> </ul> The award is granted pursuant to the 19 <sup>th</sup> resolution of the General Meeting of 18 <sup>th</sup> May 2016, and represents less than 0.01% of the capital.
Attendance fees	N/A	N/A	Didier Valet did not receive any attendance fees in 2017.
Value of benefits in kind	EUR 4,571	EUR 4,571	Didier Valet is not provided with a company car.

 (1) Nominal amount decided by the Board of Directors on 7<sup>th</sup> February 2018.

**For information, remuneration components that have been put to a shareholder vote in accordance with the procedure governing related-party agreements or commitments**

<b>Amounts or book value</b>	<b>Amount actually paid or due following his resignation</b>	<b>Description</b>
Severance pay	No amount due in respect of the financial year EUR 0	<p>The features of the severance pay, constituting a related-party commitment authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (8<sup>th</sup> resolution), are as follows:</p> <ul style="list-style-type: none"> <li>■ payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;</li> <li>■ payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office;</li> <li>■ no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension;</li> <li>■ the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.</li> </ul> <p>In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).</p>
Non-compete clause	No amount due in respect of the financial year EUR 0	<p>Didier Valet is bound by a non-compete clause, constituting a related-party agreement authorised by the Board meeting of 8<sup>th</sup> February 2017 and approved by the General Meeting of 23<sup>rd</sup> May 2017 (8<sup>th</sup> resolution). For a duration of six months as from the date of expiry or termination of his term of office as Chief Executive Officer, such clause prohibits him from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, he may continue to receive his fixed salary.</p> <p>The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.</p> <p>In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a sum equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.</p> <p>This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.</p>
Supplementary pension plan	No amount due in respect of the financial year EUR 0	<p>Didier Valet retains the benefit of the supplementary pension allocation plan for senior managers that applied to him as an employee prior to his appointment as Chief Executive Officer. This supplementary plan, introduced in 1991 and satisfying the provisions of Article L. 137-11 of the French Social Security Code, provides beneficiaries with an annual pension, covered by Societe Generale, as described on p. 103. This allowance depends in particular on the beneficiary's length of service within Societe Generale and the proportion of his fixed compensation exceeding "Tranche B" of the AGIRC pension.</p> <p>For example, assuming he retires at the age of 63, and based on his current annual fixed salary (corrected for the effects of inflation), Mr Valet's potential pension rights as at 31<sup>st</sup> December 2017 represented an estimated annual pension of EUR 452k (i.e. 31.9% of his reference remuneration as defined by the AFEP-MEDEF Code), regardless of the conditions under which the commitment is honoured. Given the overall target achievement rate of 70.80%, his seniority in respect of 2017 will only be awarded in the proportion of 69.33%.</p> <p>In accordance with the procedure for related-party agreements, this commitment was authorised by the Board of Directors on 13<sup>th</sup> January 2017 and approved by the General Meeting on 23<sup>rd</sup> May 2017.</p> <p>Didier Valet also remains entitled to the supplementary defined-contribution pension plan that he had as an employee prior to his appointment as Chief Executive Officer.</p> <p>This defined-contribution plan, established in line with Article 83 of the French General Tax Code, was implemented in 1995 and amended on 1<sup>st</sup> January 2018 (and is now called Épargne Retraite Valmy, i.e. Valmy pension savings scheme). Membership is compulsory for all employees with at least six months' seniority within the Company and allows beneficiaries to save for their retirement, with benefits being paid in the form of life annuities upon retirement. Contributions correspond to 2% of the employee's remuneration, capped at twice the annual French Social Security cap, 1.5% of which is paid by the Company. The plan is now insured with Sogecap (as opposed to the insurance company Valmy, as previously).</p> <p>At 31<sup>st</sup> December 2017, Didier Valet had acquired deferred life annuity rights of EUR 2,005 per annum.</p>

ASSESSMENT OF THE BOARD OF DIRECTORS' USE OF THE FINANCIAL AUTHORISATIONS (UNTIL 14<sup>th</sup> MARCH 2018)

Type of authorisation	Purpose of the authorisation granted to the Board of Directors	Validity of the delegation	Limit	Use in 2017	Use in 2018 (up to 14 <sup>th</sup> March)	
Share buybacks	To buy Societe Generale shares	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 13 <sup>th</sup> resolution <b>For a period of:</b> 18 months <b>Start date:</b> 19 <sup>th</sup> May 2016 <b>Early termination:</b> 23 <sup>rd</sup> May 2017	5% of the share capital at the completion date of the purchases	Excluding the liquidity agreement: none. On 23 <sup>rd</sup> May 2017, no share was recorded in the liquidity agreement's account.	NA	
			<b>Granted by:</b> AGM of 23 <sup>rd</sup> May 2017, 18 <sup>th</sup> resolution <b>For a period of:</b> 18 months <b>Start date:</b> 24 <sup>th</sup> May 2017 <b>Expiry date:</b> 23 <sup>rd</sup> November 2018	5% of the share capital at the completion date of the purchases	Excluding the liquidity agreement: none. On 31 <sup>st</sup> December 2017, no share was recorded in the liquidity agreement's account. (see details on pages 536 and 537 of the 2018 Registration Document)	Excluding the liquidity agreement: none. On 14 <sup>th</sup> March 2018, 30,000 shares were recorded in the liquidity agreement's account.
Capital increase	To increase the share capital with pre-emptive subscription rights through the issuance of ordinary shares or securities giving access to the share capital	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 14 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	Nominal EUR 403 million for shares, i.e. 39.99% of the share capital at the date on which the authorisation was granted <i>Note: this limit counts towards those set forth in resolutions 15 to 20 of the AGM of 18<sup>th</sup> May 2016</i> Nominal EUR 6 billion for debt securities giving access to the share capital <i>Note: this limit counts towards those set forth in resolutions 15 to 18 of the AGM of 18<sup>th</sup> May 2016</i>	None	None	
	To increase the share capital through the incorporation of reserves, profits, premiums or others		<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 14 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	Nominal EUR 550 million	None	None
	To increase the share capital without pre-emptive subscription rights through the issuance of ordinary shares or securities giving access to the share capital		<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 15 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	Nominal EUR 100.779 million for shares, i.e. 10% of the share capital at the date on which the authorisation was granted Nominal EUR 6 billion for debt securities giving access to the share capital <i>Note: these limits count towards those set forth in resolution 14, and include those set forth in resolutions 16 to 17 of the AGM of 18<sup>th</sup> May 2016</i>	None	None
	To increase the share capital in order to remunerate contributions in kind consisting of securities		<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 16 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	10% of the share capital <i>Note: this limit counts towards those set forth in resolutions 14 and 15 of the AGM of 18<sup>th</sup> May 2016</i>	None	None
Issuance of subordinated bonds	Issuance of contingent convertible bonds without pre-emptive subscription rights	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 17 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	10% of the share capital <i>Note: this limit counts towards those set forth in resolutions 14 and 15 of the AGM of 18<sup>th</sup> May 2016</i>	None	None	
Capital increase in favour of employees	To increase the share capital through the issuance of ordinary shares or securities giving access to the share capital reserved for members of a Societe Generale company or Group Savings Plan	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 18 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	1% of the share capital at the date on which the authorisation was granted <i>Note: this limit counts towards the limit set forth in resolution 14 of the AGM of 18<sup>th</sup> May 2016</i>	None	None	
Allocation of free shares	To allocate free shares, existing or to be issued, to regulated persons and assimilated	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 19 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	1.4% of the share capital at the date on which the authorisation was granted including a maximum of 0.5% of the share capital with a 2-year vesting period for the payment of the deferred variable compensations <i>Note: this limit counts towards the limit set forth in resolution 14 of the AGM of 18<sup>th</sup> May 2016</i> 0.1% of the share capital for the chief executive officers <i>Note: this limit counts towards the 1.4% and 0.5% limits set forth in resolution 19 of the AGM of 18<sup>th</sup> May 2016</i>	On 31 <sup>st</sup> December 2017, allocation of 913,000 shares, i.e. 0.11% of the share capital at the date of allocation	On 14 <sup>th</sup> March 2018, allocation of 828,000 shares, i.e. 0.10% of the share capital at the date of allocation	
	To allocate free shares, existing or to be issued, to employees other than regulated persons and assimilated		<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 20 <sup>th</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	0.6% of the share capital at the date on which the authorisation was granted <i>Note: this limit counts towards the limit set forth in resolution 14 of the AGM of 18<sup>th</sup> May 2016</i>	On 31 <sup>st</sup> December 2017, allocation of 902,000 shares, i.e. 0.11% of the share capital at the date of allocation	On 14 <sup>th</sup> March 2018, allocation of 862,000 shares, i.e. 0.11% of the share capital at the date of allocation
Cancellation of shares	To cancel shares purchased as part of share buyback programmes	<b>Granted by:</b> AGM of 18 <sup>th</sup> May 2016, 21 <sup>st</sup> resolution <b>For a period of:</b> 26 months <b>Expiry date:</b> 18 <sup>th</sup> July 2018	5% of the total number of shares per 24-month period	None	None	



*This is a free translation into English of reports issued in French and provided solely for the convenience of English-speaking users. These reports should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## STATUTORY AUDITORS' REPORT COSIGNED BY DELOITTE & ASSOCIÉS (JOSÉ-LUIS GARCIA) AND ERNST & YOUNG ET AUTRES (ISABELLE SANTENAC)

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS SIGNED ON 8<sup>th</sup> MARCH 2018

**Societe Generale**  
Year ended 31<sup>st</sup> December 2017

#### Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Societe Generale for the year ended 31<sup>st</sup> December 2017.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial

position of the Group as at 31<sup>st</sup> December 2017 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Internal Control Committee.

#### Basis for opinion

##### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

##### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1<sup>st</sup> January 2017 to the date of our report and specifically we

did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics (*Code de déontologie*) for statutory auditors.

#### Emphasis of Matter

We draw attention to note 3 "Financial instruments" to the consolidated financial statements which sets out the change in accounting policies related to the change in the presentation

on the balance sheet of premiums to be received and premiums to be paid on options. Our opinion is not modified in respect of this matter.

#### Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance

in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

## Measurement of the provision for disputes

### Risk identified

A provision for disputes in the amount of M€ 2,318 (hereafter “the provision for disputes”) is recognized under liabilities in the balance sheet to cover the risks of future outflows of resources relating to several cases in which the Societe Generale Group is involved, as stated in note 3.8 “Impairment and provisions – 2. Provisions” to the consolidated financial statements. Societe Generale is subject to several investigations and requests for information of a regulatory nature from various authorities and regulators. These ongoing proceedings notably concern:

- the investigations of American authorities on certain US dollar transfers on behalf of entities based in countries that are the subject of economic sanctions ordered by the American authorities;
- transactions with Libyan counterparties including the Libyan Investment Authority;
- submissions made to market regulators to determine certain LIBOR rates;
- as well as the dispute with the French tax authorities concerning “précompte” (equalization tax on dividends) receivables.

The ongoing investigations and requests for information are set out in note 9 “Information on risks and litigation” to the consolidated financial statements. For the investigations by American authorities, the estimate of this provision results from Management’s assessment, taking into account the information in its possession on the progress of these proceedings, benchmarks with fines paid by other companies, and information obtained from the Group’s external legal advisers.

Given the uncertainty of the outcome of these investigations and the inherent difficulty in estimating the amount of potential fines, the measurement of the provision for disputes, which is based on the exercise of Management’s judgment, is a key audit matter.

### Our response

Our work notably consisted in:

- monitoring the main legal proceedings and the ongoing investigations undertaken by the judicial authorities and the regulators with the Group’s legal department;
- familiarizing ourselves with the process for the measurement of the provision for disputes, notably through quarterly discussions with the Societe Generale Group’s Management;
- assessing the assumptions used to determine the provision for disputes on the basis of the information that we obtained, in particular from the Group’s external legal advisers, specialized in these cases;
- examining the disclosures on these disputes in the notes to the consolidated financial statements.

## Recoverability of deferred tax assets of the french tax group and american entities

### Risk identified

As at 31<sup>st</sup> December 2017, an amount of M€ 4,765 has been recorded under deferred tax assets.

As stated in note 6 “Income tax” to the consolidated financial statements, Societe Generale Group calculates deferred taxes at the level of each tax entity and recognizes deferred tax assets at the closing date when it is considered probable that future taxable profits will be available against which the tax entity concerned will be able to charge timing differences and tax loss carry-forwards, over a determined period of time.

Furthermore, as stated in Notes 6 “Income tax” and 9 “Information on risks and litigation” to the consolidated financial statements, certain tax loss carryforwards are challenged by the French tax authorities and consequently may be called into question.

Given the assumptions used to assess the recoverability of the deferred tax assets and the judgment exercised by Management in this respect, we identified this issue as a key audit matter for the French tax group and the American entities, which represent the most significant part of these assets.

### Our response

Our audit approach consisted in assessing the probability that the group will be able to make future use of the tax loss carry-forwards generated to date, notably based on the ability of the tax entities (in France and the United States) to make future taxable profits that can absorb past losses.

With the support of our tax specialists, we:

- compared the projected results for past years with the actual results for the years concerned;
- obtained an understanding of the three-year business plan drawn up by Management and approved by the Board of Directors;
- assessed the assumptions used by Management beyond the three-year period to establish projected results;
- assessed the sensitivity of these assumptions in the event of unfavourable scenarios defined by Societe Generale group;
- performed tests on the calculation of the deferred tax asset bases and examined the consistency of the tax rates used. In particular, we considered whether the legislative changes made during the year ended 31<sup>st</sup> December 2017 concerning the taxation rate in France and in the United States had been taken into account;
- analyzed Societe Generale’s situation, and familiarized ourselves with the opinion from its external tax advisers regarding its tax loss carryforwards in France, partially challenged by the tax authorities;
- examined the disclosures on deferred tax assets in Notes 6 and 9 to the consolidated financial statements.

## Valuation of complex financial instruments classified as level 3 in the fair value hierarchy

### Risk identified

Within the scope of its market activities, Societe Generale holds financial instruments for trading purposes.

To calculate the fair value of the instruments classified as level 3, the Group uses techniques or internal models based on data that are not observable in the market, as stated in note 3.4 "Fair value of financial instruments measured at fair value". The models and data used to value these instruments are based on Management's estimates.

Due to the use of judgment to determine the instruments' fair value, the complexity of the modelling of the latter and the multiplicity of models used, we consider the valuation of the complex financial instruments classified as level 3 to be a key audit matter.

### Our response

Our audit approach is focused on certain key internal control processes related to the valuation of the financial instruments classified as level 3. With the support of our specialists in the valuation of financial instruments, we developed an approach including the following main stages:

- we familiarized ourselves with the procedure for the authorization and validation of new products and their valuation models, including the process for the entry of these models into the information systems;
- we assessed the governance relating to the Risk Department's control of the valuation models used;
- more specifically, based on tests, we considered the valuation formulae for certain categories of complex instruments;
- we analyzed certain market parameters used to provide input for the valuation models;
- as regards the daily profit and loss explanation process, we familiarized ourselves with the analysis principles used by the bank and performed tests of controls. We also performed "analytical" IT procedures on the database for the controls performed on the daily profit and loss explanation process;
- at each quarterly closing, we obtained the results of the process for the independent price verification, and we analyzed any differences in parameters compared to the market data in the event of a significant impact, as well as the accounting treatment of such differences;
- we performed counter-valuations of a selection of derivative financial instruments classified as level 3, using our tools;
- we considered the compliance of the documented methods underlying the estimates with the principles described in note 3.4 "Fair value of financial instruments measured at fair value" to the consolidated financial statements, and we analyzed the criteria used to determine the levels of the fair value hierarchy.

## Information technology risk on derivative financial instruments and structured products

### Risk identified

Societe Generale's derivative financial instruments and structured products constitute, for the Group, an important activity within its market activities, as illustrated by the significance of the net positions of derivative financial instruments in the transaction portfolio in note 3.2 "Financial derivatives".

This activity is highly complex due to the nature of the financial instruments processed, the volume of transactions, and the use of numerous information systems interfacing with each other.

The risk of an IT incident could entail the risk of an anomaly in the accounts as a result of an incident in the data processing chains used, or the recording of transactions until they are transferred into the accounting system. Such a risk may notably take the form of:

- changes made to management and financial information by unauthorized personnel via the information systems or underlying databases;
- a failure in processing or in the transfer of data between systems;
- a service interruption or operating incident, possibly associated with internal or external fraud.

In this context, the monitoring by the Societe Generale Group of controls linked to information systems management relating to the above-mentioned activity is essential for the reliability of the accounts and is a key audit matter.

### Our response

Our audit approach to this activity is based on the controls related to the information systems management set up by the Group. With the support of our experts in financial systems, we tested the IT general controls on the applications that we considered to be significant for these activities. Our work concerned the following in particular:

- the controls set up by Societe Generale on access rights, notably at sensitive times in a professional career (recruitment, transfer, resignation, end of contract) with, when necessary, extended audit procedures in the event of ineffective control identified during the year 31<sup>st</sup> December 2017;
- potential privileged access to applications and infrastructure;
- change management and, more specifically, the separation between development and business environments;
- security policies in general and their deployment in IT applications (for example, those related to passwords);
- handling of IT incidents during the audit period;
- governance and the control environment in a sample of "end user" applications.

For these same applications, in order to assess the transfer of information flows, we tested the application controls related to the automated interfaces between the systems. Our tests on the IT general controls and application controls were supplemented by data analytics work on certain IT applications.

## Measurement of impairment on loans and other commitments granted to corporate clients in certain sectors sensitive to the economic situation

### Risk identified

Loans and receivables to corporate clients carry a credit risk that exposes Societe Generale Group to a potential loss if its client or counterparty is unable to meet its financial commitments. The existence of a credit risk is assessed for each financial asset individually, or on the basis of homogeneous portfolios of financial instruments if there is no objective indication of impairment for a financial asset considered individually.

The Societe Generale group recognizes impairment losses to cover the credit risks inherent to its activities and makes accounting estimates to measure the level of impairment of individual receivables and homogeneous groups of assets.

Impairment on individually impaired loans and on homogeneous groups of receivables amount to M€ 11,214 and M€ 1,311 respectively as at 31<sup>st</sup> December 2017, as stated in note 3.5 "Loans and receivables – 2. Customer loans" to the consolidated financial statements.

The Group's Risk Department uses its judgment to determine the assumptions and parameters used to calculate these impairment losses. The main assumptions taken into account by Management for the measurement of impairment losses are probability of default for performing loans and loss given default for performing and doubtful loans.

Given the Group's activities, we consider the measurement of impairment losses on loans and commitments to corporate clients in certain sectors sensitive to the economic situation to be a key audit matter.

### Our response

We familiarized ourselves with the impairment loss measurement process adopted by the Societe Generale Group. We tested the key controls set up by Management for determining the assumptions and parameters used as a basis for this measurement. Our work consisted in assessing:

- the procedure for the detection of corporate counterparties that are in a weak financial situation or in default;
- the provisioning methods used for homogeneous groups of assets in the sectors selected;
- the assumptions and parameters used for a selection of individual files and for homogeneous groups of assets in the sectors selected;
- the compliance of the documented methods underlying the estimates with the principles described in note 3.8 "Impairment and provisions" to the consolidated financial statements.

## Verification of the information pertaining to the Group presented in the management report

As required by law we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

## Report on other legal and regulatory requirements

### Appointment of the Statutory auditors

We were appointed as statutory auditors of Societe Generale by your Annual General Meeting held on 18<sup>th</sup> April 2003 for DELOITTE & ASSOCIES and on May 22, 2012 for ERNST & YOUNG et Autres.

As at 31<sup>st</sup> December 2017, DELOITTE & ASSOCIES was in the fifteenth year and of total uninterrupted engagement and ERNST & YOUNG et Autres in the sixth.

Previously, ERNST & YOUNG Audit was the Statutory auditor of Societe Generale from 2000 to 2011.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Internal Control Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## Statutory auditors' responsibilities for the audit of the consolidated financial statements

### Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate

in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

### Report to the Audit and Internal Control Committee

We submit a report to the Audit and Internal Control Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Internal Control Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Internal Control Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit and Internal Control Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

## REPORT ON THE FINANCIAL STATEMENTS SIGNED ON 8<sup>th</sup> MARCH 2018

**Societe Generale**  
Year ended 31<sup>st</sup> December 2017

### Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Societe Generale for the year ended December 31, 2017.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the

Company as at December 31, 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Internal Control Committee.

### Basis for Opinion

#### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory auditors Responsibilities for the Audit of the Financial Statements* section of our report.

#### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1<sup>st</sup> January 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to

in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics (*Code de déontologie*) for statutory auditors.

### Emphasis of Matter

We draw attention to note 3.2 "Accruals, other assets and liabilities" to the financial statements which sets out the change in accounting policies related to the change in the presentation

on the balance sheet of premiums to be received and premiums to be paid on options. Our opinion is not modified in respect of this matter.

### Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

## Measurement of the provision for disputes

### Risk identified

A provision for disputes in the amount of M€ 2,318 (hereafter “the provision for disputes”) is recognized under liabilities in the balance sheet to cover the risks of future outflows of resources relating to several cases in which the Company is involved, as stated in note 2.6 “Impairment and provisions – 2. Provisions” to the financial statements.

Societe Generale is subject to several investigations and requests for information of a regulatory nature from various authorities and regulators. These ongoing proceedings notably concern:

- the investigations of American authorities on certain US dollar transfers on behalf of entities based in countries that are the subject of economic sanctions ordered by the American authorities;
- transactions with Libyan counterparties including the Libyan Investment Authority;
- submissions made to market regulators to determine certain LIBOR rates;
- as well as the dispute with the French tax authorities concerning “précompte” (equalization tax on dividends) receivables.

The ongoing investigations and requests for information are set out in note 8 “Information on risks and litigation” to the financial statements. For the investigations by American authorities, the estimate of this provision results from Management’s assessment, taking into account the information in its possession on the progress of these proceedings, benchmarks with fines paid by other companies, and information obtained from Societe Generale’s external legal advisers. Given the uncertainty of the outcome of these investigations and the inherent difficulty in estimating the amount of potential fines, the measurement of the provision for disputes, which is based on the exercise of Management’s judgment, is a key audit matter.

### Our response

Our work notably consisted in:

- monitoring the main legal proceedings and the ongoing investigations undertaken by the judicial authorities and the regulators with Societe Generale’s legal department;
- familiarizing ourselves with the process for the measurement of the provision for disputes, notably through quarterly discussions with Societe Generale’s Management;
- assessing the assumptions used to determine the provision for disputes on the basis of the information that we obtained, in particular from Societe Generale’s external legal advisers, specialized in these cases;
- examining the disclosures on these disputes in the notes to the financial statements.

## Recoverability of deferred tax assets of the french tax group and american entities

### Risk identified

As at 31<sup>st</sup> December 2017, an amount of M€ 4,032 has been recorded under deferred tax assets.

As stated in note 5 “Taxes” to the financial statements, Societe Generale calculates deferred taxes at the level of each tax entity and recognizes deferred tax assets at the closing date when it is considered probable that future taxable profits will be available against which the tax entity concerned will be able to charge timing differences and tax loss carry-forwards, over a determined period of time.

Furthermore, as stated in Notes 5 “Taxes” and 8 “Information on risks and litigation” to the financial statements, certain tax loss carryforwards are challenged by the French tax authorities and consequently may be called into question.

Given the assumptions used to assess the recoverability of the deferred tax assets and the judgment exercised by Management in this respect, we identified this issue as a key audit matter for the French tax group and the American entities, which represent the most significant part of these assets.

### Our response

Our audit approach consisted in assessing the probability that Societe Generale will be able to make future use of the tax loss carry-forwards generated to date, notably based on the ability of the tax entities (in France and the United States) to make future taxable profits that can absorb past losses.

With the support of our tax specialists, we:

- compared the projected results for past years with the actual results for the years concerned;
- obtained an understanding of the three-year business plan drawn up by Management and approved by the Board of Directors;
- assessed the assumptions used by Management beyond the three-year period to establish projected results;
- assessed the sensitivity of these assumptions in the event of unfavourable scenarios defined by Societe Generale;
- performed tests on the calculation of the deferred tax asset bases and examined the consistency of the tax rates used. In particular, we considered whether the legislative changes made during the year ended 31<sup>st</sup> December 2017 concerning the taxation rate in France and in the United States had been taken into account;
- analyzed Societe Generale’s situation, and familiarized ourselves with the opinion from its external tax advisers regarding its tax loss carryforwards in France, partially challenged by the tax authorities;
- examined the disclosures on deferred tax assets in Notes 5 and 8 to the financial statements.

## Valuation of complex financial instruments not quoted in active markets

### Risk identified

Within the scope of its market activities, Societe Generale holds complex financial instruments not quoted in active markets.

To calculate the market value of these instruments, Societe Generale uses techniques or internal models based on data that are not observable in the market, as stated in note 2.2 "Operations on forward financial instruments" to the financial statements. The models and data used to value these instruments are based on Management's estimates.

Due to the use of judgment to determine the instruments' market value, the complexity of the modelling of the latter and the multiplicity of models used, we consider the valuation of the complex financial instruments not quoted in active markets to be a key audit matter.

### Our response

Our audit approach is focused on certain key internal control processes related to the valuation of the complex financial instruments not quoted in active markets. With the support of our specialists in the valuation of financial instruments, we developed an approach including the following main stages:

- we familiarized ourselves with the procedure for the authorization and validation of new products and their valuation models, including the process for the entry of these models into the information systems;
- we assessed the governance relating to the Risk Department's control of the valuation models used;
- more specifically, based on tests, we considered the valuation formulae for certain categories of complex instruments;
- we analyzed certain market parameters used to provide input for the valuation models;
- as regards the daily profit and loss explanation process, we familiarized ourselves with the analysis principles used by Societe Generale and performed tests of controls. We also performed "analytical" IT procedures on the database for the controls performed on the daily profit and loss explanation process;
- at each quarterly closing, we obtained the results of the process for the independent price verification, and we analyzed any differences in parameters compared to the market data in the event of a significant impact, as well as the accounting treatment of such differences;
- we performed counter-valuations of a selection of complex derivative financial instruments not quoted in active markets, using our tools;
- we considered the compliance of the documented methods underlying the estimates with the principles described in note 2.2 "Operations on forward financial instruments" to the financial statements.

## Information technology risk on derivative financial instruments and structured products

### Risk identified

Societe Generale's derivative financial instruments and structured products constitute an important activity within its market activities, as illustrated by the significance of the net positions of derivative financial instruments in the transaction portfolio in note 2.2 "Operations on forward financial instruments" to the financial statements.

This activity is highly complex due to the nature of the financial instruments processed, the volume of the transactions, and the use of numerous information systems interfacing with each other.

The risk of an IT incident could entail the risk of an anomaly in the accounts as a result of an incident in the data processing chains used, or the recording of transactions until they are transferred into the accounting system. Such a risk may notably take the form of:

- changes made to management and financial information by unauthorized personnel via the information systems or underlying databases;
- a failure in processing or in the transfer of data between systems;
- a service interruption or operating incident, possibly associated with internal or external fraud.

In this context, the monitoring by the Company of controls linked to information systems management relating to the above-mentioned activity is essential for the reliability of the accounts and is a key audit matter.

### Our response

Our audit approach to this activity is based on the controls related to the information systems management set up by Societe Generale. With the support of our experts in financial systems, we tested the IT general controls on the applications that we considered to be significant for these activities. Our work concerned the following in particular:

- the controls set up by Societe Generale on access rights, notably at sensitive times in a professional career (recruitment, transfer, resignation, end of contract) with, when necessary, extended audit procedures in the event of ineffective control identified during the year ended 31<sup>st</sup> December 2017;
- potential privileged access to applications and infrastructure;
- change management and, more specifically, the separation between development and business environments;
- security policies in general and their deployment in IT applications (for example, those related to passwords);
- handling of IT incidents during the audit period;
- governance and the control environment in a sample of "end user" applications.
- For these same applications, in order to assess the transfer of information flows, we tested the application controls related to the automated interfaces between the systems.

Our tests on the IT general controls and application controls were supplemented by data analytics work on certain IT applications.



## Measurement of impairment on loans and other commitments granted to corporate clients in certain sectors sensitive to the economic situation

### Risk identified

Loans and receivables to corporate clients carry a credit risk that exposes Societe Generale to a potential loss if its client or counterparty is unable to meet its financial commitments. The existence of a credit risk is assessed for each financial asset individually, or on the basis of homogeneous portfolios of financial instruments if there is no objective indication of impairment for a financial asset considered individually.

Societe Generale recognizes impairment losses to cover the credit risks inherent to its activities and makes accounting estimates to measure the level of impairment of individual receivables and homogeneous groups of assets.

Impairment on individually impaired loans and on homogeneous groups of receivables amount to M€ 3,287 and M€ 1,030 respectively as at 31<sup>st</sup> December 2017, as stated in note 2.6 "Depreciations and provisions" to the financial statements.

Societe Generale's Risk Department uses its judgment to determine the assumptions and parameters used to calculate these impairment losses. The main assumptions taken into account by Management for the measurement of impairment losses are probability of default for performing loans and loss given default for performing and doubtful loans.

Given Societe Generale's activities, we consider the measurement of impairment losses on loans and commitments to corporate clients in certain sectors sensitive to the economic situation to be a key audit matter.

### Our response

We familiarized ourselves with the impairment loss measurement process adopted by Societe Generale. We tested the key controls set up by Management for determining the assumptions and parameters used as a basis for this measurement. Our work consisted in assessing:

- the procedure for the detection of corporate counterparties that are in a weak financial situation or in default;
- the provisioning methods used for homogeneous groups of assets in the sectors selected;
- the assumptions and parameters used for a selection of individual files and for homogeneous groups of assets in the sectors selected;
- the compliance of the documented methods underlying the estimates with the principles described in note 2.6 "Depreciations and provisions" to the financial statements.

## Verification of the management report and of the other documents provided to the shareholders

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

## Information provided in the management report and in the other documents provided to the shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the financial position and the financial statements.

## Report on corporate governance

We attest that the Board of Director's Report on Corporate Governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with

the information obtained by your Company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a public purchase offer or exchange, provided pursuant to Article L. 225-37-5 of the French Commercial Code (*Code de commerce*), we have verified that it is in accordance with the underlying documentation provided to us. Based on our work, we have no observations to make on this information.

## Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders

and holders of the voting rights and cross-shareholdings has been properly disclosed in the management report.

## Report on other legal and regulatory requirements

### Appointment of the Statutory auditors

We were appointed as statutory auditors of Societe Generale by your Annual General Meeting held on 18<sup>th</sup> April 2003 for DELOITTE & ASSOCIES and on May 22, 2012 for ERNST & YOUNG et Autres.

As at 31<sup>st</sup> December 2017, DELOITTE & ASSOCIES was in the fifteenth year of total uninterrupted engagement and ERNST & YOUNG et Autres in the sixth.

Previously, ERNST & YOUNG Audit was the Statutory auditor of Societe Generale from 2000 to 2011.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless it is expected to liquidate the Company or to cease operations.

The Audit and Internal Control Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## Statutory auditors' Responsibilities for the Audit of the Financial Statements

### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Report to the Audit and Internal Control Committee

We submit a report to the Audit and Internal Control Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Internal Control Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Internal Control Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit and Internal Control Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

## REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS SIGNED ON 8<sup>th</sup> MARCH 2018

**Societe Generale**  
Year ended 31<sup>st</sup> December 2017

In our capacity as statutory auditors of your Company, we hereby report on certain related party agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying why they benefit the Company, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code

(*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements and commitments previously approved by the Shareholders' Meeting.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

## Agreements and commitments submitted to the approval of the Shareholders' Meeting

In accordance with Article L. 225-38 of the French Commercial Code, we inform you that we have not been advised of any agreements or commitments authorized during the year to be submitted for the approval of the Shareholders' Meeting.

## Agreements and commitments previously approved by the Shareholders' Meeting

### Agreements and commitments approved in prior years

#### a) with continuing effect during the year

We hereby inform you that we have not been advised of any agreement or commitment previously approved by the Shareholders' Meeting which continued in effect during the year.

#### b) without effect during the year

In addition, we have been informed of the following agreements and commitments, previously approved by the Shareholders' Meetings of prior years, which had no effect during the year.

**With Messrs Bernardo Sanchez Incera and Séverin Cabannes, Deputy Chief Executive Officers of your Company**

#### Nature and purpose

Pension commitments in favor of Messrs. Bernardo Sanchez Incera and Séverin Cabannes.

#### Terms and conditions

The pension commitment in favor of Mr Bernardo Sanchez Incera was authorized by your Board of Directors on 12<sup>th</sup> January 2010, and approved by your Shareholders' Meeting on May 25, 2010.

The pension commitment in favor of Mr Séverin Cabannes was authorized by your Board of Directors on Monday, May 12, 2008, and approved by your Shareholders' Meeting on Tuesday, May 19, 2009.

Under these commitments, Messrs. Bernardo Sanchez Incera and Séverin Cabannes retain the supplementary pension allocation for senior executives to which they were entitled as employees before their appointment as Deputy Chief Executive Officers. This additional plan, set up in 1991, grants to its beneficiaries, as of the settlement date of their Social Security pension, an overall pension equal to the product of the following:

- the average, over the last ten years of the career, of the proportion of basic fixed compensation exceeding the AGIRC "B Tranche" (French executives retirement fund) increased by a variable portion limited to 5% of the basic fixed compensation;

- the rate equal to the ratio between the number of years of professional service within your company and 60.

The AGIRC "C Tranche" pension vested in respect of his professional services within the company is deducted from this total. The additional allocation to be paid by your company is increased for beneficiaries who have brought up at least three children, as well as for those retiring after the legal retirement age for the settlement date of the Social Security pension. It may not be less than a third of the full-rate service value of AGIRC "B Tranche" points vested by the manager since his appointment to the "Senior group executives" category of your Company.

The rights are subordinated to the presence of the employee in the company at the time when the settlement of his pension takes place.

## Agreements and commitments approved during the year

In addition, we have been informed that the following agreements and commitments, previously approved by the Shareholders' Meeting of May 23, 2017, as presented in the statutory auditors' special report of 7<sup>th</sup> March 2017, had no effect during the year.

### 1 - With Mr Frédéric Oudéa, Chief Executive Officer

#### a) Nature and purpose

Non-compete clause for Mr Frédéric Oudéa.

#### Terms and conditions

The non-compete clause for Mr Frédéric Oudéa was authorized by your Board of Directors on 8<sup>th</sup> February 2017.

Provided that he will not be employed in a similar position for a sixth-month period following the termination of his term of office, in a listed bank in Europe or in a non-listed bank in France, Mr Frédéric Oudéa will be entitled, during the same period, to termination benefits to be paid on a monthly basis, equal to his basic fixed compensation as Chief Executive Officer. The company however reserves the right to waive this clause.

#### b) Nature and purpose

Termination benefits in favor of Mr Frédéric Oudéa.

#### Terms and conditions

The termination benefits in favor of Mr Frédéric Oudéa were authorized by the Board of Directors on 8<sup>th</sup> February 2017.

The termination benefits include the following features:

- termination benefits will only be due in the event of a forced departure from the Group and justified as such by the Board of Directors, thereby excluding resignation, non-renewal of the term of office at the initiative of Mr Frédéric Oudéa or gross negligence;
- payment of the termination benefits will be subject to reaching an overall achievement rate of the variable portion of his annual compensation of at least 60% on average over the last three fiscal years preceding the termination of his term of office;
- no termination benefits will be owed in the event of departure within the six months preceding the settlement of the Social Security pension entailing the right to benefit from the supplementary pension allocation for senior executives;
- the amount of the termination benefits will be two years of basic fixed compensation and may not exceed the ceiling recommended by the AFEP-MEDEF Corporate Governance Code of two years of basic fixed and variable compensation.

Furthermore, the shares or equity equivalents allocated as part of the long-term incentive plan of Mr Frédéric Oudéa and still being vested would be lost in the event of his departure from the Group, as the presence condition would no longer be satisfied. For a departure related to retirement or to an evolution in the Group's structure or its organization, shares would be retained or the payments would be made after having taken into consideration the performance observed and assessed by the Board of Directors.

## 2 - With Mr Didier Valet, Deputy Chief Executive Officer

### Nature and purpose

Pension commitment in favor of Mr Didier Valet.

### Terms and conditions

The pension commitment in favor of Mr Didier Valet was authorized by your Board of Directors on 13<sup>th</sup> January 2017 with effect from 16<sup>th</sup> January 2017.

Pursuant to this commitment, Mr Didier Valet retains the rights to the supplementary pension plan for senior executives which applied to him as an employee. This additional plan, set up in 1991, grants to its beneficiaries, as of the settlement date of their Social Security pension, an overall pension equal to the product of the following:

- the average, over the last ten years of the career, of the proportion of basic fixed compensation exceeding the AGIRC “B Tranche” (French executives retirement fund) increased by a variable portion limited to 5% of the basic fixed compensation;
- the rate equal to the ratio between the number of years of professional service within your company and 60.

The AGIRC “C Tranche” pension vested in respect of his professional services within the company is deducted from this total. The additional allocation to be paid by your company is increased for beneficiaries who have brought up at least three children, as well as for those retiring after the legal retirement age for the settlement date of the Social Security pension. It may not be less than a third of the full-rate service value of AGIRC “B Tranche” points vested by the manager since his appointment to the “Senior group executives” category of your company.

The annual vesting of the contingent rights will be, starting from 2017, subject to the following performance condition: “the rights to potential annuity payments in respect of one year will only be fully vested if at least 80% of the performance conditions of the variable compensation of this same year are satisfied. For a performance of 50% and below, no increase in the annuity will be applied. For an achievement rate of between 50% and 80%, the calculation of the vesting of rights with respect to the year will be calculated on a straight-line basis”.

The rights are subordinated to the presence of the employee in the company at the time when the settlement of his pension takes place.

## 3 - With Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet, Deputy Chief Executive Officers

### a) Nature and purpose

Termination benefits in favor of Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet.

### Terms and conditions

The termination benefits in favor of Mr Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet were authorized by the Board of Directors on 8<sup>th</sup> February 2017.

The termination benefits include the following features:

- termination benefits will only be due in the event of a forced departure from the Group and justified as such by the Board of Directors, thereby excluding resignation, non-renewal of the term of office at the initiative of Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet or gross negligence;
- payment of the termination benefits will be subject to reaching an overall achievement rate of the variable portion of their annual compensation of at least 60% on average over the last three fiscal years preceding the termination of their term of office;
- no termination benefits will be owed in the event of departure within the six months preceding the settlement of the Social Security pension entailing the right to benefit from the supplementary pension allocation for senior executives;
- the amount of the termination benefits will be two years of basic fixed compensation and may not exceed the ceiling recommended by the AFEP-MEDEF Corporate Governance Code of two years of basic fixed and variable compensation.

Furthermore, the shares or equity equivalents allocated as part of the long-term incentive plan of Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet and still being vested would be lost in the event of their departure from the Group, as the presence condition would no longer be satisfied. For a departure related to retirement or to an evolution in the Group's structure or its organization, shares would be retained or the payments would be made after having taken into consideration the performance observed and assessed by the Board of Directors.

### b) Nature and purpose

Non-compete clause in favor of Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet.

### Terms and conditions

The non-compete clause in favor of Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet was authorized by your Board of Directors on 8<sup>th</sup> February 2017.

Provided that they will not be employed in a similar position for a sixth-month period following the termination of their terms of office, in a listed bank in Europe, or in a non-listed bank in France, Messrs. Bernardo Sanchez Incera, Séverin Cabannes and Didier Valet will be entitled, during the same period, to termination benefits to be paid on a monthly basis, equal to their basic fixed compensation as Deputy Chief Executive Officers. The company however reserves the right to waive this clause.

## REPORTS ON THE RESOLUTIONS 20 TO 27 SUBMITTED TO THE GENERAL MEETING SIGNED ON 30<sup>th</sup> MARCH 2018

### 20<sup>th</sup>, 21<sup>st</sup> and 22<sup>nd</sup> resolutions

In our capacity as statutory auditors of your Company, and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed authorization of your Board of Directors for various issues of shares and/or marketable securities, operations upon which you are called to vote.

Your Board of Directors proposes, on the basis of its report that it be:

- authorized, for a twenty-six-month period, to decide on the following operations and determine the final conditions of these issues and proposes to cancel, where necessary, your preferential subscription rights:
  - issues with retention of preferential subscription rights (20<sup>th</sup> resolution):
    - of ordinary shares or,
    - equity securities conferring entitlement to other equity securities of the Company or of a Company in which it owns directly or indirectly more than half of the share capital (a "Subsidiary") and/or conferring entitlement to the allocation of debt securities of the Company or of a Subsidiary, or
    - debt securities conferring entitlement to the equity securities to be issued of the Company or of a Subsidiary
  - issues with cancellation of preferential subscription rights through public offerings (21<sup>st</sup> resolution):
    - of ordinary shares or,
    - equity securities conferring entitlement to other equity securities of the Company or of a Subsidiary and/or conferring entitlement to the allocation of debt securities of the Company or of a Subsidiary, or
    - debt securities conferring entitlement to the equity securities to be issued of the Company or of a Subsidiary,
    - it being specified that such securities could be issued as part of a public exchange offering in remuneration for in-kind contributions of securities granted to the Company in compliance with Article L. 225-148 of the French Commercial Code,
  - issues of ordinary shares and/or marketable securities, as a result of the issue by the Subsidiaries of the Company of marketable securities conferring entitlement to the ordinary shares of the Company (21<sup>st</sup> resolution);
- authorized, for a twenty-six-month period, to determine the terms and conditions of an issue of ordinary shares and/or equity securities conferring entitlement to other equity securities, either existing or to be issued, of the Company and/or conferring entitlement to the allocation of debt securities of the Company, or debt securities conferring entitlement to the equity securities to be issued

of the Company, in remuneration for in-kind contributions of securities granted to the Company and comprised of equity securities or marketable securities conferring entitlement to share capital (22<sup>nd</sup> resolution), up to a maximum of 10% of the share capital.

The overall maximum nominal amount of capital increases likely to be performed may not exceed EUR 333.2 million under the 20<sup>th</sup> resolution from which the issues set forth in the 21<sup>st</sup> to 26<sup>th</sup> resolutions will be deducted. The overall maximum amount of capital increases likely to be performed immediately or in the future provided for in the 21<sup>st</sup> to 23<sup>th</sup> resolutions shall be limited to EUR 100.98 million.

The overall nominal amount of the debt securities likely to be issued may not exceed EUR 6 billion for the 20<sup>th</sup> to 24<sup>th</sup> resolutions.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed cancellation of preferential subscription rights and on certain other information pertaining to these operations, as presented in this report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. Such procedures consisted in verifying the content of the Board of Directors' report relating to these operations and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the issues that would be decided, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the Board of Directors' report under the 21<sup>st</sup> resolution.

In addition, as this report does not specify the methods of determining the issue price of the equity securities to be issued under the 20<sup>th</sup> and 22<sup>nd</sup> resolutions, we cannot express an opinion on the criteria used to calculate this issue price.

As the final conditions in which the issues would be performed have not yet been determined, we cannot report on these conditions and, consequently, on the cancellation of preferential subscription rights proposed in the 21<sup>st</sup> resolution.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, when your Board of Directors has exercised this authorization in the event of issues of marketable securities which are equity securities conferring entitlement to other equity securities or conferring entitlement to the allocation of debt securities and in the event of issues of marketable securities conferring entitlement to other equity securities to be issued and in the event of issues of shares with cancellation of preferential subscription rights.

## 23<sup>rd</sup> resolution

In our capacity as statutory auditors of your Company and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report on the proposal to authorize your Board of Directors to decide whether to proceed with an issue of deeply subordinated bonds that would be converted into common shares of your Company in case where the Common Equity Tier 1 ratio (CET1) of the Group becomes lower than a defined rate in the issuing contract that cannot exceed 7%, with cancellation of preferential subscription rights, through private placements, as stipulated in paragraph II of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*), an operation upon which you are called to vote.

The maximum amount that could result from this increase in capital is of EUR 100.980 million, or 10% of the capital, being sure to be in accordance with the proposed ceilings of the 20<sup>th</sup> and 21<sup>st</sup> resolutions of this Shareholders' Meeting.

The maximum nominal amount of shares and marketable securities to be issued according to the proposed authorization is to be deducted from the ceilings of the 20<sup>th</sup> and 21<sup>st</sup> resolutions of this Shareholders' Meeting.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a twenty-six-month period, to decide on whether to proceed with one or more issues and proposes to cancel your preferential subscription rights to the contingent convertible bonds or "CoCos" to be issued, except during a public tender offer on the share capital of your Company, in France or abroad. If applicable, it shall determine the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code (*Code de commerce*), our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to the issue provided in the report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the issue that would be decided, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued provided in the Board of Directors'.

As the final conditions in which the issues would be performed have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, when your Board of Directors has exercised this authorization.

## 24<sup>th</sup> resolution

In our capacity as statutory auditors of your Company, and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed authorization of your Board of Directors to decide whether to proceed with an issue of ordinary shares or marketable securities with cancellation of preferential subscription rights, reserved for employee members of a company or group savings plan working in your Company and certain related companies in compliance with Articles L. 225-180 of the French Commercial Code and L. 3344-1 and L. 3344-2 of the French Labor Code (*Code du travail*), an operation upon which you are called to vote.

The maximum nominal amount of the capital increase is set at EUR 15.148 million. It is specified that this amount will be deducted from the overall ceiling set forth in the 20<sup>th</sup> resolution of this Shareholders' Meeting. The maximum nominal amount of marketable securities likely to be issued pursuant to this delegation will be deducted from the ceiling set forth in the 20<sup>th</sup> resolution of this Shareholders' Meeting.

This issue is subject to your approval in accordance with Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code.

Your Board of Directors proposes, on the basis of its report, that it be authorized, for a twenty-six-month period, to decide on one or more issues and cancel your preferential subscription rights to the ordinary shares or marketable securities to be issued. If applicable, it shall determine the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on certain other information relating to this issue provided in the report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the issues that would be decided, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the Board of Directors' report.

As the final conditions in which the issues would be performed have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, when your Board of Directors has exercised this authorization in the event of issues of shares or marketable securities which are equity securities conferring entitlement to other equity securities and in the event of issues of marketable securities conferring entitlement to equity securities.

### 25<sup>th</sup> resolution

In our capacity as statutory auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed free allocation of existing shares or shares to be issued, subject to performance conditions, reserved for the regulated employees referred to in Article L. 511-71 of the French Monetary and Financial Code (*Code monétaire et financier*) and equivalent, of your Company and companies that are directly or indirectly affiliated thereto under Article L. 225-197-2 of the French Commercial Code (*Code de commerce*), an operation upon which you are called to vote.

The maximum number shares that may be allocated under this authorization cannot exceed more than 1.4% of the share capital of your Company to this day, of which a maximum of 0.5% of the share capital with a two-year vesting period is for the payment of the deferred variable compensation and 0.1% for the corporate executive officers of your Company, it being specified that this 1.4% ceiling be deducted from the ceiling set in the twentieth resolution of this Shareholders' Meeting.

Your Board of Directors proposes that, on the basis of its report, it be authorized, for a twenty-six-month period, to allocate for free existing shares or shares to be issued.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. Our role is to report on any matters relating to the information regarding the proposed operation.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report on the information provided in the Board of Directors' report relating to the proposed free allocation of shares.

### 26<sup>th</sup> resolution

In our capacity as statutory auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed free allocation of existing shares or shares to be issued, subject to performance conditions, for the benefit of salaried staff members or certain categories among them, of Societe Generale or of companies or economic interest groups that are directly or indirectly affiliated thereto under Article L. 225-197-2 of the French Commercial Code (*Code de commerce*), it being specified that the persons referred to in Article L. 511-71 of the French Monetary and Financial Code (*Code monétaire et financier*) as well as the assimilated persons cannot be beneficiaries, an operation upon which you are called to vote.

The maximum number of shares that may be allocated under this authorization is set at 0.6% of the share capital of your Company to this day, it being specified that this amount will be deducted from the ceiling set in the twentieth resolution of this Shareholders' Meeting.

Your Board of Directors proposes that, on the basis of its report, it be authorized, for a twenty-six-month period, to allocate for free existing shares or shares to be issued.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. Our role is to report on any matters relating to the information regarding the proposed operation.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report on the information provided in the Board of Directors' report relating to the proposed free allocation of shares.

### 27<sup>th</sup> resolution

In our capacity as statutory auditors of your Company and in compliance with Article L. 225-209 of the French Commercial Code (*Code de commerce*) in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions for the proposed reduction in capital.

Your Board of Directors requests that it be authorized, for a period of twenty-six months starting on the date of the present Shareholders' Meeting, to proceed with the cancellation of shares the Company was authorized to repurchase, representing an amount not exceeding 5% of its total share capital, by periods of twenty-four months in compliance with the article mentioned above.

We have performed those procedures which we considered necessary in accordance with professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the terms and conditions for the proposed reduction in capital, which should not compromise equality among the shareholders, are fair.

We have no matters to report on the terms and conditions of the proposed reduction in capital.



## RESOLUTIONS SUBMITTED

## RESOLUTIONS TO BE RESOLVED UPON BY AN ORDINARY MEETING

**First resolution****(Approval of the consolidated accounts for the 2017 financial year).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' and Statutory auditors' reports on the consolidated accounts for the financial year, approves the consolidated accounts for the 2017 financial year as presented, as well as the transactions reflected in these accounts or summarised in these reports.

**Second resolution****(Approval of the annual accounts for the 2017 financial year).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' and Statutory auditors' reports on the annual accounts, approves the annual accounts for the 2017 financial year as presented, as well as the transactions reflected in these accounts or summarised in these reports and acknowledges that the net income for the 2017 financial year amounts to EUR 799,976,569.25.

Pursuant to Article 223 quater of the French General Tax Code, it approves the total amount of expenses and charges that are not deductible for tax purposes referred to in 4 of Article 39 of the said Code which amounted to EUR 423,171 for the past financial year as well as the theoretical tax pertaining to these expenses and charges, amounting to EUR 145,712.

**Third resolution****(Allocation of the 2017 income; setting of the dividend).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report:

1. Resolves to withhold from the net income for the 2017 financial year, which amounts to EUR 799,976,569.25, an amount of EUR 25,525.63 to be allocated to the legal reserve.

After this allocation, the net balance available amounts to EUR 799,951,043.62. This amount, added to the retained earnings of the opening balance sheet, which amounted to EUR 9,041,135,189.39, forms a distributable total of EUR 9,841,086,233.01.

2. Resolves to allocate to the shares, as dividend, a sum of EUR 1,777,419,025.80 by withholding the entire net income of the financial year and an amount of EUR 977,467,982.18 withheld out of the retained earnings account.

Therefore, the dividend per share entitled to the dividend amounts to EUR 2.20.

It is specified that in the event of a change in the number of shares entitled to dividend compared to the 807,917,739 shares representing the share capital as at 31<sup>st</sup> December 2017, the total amount of the dividend would be adjusted accordingly and the amount allocated to the retained earnings account would be determined on the basis of the dividends actually paid.

3. Resolves that the shares will be traded ex-dividend on 30<sup>th</sup> May 2018 and paid as from 1<sup>st</sup> June 2018. It is eligible for the 40% tax allowance referred to in 3 of Article 158 of the French General Tax Code.

4. Acknowledges that, after these allocations:

- the reserves, which amounted after the allocation of the 2016 income to EUR 24,061,342,879.62, now amount to EUR 24,075,870,631.63, taking into account the share premium resulting from the capital increase and the merger surplus which occurred during the 2017 financial year;
- the retained earnings, which amounted after payment of the dividend for the 2016 financial year to EUR 9,041,135,189.39, now amount to EUR 8,063,667,207.21. They will be adjusted according to the change in the number of shares entitled to dividend: they will be increased by the fraction of the dividend corresponding to the shares that the Company might hold at the time the dividend is paid.

5. Reminds that, in accordance with the law, the dividend allocated per share over the previous three financial years was as follows:

Financial years	2014	2015	2016
EUR net	1.20	2.00	2.20

**Fourth resolution****(Related party agreements and commitments).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report on the related party agreements and commitments referred to in Articles L. 225-38 and L. 225-42-1 of the French Commercial Code, approves the said Statutory auditors' special report and acknowledges that there was no agreement or commitment to be submitted to the approval of the General Meeting.

**Fifth resolution****(Approval of the compensation policy for the Chairman of the Board of Directors, pursuant to Article L. 225-37-2 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-37-2 of the French Commercial Code, approves the compensation policy for the Chairman of the Board of Directors as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

**Sixth resolution****(Approval of the compensation policy for the Chief Executive Officer and the Deputy Chief Executive Officers, pursuant to Article L. 225-37-2 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-37-2 of the French Commercial Code, approves the compensation policy for the Chief Executive Officer and the Deputy Chief Executive Officers as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Seventh resolution

**(Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Lorenzo Bini Smaghi, Chairman of the Board of Directors, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-100 of the French Commercial Code, approves the components comprising the total compensation and the benefits of any kind paid or awarded to Mr Lorenzo Bini Smaghi, Chairman of the Board of Directors, for the 2017 financial year as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Eighth resolution

**(Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Frédéric Oudéa, Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-100 of the French Commercial Code, approves the components comprising the total compensation and the benefits of any kind paid or awarded to Mr Frédéric Oudéa, Chief Executive Officer, for the 2017 financial year as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Ninth resolution

**(Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Séverin Cabannes, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-100 of the French Commercial Code, approves the components comprising the total compensation and the benefits of any kind paid or awarded to Mr Séverin Cabannes, Deputy Chief Executive Officer, for the 2017 financial year as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Tenth resolution

**(Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Bernardo Sanchez Incera, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-100 of the French Commercial Code, approves the components comprising the total compensation and the benefits of any kind paid or awarded to Mr Bernardo Sanchez Incera, Deputy Chief Executive Officer, for the 2017 financial year as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Eleventh resolution

**(Approval of the components composing the total compensation and the benefits of any kind paid or awarded to Mr Didier Valet, Deputy Chief Executive Officer, for the 2017 financial year, pursuant to Article L. 225-100 of the French Commercial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, pursuant to Article L. 225-100 of the French Commercial Code, approves the components comprising the total compensation and the benefits of any kind paid or awarded to Mr Didier Valet, Deputy Chief Executive Officer, for the 2017 financial year as presented in the report on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code.

### Twelfth resolution

**(Advisory opinion on the compensation paid in 2017 to the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, consulted pursuant to Article L. 511-73 of the French Monetary and Financial Code, issues a favourable opinion on the global package of compensation of any kind of EUR 492.1 million paid during the 2017 financial year to the persons mentioned in Article L. 511-71 of the French Monetary and Financial Code.

### Thirteenth resolution

**(Renewal of Mr Lorenzo Bini Smaghi as Director).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, resolves to renew the term of office of Mr Lorenzo Bini Smaghi as Director.

This term of office of a duration of 4 years will expire following the General Meeting held in 2022 to decide on the accounts of the previous financial year.

### Fourteenth resolution

**(Appointment of Mr Jérôme Contamine as Director).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, resolves to appoint Mr Jérôme Contamine as Director.

This term of office of a duration of 4 years will expire following the General Meeting held in 2022 to decide on the accounts of the previous financial year.

### Fifteenth resolution

**(Appointment of Mrs Diane Côté as Director).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, resolves to appoint Mrs Diane Côté as Director.

This term of office of a duration of 4 years will expire following the General Meeting held in 2022 to decide on the accounts of the previous financial year.

**Sixteenth resolution****(Increase of the overall amount of attendance fees).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, sets, as from the 2018 financial year, at EUR 1,700,000 the annual amount to be paid to the Directors as attendance fees, until it is resolved otherwise.

**Seventeenth resolution****(Renewal of the company Ernst & Young et Autres as Statutory auditor).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, resolves to renew the term of office of the company Ernst & Young et Autres, the registered office of which is 1-2 place des Saisons, 92400 Courbevoie – Paris-La Défense 1 (France), as Statutory auditor, for the financial years 2018 to 2023.

**Eighteenth resolution****(Renewal of the company Deloitte & Associés as Statutory auditor).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report, resolves to renew the term of office of the company Deloitte & Associés, the registered office of which is 185 avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine (France), as Statutory auditor, for the financial years 2018 to 2023.

**Nineteenth resolution****(Authorisation granted to the Board of Directors to trade Company's ordinary shares up to a limit of 5% of the share capital).**

The General Meeting, ruling under the conditions required for ordinary general meetings as to quorum and majority, having considered the Board of Directors' report and in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code, the General Regulations of the French Financial Markets Authority (*Autorité des marchés financiers*) and the Regulation (EU) No. 596/2014 dated 16<sup>th</sup> April 2014:

1. Authorises the Board of Directors to purchase Company's ordinary shares up to a limit of 5% of the total amount of shares representing the share capital at the completion date of these purchases, the maximum number of ordinary shares held following these purchases cannot exceed 10% of the share capital.
2. Resolves that the Company's shares may be purchased upon decision of the Board of Directors in order to:
  - 2.1. cancel them, in accordance with the terms of the authorisation of this General Meeting in its 27<sup>th</sup> resolution, solely to offset the dilution resulting from the issuance of new shares as part of free shares plans or share capital increases reserved for employees;
  - 2.2. grant, cover and honour any free shares allocation plan, employee savings plan and any form of allocation for the benefit of employees and executive officers of the Company or affiliated companies under the conditions defined by the applicable legal and regulatory provisions;
  - 2.3. deliver shares upon the exercise of rights attached to securities giving access to the Company's share capital;
  - 2.4. hold and subsequently deliver shares as payment or exchange as part of Group's external growth transactions;
  - 2.5. allow an investment services provider to operate on the Company's shares as part of a liquidity agreement compliant with the regulations of the French Financial Markets Authority (*Autorité des marchés financiers*).
3. Resolves that the acquisitions, sales or transfers of these shares may be carried out, on one or more occasions, by any means and at any time, except during a public tender offer on the Company's securities, within the limits and under the terms set forth by applicable laws and regulations.
4. Sets, per share, at EUR 75 the maximum purchase price. Thus, as at 7<sup>th</sup> February 2018, a theoretical maximum number of 40,395,886 shares could be purchased, corresponding to a theoretical maximum amount of EUR 3,029,691,450.
5. Sets at 18 months as from this General Meeting the duration of this authorisation which will cancel, for the remaining period, and supersede, as from the date of its implementation by the Board of Directors, the authorisation granted by the ordinary General Meeting dated 23<sup>rd</sup> May 2017 in its 18<sup>th</sup> resolution.
6. Grants full powers to the Board of Directors, with authority to delegate, to conduct the aforementioned transactions, carry out all formalities and statements, make, where applicable, any adjustment following any potential transaction on the share capital of the Company and, more generally, take all necessary measures for the implementation of this authorisation.

## RESOLUTIONS TO BE RESOLVED UPON BY AN EXTRAORDINARY MEETING

**Twentieth resolution**

**(Delegation of authority granted to the Board of Directors, for 26 months, in order to increase the share capital, with pre-emptive subscription rights, (i) through the issuance of ordinary shares and/or securities giving access to the share capital of the Company and/or its subsidiaries for a maximum nominal share issuance amount of EUR 333,200,000 – i.e. 32.99% of the share capital, the amounts set in the 21<sup>st</sup> to 26<sup>th</sup> resolutions counting towards this amount, (ii) and/or through incorporation, for a maximum nominal amount of EUR 550 million).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report and in accordance with legal provisions, in particular Articles L. 225-129-2, L. 225-130, L. 225-132, L. 225-134, L. 228-91 to L. 228-93 of the French Commercial Code:

1. Delegates to the Board of Directors its authority to proceed with, except during a public tender offer on the Company's share capital, in France or abroad, the increase of the share capital, on one or more occasions:

1.1. through the issuance of:

- (a) ordinary shares of the Company, or
- (b) equity securities giving access to other equity securities of the Company or a company in which the Company directly or indirectly owns more than half of the share capital (a "Subsidiary") and/or giving right to the allocation of debt securities of the Company or a Subsidiary, or
- (c) debt securities giving access to equity securities to be issued of the Company or a Subsidiary;

1.2. and/or through the incorporation into the share capital of reserves, profits or premiums or any other item that may be incorporated to the share capital with allocation of free shares or increase of the par value of the existing shares.

The ordinary shares will be denominated in euro; the securities other than ordinary shares will be denominated in euro, in foreign currencies, or in any monetary unit established by reference to a basket of several currencies.

2. Sets the limits of the transactions thus authorised, as follows:

2.1. the maximum nominal amount of the ordinary shares mentioned in 1.1. that may thus be issued, immediately or ultimately, is hereby set at EUR 333,200,000, it being stated that the nominal amount of the ordinary shares issued, where applicable, in accordance with the 21<sup>st</sup> to 26<sup>th</sup> resolutions of this Meeting will count towards this amount;

2.2. the maximum nominal amount of the share capital increase by incorporation mentioned in 1.2. is hereby set at EUR 550 million and is added to the amount set in the above paragraph;

2.3. if necessary, these amounts will be increased by the additional amount of the shares to be issued in order to maintain, in accordance with the law or contractual provisions that may be applicable, the rights of the

holders of securities or other rights giving access to the share capital of the Company;

2.4. the maximum nominal amount of debt securities that could be issued pursuant to this resolution is hereby set at EUR 6 billion, it being stated that the nominal amount of those issued, where applicable, in accordance with the 21<sup>st</sup> to 24<sup>th</sup> resolutions of this Meeting will count towards this amount.

3. In the event of use by the Board of Directors of this delegation of authority:

3.1. as part of the issuances mentioned in 1.1. above:

- resolves that the shareholders will have pre-emptive subscription rights in proportion to the number of their shares to the securities issued in accordance with applicable law and regulatory requirements,
- resolves that, in accordance with Article L. 225-134 of the French Commercial Code, if irreducible (*à titre irréductible*), and where applicable, reducible (*à titre réductible*) subscriptions have not absorbed the whole of an issuance of ordinary shares or securities, the Board of Directors will be able to use, in the order it will deem appropriate, one or both of the options provided for in Article L. 225-134 of the French Commercial Code, allocate at its discretion all or part of the unsubscribed securities, offer them to the public or limit the issuance to the amount of subscriptions received, provided that this one reaches at least three quarters of the issuance decided;

3.2. as part of the incorporations into the share capital mentioned in 1.2. above:

- resolves that, where applicable and in accordance with Article L. 225-130 of the French Commercial Code, fractional rights will not be negotiable or transferable and that the corresponding equity securities will be sold and the proceeds from the sale shall be allocated to the holders of rights within the period set by the regulations in force.

4. Set at 26 months as from this date the duration of this delegation which shall cancel, for the remaining period, and supersede the delegation with the same purpose granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 14<sup>th</sup> resolution.

5. Acknowledges that the Board of Directors has all powers to implement this delegation of authority or subdelegate as provided by law.

**Twenty-first resolution**

**(Delegation of authority granted to the Board of Directors, for 26 months, in order to increase the share capital, with cancellation of pre-emptive subscription rights, by offer to the public, through the issuance of ordinary shares and/or any securities giving access to the share capital of the Company and/or its subsidiaries for a maximum nominal share issuance amount of EUR 100,980,000 – i.e. 10% of the share capital, the amounts set in the 22<sup>nd</sup> and 23<sup>rd</sup> resolutions counting towards this amount and this amount counting towards the one set in the 20<sup>th</sup> resolution).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report and in accordance with

legal provisions, in particular Articles L. 225-129-2, L. 225-135, L. 225-136, L. 225-148 and L. 228-91 to L. 228-93 of the French Commercial Code:

1. Delegates to the Board of Directors its authority to proceed with, except during a public tender offer on the Company's share capital, in France or abroad, the increase of the share capital, on one or more occasions, through the issuance of, by offer to the public:

- (a) ordinary shares of the Company, or
- (b) equity securities giving access to other equity securities of the Company or a company in which the Company directly or indirectly owns more than half of the share capital (a "Subsidiary") and/or giving right to the allocation of debt securities of the Company or a Subsidiary, or
- (c) debt securities giving access to equity securities to be issued of the Company or a Subsidiary.

The ordinary shares will be denominated in euro; the securities other than ordinary shares will be denominated in euro, in foreign currencies or in any monetary unit established by reference to a basket of several currencies.

2. Resolves that these issuances may in particular be carried out:

2.1. to remunerate securities that would be contributed to Societe Generale as part of a public exchange offer on a company's securities in accordance with Article L. 225-148 of the French Commercial Code;

2.2. following the issuance, by one of the companies in which Societe Generale holds, directly or indirectly, more than half of the share capital, of securities giving access to the share capital of Societe Generale under the conditions of Article L. 228-93 of the French Commercial Code, being stated that these securities could also give access to existing shares of Societe Generale.

3. Sets at:

3.1. EUR 100,980,000 the maximum nominal amount of the ordinary shares that may thus be issued, immediately or ultimately, without pre-emptive subscription rights, these ceilings being, where applicable, increased by the additional amount of the shares to be issued in order to maintain, in accordance with the law or contractual provisions that may be applicable, the rights of holders of securities or other rights giving access to the share capital of the Company;

3.2. EUR 6 billion the maximum nominal amount of the debt securities that could be issued pursuant to this resolution.

4. Resolves that these ceilings count towards the ceilings set forth in the 20<sup>th</sup> resolution of this Meeting, it being stated that, where applicable, the amount of the issuances carried out pursuant to the 22<sup>nd</sup> and 23<sup>rd</sup> resolutions of this Meeting shall also count towards these previous ceilings.

5. Resolves to cancel the shareholders' pre-emptive subscription rights with regard to these securities and:

5.1. to delegate to the Board of Directors, for the issuance(s) carried out pursuant to this resolution whose amount(s) would not exceed 5% of the share capital, the ability

to establish in favour of the shareholders a priority subscription period pursuant to Article L. 225-135 of the French Commercial Code;

- 5.2. to compulsorily provide the shareholders with a priority subscription period for the entirety of the issuance carried out, provided that the amount of the issuance(s) carried out pursuant to this resolution would exceed 5% of the share capital.

The priority subscription period shall not be lower than the period set by applicable legal and regulatory provisions. This priority subscription right would not result in the creation of negotiable rights but could, should the Board of Directors deems it appropriate, be exercised both on an irreducible (*à titre irréductible*) and reducible (*à titre réductible*) basis.

6. Resolves that if subscriptions on an irreducible basis (*à titre irréductible*), and where applicable on a reducible basis (*à titre réductible*), have not absorbed the whole of an issuance of ordinary shares or securities, the Board of Directors will be able to use, in the order it will deem appropriate, one or both of the options provided for in Article L. 225-134 of the French Commercial Code.

7. Resolves that the issue price of the shares will be at least equal to the minimum allowed by the legislation in force at the time of issuance.

8. Sets at 26 months as from this date the duration of this delegation which shall cancel, for the remaining period, and supersede the delegation granted by the Combined General Meeting dated 18<sup>th</sup> May 2016, in its 15<sup>th</sup> resolution having the same purpose.

9. Acknowledges that the Board of Directors has all powers to implement this delegation of authority or subdelegate as provided by law.

### Twenty-second resolution

**(Delegation of authority granted to the Board of Directors, for 26 months, in order to increase the share capital within the limits of a maximum nominal amount of EUR 100,980,000 – i.e. 10% of the share capital, and the ceilings set by the 20<sup>th</sup> and 21<sup>st</sup> resolutions, in order to remunerate contributions in kind made to the Company and relating to equity securities or securities giving access to the share capital, except in case of a public exchange offer initiated by the Company).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report and in accordance with the provisions of Article L. 225-147 of the French Commercial Code:

1. Delegates to the Board of Directors its authority to decide, except during a public tender offer on the Company's share capital, on the report of the contributions auditor(s), on one or more occasions, the issuance of,

- (a) ordinary shares of the Company, or
- (b) equity securities of the Company giving access to other equity securities, existing or to be issued, of the Company and/or giving right to the allocation of debt securities of the Company, or
- (c) debt securities giving access to equity securities to be issued of the Company;

without shareholders' pre-emptive subscription rights, in order to remunerate contributions in kind made to the Company and consisting of equity securities or securities giving access to the share capital when the provisions of Article L. 225-148 of the French Commercial Code do not apply.

The ordinary shares will be denominated in euro; the securities other than ordinary shares will be denominated in euro, in foreign currencies, or in any monetary unit established by reference to a basket of several currencies.

2. Sets at EUR 100,980,000 the maximum nominal amount of the share capital increases that may be carried out.
3. Resolves that this ceiling as well as the nominal amount of securities that could be issued count towards the ceilings provided in the 20<sup>th</sup> and 21<sup>st</sup> resolutions of this Meeting.
4. Sets at 26 months as from this date the duration of this delegation which shall cancel, for the remaining period, and supersede the delegation granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 16<sup>th</sup> resolution having the same purpose.
5. Acknowledges that the Board of Directors has all powers, with the ability to subdelegate as provided by law, in order to, amongst others, approve the valuation of the contributions, decide and record the completion of the share capital increase remunerating the contribution, charge, where applicable, all costs and fees incurred by the share capital increase against the contribution premium, deduct from the contribution premium, if deemed appropriate, the amounts necessary for the allocation of the legal reserve, proceed with the related amendments to the by-laws and, more generally, do whatever will be necessary.

### Twenty-third resolution

**(Delegation of authority granted to the Board of Directors, for 26 months, in order to proceed with the issuance of contingent convertible super-subordinated bonds, which would be convertible into shares of the Company in the event that the Group's Common Equity Tier 1 ratio ("CET1") would fall below a threshold set by the issuance agreement which shall not exceed 7%, with cancellation of pre-emptive subscription rights, through private placement referred to in II of Article L. 411-2 of the French Monetary and Financial Code, within the limits of a maximum nominal amount of EUR 100,980,000 – i.e. 10% of the share capital, and the ceilings set by the 20<sup>th</sup> and 21<sup>st</sup> resolutions).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report and in accordance with legal provisions, in particular Article 54 of the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of the European Union dated 26<sup>th</sup> June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, and Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-91 to L. 228-93 of the French Commercial Code:

1. Delegates to the Board of Directors its authority to proceed with, except during a public tender offer on the Company's share capital, in France or abroad, the increase of the share capital, through private placement referred to in II

of Article L. 411-2 of the French Monetary and Financial Code, on one or more occasions, through the issuance of contingent convertible super-subordinated bonds, which would be converted into ordinary shares of the Company in the event that the Group's Common Equity Tier 1 (CET1) ratio would fall below a threshold set by the issuance agreement which shall not exceed 7%. The ordinary shares will be denominated in euro. The contingent convertible super-subordinated bonds will be denominated in euro, in foreign currencies, or in any monetary unit established by reference to a basket of several currencies.

2. Resolves to cancel the shareholders' pre-emptive subscription rights with regard to these securities.
3. Sets at EUR 100,980,000 the maximum nominal amount of share capital increases that may be carried out, this ceiling being increased, where applicable, by the additional amount of the shares to be issued to maintain, in accordance with the law or contractual provisions that may be applicable, the rights of contingent convertible bond holders.
4. Resolves that such ceiling as well as the nominal amount of the securities that could be issued count towards the ceilings set by the 20<sup>th</sup> and 21<sup>st</sup> resolutions of this Meeting.
5. Resolves that the issue price of the shares to be issued through conversion of contingent convertible bonds shall not be lower than, at the Board of Directors' discretion, (i) the average price of the share on the Euronext Paris regulated market, volume-weighted during the last trading session preceding the setting of the contingent convertible super-subordinated bonds' issue price or (ii) the average price of the share on the Euronext Paris regulated market, volume-weighted set during a trading session when the contingent convertible super-subordinated bonds' issue price is set, in both cases, possibly decreased by a maximum discount of 50%.
6. Sets at 26 months as from this date the duration of this delegation which shall cancel, for the remaining period, and supersede the delegation having the same purpose granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 17<sup>th</sup> resolution.
7. Acknowledges that the Board of Directors has all powers to implement this delegation of authority or subdelegate as provided by law.

### Twenty-fourth resolution

**(Authorisation granted to the Board of Directors, for 26 months, in order to proceed with, with cancellation of pre-emptive subscription rights, share capital increases or transfers of shares reserved for members of a company or Group employee savings Plan, within the limits of a maximum nominal amount of EUR 15,148,000 – i.e. 1.5% of the share capital, and the ceiling set by the 20<sup>th</sup> resolution).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditor's special report, as part of the provisions of Articles L. 3332-1 et seq. of the French Labour Code and in accordance with, in particular, the provisions of Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code:

1. Authorises the Board of Directors to increase the share capital, on one or more occasions and at its sole discretion, where necessary, in separate parts, through the issuance of ordinary shares or securities giving access to the share capital of Societe Generale reserved for members of a company or Group employee savings Plan as well as companies affiliated to it under the conditions of Articles L. 225-180 of the French Commercial Code and L. 3344-1 and L. 3344-2 of the French Labour Code.
2. Sets at EUR 15,148,000 the maximum nominal amount of share capital increases that may be subscribed by the members of the aforementioned plans, this ceiling being, where applicable, increased by the additional amount of the shares to be issued to maintain, in accordance with the law or contractual provisions that may be applicable, the rights of holders of securities or other rights giving access to the share capital of the Company.
3. Resolves that such ceiling as well as the nominal amount of the securities that could be issued count towards the ceilings set by the 20<sup>th</sup> resolution of this Meeting.
4. Resolves to cancel the shareholders' pre-emptive subscription rights in favour of the members of the aforementioned plans whom, if they are shareholders or unit holders of the company mutual fund (FCPE) "Société Générale actionnariat (FONDS E)", hold the voting right in meetings.
5. Resolves to set the discount offered as part of the Employee Share Ownership Plan at 20% of the average closing prices of Societe Generale's shares on the Euronext Paris regulated market during the twenty trading sessions preceding the date of the decision setting the opening date for subscriptions. However, the Board of Directors will be able to convert all or part of the discount into a free allocation of shares or securities giving access to the share capital of the Company, to reduce or not to grant a discount, within the legal or regulatory limits.
6. Resolves that the Board of Directors will be able to proceed with, within the limits set by Article L. 3332-21 of the French Labour Code, free allocations of shares or other securities giving access to the share capital of the Company as part of the employer contribution ("*abondement*").
7. Resolves that these transactions reserved for members of the aforementioned plans may be carried out by way of transfer of shares under the conditions of Article L. 3332-24 of the French Labour Code instead of being carried out through share capital increases.
8. Sets at 26 months as from this date the duration of this authorisation which shall cancel, for the remaining period, and supersede the one granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 18<sup>th</sup> resolution having the same purpose.
9. Grants all powers to the Board of Directors, with the ability to subdelegate as provided by law, to implement this delegation, in particular:
  - 9.1. to determine all terms and conditions of the forthcoming transaction(s), including postponing its implementation, and in particular, for each transaction:
    - to determine the scope of the entities concerned, to set the conditions to be met by recipients;
    - to set the characteristics of the securities, the amounts offered for subscription, the prices, dates, deadlines, terms and conditions of subscription, settlement, delivery and enjoyment of the securities as well as the rules for reductions that may be applicable in case of oversubscription;
    - to charge, if it deems it appropriate, the costs of share capital increases against the amount of the premiums related to these increases and to deduct from this amount the sums required to bring the legal reserve to one tenth of the new share capital after each share capital increase;
  - 9.2. to complete all acts and formalities to record the share capital increases carried out pursuant this authorisation, to proceed with the related amendments to the by-laws and, more generally, do whatever will be necessary.

### Twenty-fifth resolution

**(Authorisation granted to the Board of Directors, for 26 months, in order to proceed with free allocations of performance shares, existing or to be issued without pre-emptive subscription rights, for the benefit of the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code or assimilated within the limits of 1.4% of the share capital, including 0.1% for the chief executive officers of Societe Generale, and the ceiling set forth in the 20<sup>th</sup> resolution).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditor's special report, and in accordance with Articles L. 225-197-1 et seq. of the French Commercial Code:

1. Authorises the Board of Directors to proceed with free allocations of Societe Generale's ordinary shares, existing or to be issued without shareholders' pre-emptive subscription rights, on one or more occasions, for the benefit of the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code of Societe Generale or directly or indirectly affiliated companies under the conditions of Article L. 225-197-2 of the French Commercial Code, as well as the assimilated persons of these companies.
2. Resolves that the Board of Directors will determine the identity of the beneficiaries of the allocations, the conditions and, where applicable, the criteria for the allocation of the shares, being stated that any allocation will be entirely submitted to performance conditions determined by the Board of Directors according to the terms set out in the Board of Directors' report.
3. Resolves that the allocation of shares to their beneficiaries will be definitive:
  - at the end of a minimum vesting period of 3 years;
  - or, by way of exception, at the end of a 2 years vesting period coupled with a minimum retention period of 6 months for shares allocated to regulated persons, as payment of the part of the variable compensation which is deferred to 2 years pursuant to the CRD IV Directive, as well as to assimilated persons.

4. Resolves that the total number of shares allocated may not exceed 1.4% of the share capital to date including a maximum of 0.5% of the share capital with a 2-year vesting period for the payment of the deferred variable compensation.
  5. Resolves that the maximum ceiling for the allocations to the chief executive officers of Societe Generale, counting towards the aforementioned 1.4% and 0.5% ceilings, shall not exceed 0.1% of the share capital.
  6. Resolves that the 1.4% ceiling counts towards the ceiling set by the 20<sup>th</sup> resolution of this Meeting.
  7. Further resolves that the shares would be definitively vested and immediately transferable in case the beneficiary would be affected by one of the invalidity cases provided in Article L. 225-197-1 of the French Commercial Code during the vesting period.
  8. Authorises the Board of Directors to proceed with, where applicable, during the vesting period, the adjustments in the number of allocated shares in relation to the potential transactions on the share capital of Societe Generale in order to maintain the rights of the beneficiaries, the shares allocated pursuant to these adjustments being deemed to be allocated on the same day than the shares initially allocated.
  9. Acknowledges that in case of free allocation of shares to be issued, this authorisation implies, for the benefit of the beneficiaries of the said shares, waiver by the shareholders of their rights to reserves, profits or issuance premiums up to the sums that will be incorporated, at the end of the vesting period, in order to proceed with the share capital increase.
  10. Sets at 26 months as from this date the duration of this authorisation which shall cancel, for the remaining period, and supersede the one granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 19<sup>th</sup> resolution having the same purpose.
  11. Grants all powers to the Board of Directors, with the ability to delegate as provided by law, to implement this authorisation, carry out all acts and formalities, proceed with and record the increase(s) of share capital carried out pursuant to this authorisation, amend the by-laws accordingly and, more generally, do whatever will be necessary.
- subscription rights, on one or more occasions, for the benefit of salaried staff members or certain categories among them, of Societe Generale or of directly or indirectly affiliated companies or economic interest groupings (*groupements d'intérêt économique*) under the conditions of Article L. 225-197-2 of the French Commercial Code, being stated that the persons referred to in Article L. 511-71 of the French Monetary and Financial Code as well as the assimilated persons cannot be beneficiaries.
2. Resolves that the total number of shares freely allocated pursuant to this resolution shall not represent more than 0.6% of the share capital of Societe Generale to date, being stated that this ceiling is set regardless of the number of shares to be issued, where necessary, as part of the adjustments carried out to maintain the potential rights of the beneficiaries of free allocations of shares.
  3. Resolves that the 0.6% ceiling counts towards the one set in the 20<sup>th</sup> resolution of this Meeting.
  4. Resolves that the Board of Directors will determine the identity of the beneficiaries of the allocations, the conditions and, where applicable, the criteria for the allocation of the shares, being stated that any allocation will be entirely submitted to performance conditions determined by the Board of Directors according to the terms set out in the Board of Directors' report.
  5. Resolves that the allocation of the shares to their beneficiaries will be definitive at the end of a minimum vesting period of 3 years.
  6. Further resolves that the shares would be definitively vested and immediately transferable in case the beneficiary would be affected by one of the invalidity cases provided in Article L. 225-197-1 of the French Commercial Code during the vesting period.
  7. Authorises the Board of Directors to proceed with, where applicable, during the vesting period, the adjustments in the number of allocated shares in relation to the potential transactions on the share capital of Societe Generale in order to maintain the rights of the beneficiaries, the shares allocated pursuant to these adjustments being deemed to be allocated on the same day than the shares initially allocated.
  8. Acknowledges that in case of free allocation of shares to be issued, this authorisation implies, for the benefit of the beneficiaries of the said shares, waiver by the shareholders of their rights to reserves, profits or issuance premiums up to the sums that will be incorporated, at the end of the vesting period, in order to proceed with the share capital increase.
  9. Sets at 26 months as from this date the duration of this authorisation which shall cancel, for the remaining period, and supersede the one granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 20<sup>th</sup> resolution having the same purpose.
  10. Grants all powers to the Board of Directors, with the ability to delegate as provided by law, to implement this authorisation, carry out all acts and formalities, proceed with and record the increase(s) of share capital carried out pursuant to this authorisation, amend the by-laws accordingly and, more generally, do whatever will be necessary.

### Twenty-sixth resolution

**(Authorisation granted to the Board of Directors, for 26 months, in order to proceed with free allocations of performance shares, existing or to be issued without pre-emptive subscription rights, for the benefit of employees other than the regulated persons referred to in Article L. 511-71 of the French Monetary and Financial Code and assimilated within the limits of 0.6% of the share capital and the ceiling set by 20<sup>th</sup> resolution).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' report and the Statutory auditors' special report, and in accordance with Articles L. 225-197-1 et seq. of the French Commercial Code:

1. Authorises the Board of Directors to proceed with free allocations of Societe Generale's ordinary shares, existing or to be issued without shareholders' pre-emptive



### **Twenty-seventh resolution**

**(Authorisation granted to the Board of Directors in order to cancel, within the limit of 5% per period of 24 months, treasury shares held by the Company).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, having considered the Board of Directors' and Statutory auditors' reports, in accordance with Article L. 225-209 of the French Commercial Code:

1. Authorises the Board of Directors to cancel, at its sole discretion, on one or more occasions, some or all of the ordinary shares of Societe Generale held by the latter following the implementation of the buyback programs authorised by the General Meeting, within the limit of 5% of the total number of shares, per period of 24 months, by charging the difference between the purchase value of the cancelled securities and their nominal value against the available reserves and premiums, including partly the legal reserve up to 10% of the cancelled share capital.

2. Sets at 26 months as from this date the duration of this authorisation which shall cancel, for the remaining period, and supersede the one granted by the Combined General Meeting dated 18<sup>th</sup> May 2016 in its 21<sup>st</sup> resolution having the same purpose.
3. Grants all powers to the Board of Directors, with the ability to delegate as provided by law, to implement this authorisation and in particular, to record the completion of the share capital decrease(s), to amend the by-laws accordingly and to carry out all required formalities.

### **Twenty-eighth resolution**

**(Powers for formalities).**

The General Meeting, ruling under the conditions required for extraordinary general meetings as to quorum and majority, grants full powers to the holder of an original, a copy or an extract of the minutes of this Meeting to carry out any filing, formality and publication related to the above resolutions.





Societe Generale. SA French corporation – Capital stock: EUR 1,009,897,173.75  
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