

DIGITAL AND INNOVATION: SOCIETE GENERALE STRENGTHENS ITS LEADERSHIP TO CO-BUILD THE BANK OF TOMORROW WITH ITS CLIENTS

Press release

Paris, 20 October 2020

A long-term strategy based on two pillars: technology and innovation

Societe Generale digital transformation acceleration, initiated several years ago, is based on two key levers, technology and innovation, to better serve clients. New technologies are innovation accelerators to better support our clients whose needs and usages constantly evolve. As a traditional bank, its technological baggage needed to evolve, more particularly towards more modular and open architectures and through hybrid (private and public) cloud adoption for its infrastructures. This progress constitutes a real competitive advantage.

The culture of innovation is also a decisive factor for a successful digital transformation. Innovation and entrepreneurial culture are part of the Bank's DNA, seeking to stimulate innovation at all levels, in all businesses and across all geographical areas.

Societe Generale has built most of the technological and cultural foundations, launched experimentations in all areas, and developed usage of digital channels by its clients in Europe, thereby strengthening its digital maturity and leadership.

The objective is now to achieve scaling up and move towards a complete integration of digital in all businesses: by giving full power to alternative disruptive businesses such as Boursorama, the leader in online banking in France, Shine (1), Prisma (2), ou Forge (3), by industrialising our PoCs (Proofs of Concept) in terms of data and Artificial Intelligence, by pursuing our open innovation approach, and by developing services through integrated Bank as a Platform and Bank as a Service ecosystems, building on Treezor (4).

- **Digital adoption by our clients, above European average**
50% digital customers, 72% for Komerčni Banca clients, vs 47% market average in Europe.*^a
- **Capacity to accelerate very fast on e-commerce, as for Rosbank: 29% of digital sales (+16% year on year growth).***^b
- **A strong client engagement and additional opportunities to existing clients: 30 digital connections/month/client (34 for French Retail Banking), above market average in Europe (28).***^a
- **78% of infrastructures migrated in hybrid cloud.**
- **4,700 API in the Group catalogue (35% reused).**
- **50% of IT teams working in agile mode.**
- **9 startups from the Internal Startup Call and 2 recent acquisitions (Shine and Treezor).**

Adaptability during the Covid-19 crisis

The lockdown period has been one of intense activity for Societe Generale. We supported our clients by combining our human and digital strengths in order to rapidly reconfigure our products and services to meet their immediate needs.

Another priority was to protect our employees and ensure our business continuity, with the worldwide rollout of simultaneous remote working.

We relied on the smooth functioning of our IT systems around the world, in an environment of massive deployment of remote working, peaks in digital consumption by clients and increase in cybercrime.

The crisis has been a genuine global stress test of Societe Generale's adaptability. It also revealed the relevance of its digital transformation and innovation strategy, launched several years ago to build value to its clients.

DURING LOCKDOWN

- **80% of our branches remained opened** during lockdown in France.
- **15,000 chatbot conversations/day** (satisfaction rate of 90% - Spring 2020).
- **Contactless payment limit up to EUR 50.**
- **100,000 employees in remote working in 62 countries.**
- **X5 remote access capabilities** in the 1st two weeks.
- **5,000 PCs and tablets** distributed in the French networks in the 1st two weeks.

Frédéric Oudéa, CEO, comments: " Our strategy of the past several years has enabled us to build the technological foundations and infuse a culture of innovation which will remain two key levers for the success of our next strategic step. Our goal is to always bring more value to our clients and meet the economic, societal and environmental challenges which have accelerated with the crisis. The digital shift has brought us closer than ever to our clients and their concerns. Our teams are fully committed to adapting our distribution and production models, but also to inventing and growing new alternative business models, as we have been able to do with Boursorama, ALD or more recently with Treezor, Shine, Forge, Prisma which are concrete examples of the models of tomorrow. Innovation is in our DNA and, coupled with responsibility, will be a driving force to build, with our customers, a better and sustainable future. "

Co-building the Bank of tomorrow

Societe Generale's Purpose, asserted before the crisis, is all the more relevant today in a world that is set to experience, with the crisis, major accelerations around technology, facing urgent environmental and social challenges and the deterioration of the economic outlook.

"Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions."

Guided by its Purpose, Societe Generale teams are working on the next strategic plan with three key priorities: client centricity, responsible finance and efficiency to sustainably strengthen our commercial and financial competitiveness.

Innovation and technology will be key levers of this strategy, in order to:

- continue to adapt and design services that meet the changing needs of our clients to offer them a high-end customer experience and a high level of satisfaction;
- go further on several CSR priorities including energy transition, our responsible employer policy and our role as a trusted third party. We are in particular committed to improving the societal impact of new technologies, in terms of transparency, data security and protection, changes in our ways of working, reduction of the carbon footprint, digital inclusion and diversity;
- strengthen our processing and speed capacities to serve customers and our internal needs in terms of compliance, controls or reporting, by deploying the use of data and artificial intelligence in all of the Group's businesses and functions.

CLIENT CENTRICITY, RESPONSIBLE FINANCE AND EFFICIENCY

- **Future of Work Consultation:** 5,800 employees worldwide consulted to draw the lessons from new ways of working during lockdown (remote working, managerial practices, new communication tools).
- **Female Fintech for Good Challenge:** worldwide challenge to identify and support women entrepreneurs who are building the responsible finance of tomorrow.
- **Signatory member of the Responsible Digital Charter:** commitment to monitor the impact of our use of technology and to contribute to the social impact of digital.
- **Signatory of the SISTA Charter:** to adopt more inclusive investment practices.

**Source : Finalta, Retail Digital and Multichannel Benchmark, 2020 : Average across Group's European entities, % digital clients = 30-day active customers in online or mobile channel / active customers (as at end June 2020) - Average across Group's European entities, digital connections = secure online and mobile log-ons (June 2020) - Digital sales = digital core product sales / total core product sales (July 2019-June 2020) - ^a Western, Central and Eastern Europe - ^b Central and Eastern Europe and Russia*

(1) Shine, acquired in 2020, is a neobank with integrity, which offers a 100% online professional account and a real administrative co-pilot.

(2) Prisma is a neobank developed internally and endorsed by Crédit du Nord to offer to SMEs, a digital intelligent finance management.

(3) Société Générale - FORGE offers access to digital assets at the best banking standards: structuring and issuance, secondary market and custody.

(4) Trezor, acquired in 2019, is a BaaS platform offering white label payment services.

[Link to the Press kit](#)

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About Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth. Committed to the positive transformations of the world's societies and economies, Societe Generale and its teams seek to build, day after day, together with its clients, a better and sustainable future through responsible and innovative financial solutions.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 138,000 members of staff in 62 countries and supports on a daily basis 29 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking** which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

For more information, you can follow us on Twitter [@societegenerale](https://twitter.com/societegenerale) or visit our website www.societegenerale.com.