

PRESS RELEASE

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Open innovation lies at the centre of Societe Generale's digital strategy: Establishing relationships with the global digital ecosystem to serve our core businesses

In its transformation process, Societe Generale is continuing to develop its open innovation strategy, ramping up its relationships with startups and FinTechs and exchanging and cooperating with them more and more. With a double objective for the Group: sharing its expertise (in regulations, investments, distribution, etc.) with outside players and drawing on their know-how in terms of user experience, new technologies and working methods. By cooperating more with these players, Societe Generale is able to identify which startups will create value for its activities from among the thousands of innovative startups on the market.



Françoise Mercadal-Delasalles, Group Head of Corporate Resources and Innovation, said, "*In a world of rapid technological and interpersonal change, Societe Generale is drawing on the strength and innovation capacity of a multitude of internal and external players to reinvent the banking industry. Open innovation gives us an opportunity to open up to new worlds and experiences, to think out of the box and to learn from this digital ecosystem in order to capitalise on its agility and technological expertise. The Group intends to pursue and step up its cooperation with startups and FinTechs.*"

To accelerate its digital transformation, Societe Generale wanted to start by giving its employees the means to innovate. Illustrating this strategy, the Digital for All programme, the implementation of new working methods such as working from home and digital training sessions, and more recently the move of 5,000 employees to Les Dunes, the Group's new office complex in Val de Fontenay, a fully-connected technological hub fostering collaborative working and co-creation.

Societe Generale's open innovation approach is based on the interaction of creative strengths from within and outside the Group.

This approach has two main priorities: to enhance relationships with players in the digital ecosystem in order to connect them with business lines needs and to promote internal innovation capacity with new workspaces and alternative ways of working.

Enhancing relationships with startups and Fintechs in order to connect them with business lines needs

The first priority of the Group's open innovation strategy is to increase contacts and investments with the digital ecosystem to better qualify the startups and FinTechs that could meet the business lines needs.

Increasing contacts and investments in the global digital ecosystem

Societe Generale is increasing its contacts with FrenchTech startups in Paris and across France. It has also extended its relationships beyond traditional contacts in the United States and the United Kingdom (**Fintech Innovation Lab**) and in 2016 it set up more integrated projects in India, with the **CATALYST** incubator, and in Africa, with the **Lab in Dakar**.

The Group has close ties with the academic world and is involved in financing [6 university chairs in the fields of innovation and digital](#).

Societe Generale is also ramping up its investments in the global digital ecosystem. Rather than limiting itself to a corporate venture initiative, the Group favours active equity investments in the ecosystem, dividing up its presence across several locations and prioritising operational cooperation. Outstanding investments in all venture capital vehicles total nearly EUR 70 million. The Group recently invested in **TagPay**, a French FinTech specialised in mobile digital banking. TagPay is currently being rolled out in several of the Group's subsidiaries in Africa. Societe Generale has also invested in 3 venture capital funds: [360 Capital Partners](#) in late 2015, **Daphni** in 2016 and **Paris-Saclay Seed Fund** in an agreement signed on 16 January. These investments facilitate the Group's relationships with the ecosystem and its acculturation with open innovation.

Active identification and qualification by the business lines

These relationships take different forms: from cooperation with service providers (Theodo) to equity investments (TagPay) and acquisitions where they make sense (Boursorama's acquisition of Fiduceo was the first acquisition of a FinTech by a bank in France). All of Societe Generale's core businesses have announced partnerships, for example in French Retail Banking with **Cash Sentinel**, **Bulb in Town** and **Base 10**, in Corporate and Investment Banking with [Smartkarma](#) in Asia and in Specialised Financial Services with **Wayzup**.

At end 2016 :

- > 1 000 startups identified
- 60 POC

This year, Societe Generale's Innovation division is setting up an internal platform named **Startup Radar**. This is a collaborative database containing descriptions of startups that will allow all employees to access shared information about experimental projects or to recommend a startup to a Group entity.

Promoting internal innovation capacity with new workspaces and alternative ways of working.

The second priority of Societe Generale's open innovation initiative is to promote internal innovation capacity with new workspaces and alternative ways of working.

To take its acculturation further, the Group organises events that reach out to the digital ecosystem, such as hackathons (in Africa and India, for example), Meet-Ups hosted by Societe Generale and around ten Learning Experience events (in particular in China, India, Israel and Berlin this year).

Several cross-business communities have been set up to work on strategic trends such as big data, the blockchain and robotisation, bringing together several thousand employees via the internal social network. Societe Generale also encourages alternative working methods inspired by startups to foster innovation: agile working, pizza teams, lean startups, design thinking, the Test & Learn method and the user experience.

Since 2014

- **15 hackathons**
- **6 Meet-Ups**
- **10 Learning Experience**
- **13 communities**



The Group's determination to learn from these players and to understand their approach has led it to set up partnerships with innovative external workspaces. These partnerships have proven that mixing skills and profiles pays off and that a large group can complement these places of innovation.

As a partner-in-residence of Player - now the [Liberté Living Lab](#) - since 2015, and a partner of [Le Tank](#) and MakeSense, the Group, and in particular French Retail Banking, has also set up partnerships with:

- [Le Tremplin](#): the Boulogne Billancourt commercial operations department (DEC) is now a partner of this startup incubator in the sports sector, following on from an initial contact with the Group's Sponsorship Department;
- [Plaine Coworking](#) and [Look Forward](#) (the incubator behind showroomprive.com), partners of the St Denis DEC;
- [Ionis 361](#), a partner of the Bercy DEC.

At end 2016

- **over 1,300 employees in innovative workspaces**
 - **15 ongoing projects in startup mode**
 - **5 internal startups**

Le Plateau, 1,000 m² dedicated to open innovation in startup mode

Le Plateau, located in the Les Dunes complex, has an important place in the network of existing external co-working sites.

To foster cooperation between internal and external project teams and FrenchTech ecosystems, Le Plateau hosts external and internal startups in an innovative environment, providing support and making its resources available to them. By creating a community for sharing resources, experience and knowledge, Le Plateau offers ideal conditions that foster innovation and value creation for startups.



Click on the picture above to view the video about Le Plateau and FLYOFF

The Plateau

- **1 000 m²**
- **150 workspaces**
- **5 external startups**
- **3 internal startups**

Le Plateau hosts 5 external startups on a full-time basis for short renewable periods. The startups can be recommended by the Group's core businesses, by the pilot team in a POC or by a partner or they may have been founded by an employee. The selection criteria for these entities of fewer than 6 people are based on relational aspects and their willingness to share with Societe Generale. For example, the startup Schlack & Co, which develops and sells the [FLYOFF](#) app, has been hosted and supported by Le Plateau since the end of 2016.

3 internal startups are in residence at Le Plateau. Employees from all of the Group's divisions and businesses can be seconded from their team to work on a project in startup mode. The projects are preferably disruptive, innovative, relating to new businesses, multi-disciplinary or international in nature, or even intrapreneurial. They are intended to be tested rapidly and, if necessary, abandoned quickly.

This is the case for STEP 31, the Group's first internal startup, which was set up in July 2016 to enhance the digital workplace user experience for Societe Generale employees.



Click on the picture above to view the video about STEP 31.

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Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Societe Generale has been playing a vital role in the economy for 150 years. With more than 145,000 employees, based in 66 countries, we accompany 31 million clients throughout the world on a daily basis. Societe Generale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- **Retail banking in France** with the Societe Generale branch network, Credit du Nord and Boursorama, offering a comprehensive range of omnichannel financial services on the leading edge of digital innovation;
- **International retail banking, insurance and financial services to corporates** with a presence in developing economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognised expertise, top international rankings and integrated solutions.

Societe Generale is included in the main socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (Europe, Eurozone and France), ESI Excellence (Europe) from Ethibel and 4 of the STOXX ESG Leaders indices.

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