

# INTEGRATED REPORT

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2019-2020



**THE FUTURE  
IS YOU**  **SOCIÉTÉ  
GÉNÉRALE**



## A European leader in financial services...

### **SOCIETE GENERALE TODAY**

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A European leader in financial services for over 150 years, Societe Generale is built on three complementary businesses: French Retail Banking, International Retail Banking and Financial Services and Global Banking and Investor Solutions. Our Group draws on the values of Team Spirit, Innovation, Responsibility and Commitment to remain the trusted partner of our clients.

## ... Societe Generale builds on its purpose and strategy...

### **OUR STRATEGIC VISION**

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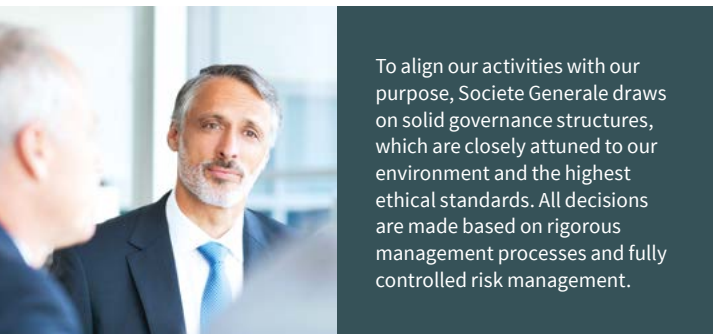
Founded in 1864 to promote the development of trade and industry, Societe Generale renewed the expression of its corporate purpose in 2020: "Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions." Thanks to our Transform to Grow strategic plan, which includes a very ambitious CSR objective, for our staff and our innovation policy, we are all contributing to building the world of tomorrow.



...and on its rigorous and responsible management...

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Risk management meeting the highest standards	44
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... and have a positive impact on societies and the economy

## OUR POSITIVE IMPACTS

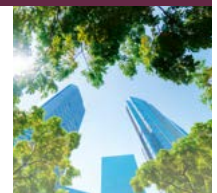
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...to deliver solid performance...

## OUR 2019 PERFORMANCE

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Regions and businesses full of opportunities	54
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By helping our individual and corporate clients realise their sustainable projects, supporting the energy transition, developing regions and Africa, and promoting inclusion for all, we are helping to build the world of tomorrow. For nearly 30 years, Societe Generale has been committed to development and civic engagement activities through its Foundation and corporate philanthropy and sponsorship.



Societe Generale is firmly committed to positive transformations and creates financial and extra-financial value through its three core businesses. Our 2019 performance, fully in line with our strategic and financial objectives, is a reflection of the positive commercial trends of our activities, strict cost control and sound risk management.



# SUPPORTING OUR CLIENTS, STAFF, SUPPLIERS AND PARTNERS

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**FRÉDÉRIC OUDÉA**  
Chief Executive Officer

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



**“To face this exceptional crisis, which will have profound consequences in the short- and medium-term, our Group can build on its many achievements in 2019.”**

Societe Generale group is fully committed to tackling the unprecedented health and economic crisis caused by the Coronavirus pandemic. Three key objectives guide our actions: helping to contain the spread of the epidemic by implementing safety measures across our sites and activities, ensuring business continuity as an essential operator, and supporting our clients, staff, suppliers and partners during these difficult times. In every country where the Group operates, we actively implement the governments' health and support measures, and act with our own methods and resources.

To face this exceptional crisis, which will have profound consequences in the short- and medium-term, our Group can build on its many achievements in 2019. This was a year of progress in which we met all of our strategic, financial and extra-financial objectives. We have accelerated the refocusing of our activities on our areas of strength; our more compact business model draws on leadership positions in high value-added markets for our clients and our presence in high- growth regions. These strategic adjustments allowed us to exceed our objective of increasing our capitalisation level to improve the Bank's financial strength over the long-term.

Our 2019 full-year financial results also reflect our discipline with respect to cost control, risk management and the in-depth adaptation of our businesses, which is well underway and already making an impact. We have also received several awards for the transparency and commitment of our Corporate Social Responsibility policy, which we have further strengthened, particularly in the area of energy transition.

This comprehensive and demanding work sought to meet the many economic, regulatory, technological and societal challenges that the European banking sector is currently facing.

These challenges will undoubtedly grow tenfold given the current unprecedented situation, which will have major human, economic and social impacts in the coming months. In 2020, the Board of Directors will continue to work in close cooperation with General Management to ensure that the Group continues to fulfil its day-to-day duties with rigour and commitment, while remaining fully conscious of its responsibilities. In preparing for the next strategic stage of 2021-2025, we will be guided by our corporate purpose, which the Group has just redefined: “Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions”.

In line with our over 155 years of history dedicated to promoting economic development and human progress, and with our firm belief in the positive role that the company intends to continue to play in society, our purpose will be more important than ever given the need to build the world of tomorrow while together learning the lessons of this unprecedented crisis which we are going through.

**“Our purpose will be more important than ever given the need to build the world of tomorrow.”**



# A EUROPEAN LEADER IN FINANCIAL SERVICES

**As one of the leading European financial services groups, in 2020 we updated our corporate purpose: “Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions”.**

Based on a diversified and integrated banking model, Societe Generale combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformation of the world.

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 employs over 138,000<sup>(1)</sup> members of staff in 62 countries and supports on a daily basis 29 million individual customers, businesses and institutional investors<sup>(2)</sup> around the world.

The Group offers a wide range of advisory services and tailored financial solutions to secure transactions, protect and manage assets and savings, and help its clients finance their projects. Societe Generale seeks to protect them in both their day-to-day lives and their professional activities, offering the innovative services and solutions they require.

(1) Headcount at end of period, excluding temporary staff.  
(2) Excluding clients of the Group's insurance companies.

## 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.

## AN INTENSE YEAR OF PROGRESS

**€24.7bn**

GROUP REVENUE

**€4.1bn**

NET INCOME

**12.7%**

CET1 RATIO

**€400bn**

CUSTOMER LOANS

**€410bn**

CUSTOMER DEPOSITS

## RECOGNISED FINANCIAL AND EXTRA-FINANCIAL PERFORMANCE

### FINANCIAL RATINGS<sup>(1)</sup>

- DBRS: A (high)
- Fitch Ratings: A+
- Moody's: A1
- R&I: A
- Standard & Poor's: A

### EXTRA-FINANCIAL PERFORMANCE

- RobecoSAM: 79/100; 90<sup>th</sup> percentile
- MSCI: AA
- Sustainalytics: ESG rating report: 71/100;  
ESG Risk rating report: 30.1/100 (0 = lowest)
- Vigeo Eiris: 66/100
- FTSE4Good: 4.4/5

(1) At 31/12/2019.

## FOUR VALUES IN THE SERVICE OF OUR CLIENTS

### TEAM SPIRIT

In a changing world, we support all our clients while demonstrating true team spirit. A responsible and trustworthy partner, we provide attentiveness, agility and the complementary nature of our expertise. We work with our clients in the same way we work with one another: by listening, building together, valuing contributions and being united in both our successes and our difficulties.

### INNOVATION

We strive to continually improve our client approach by leveraging technical innovation and working together to adapt our solutions and practices to the uses of the future. True to our entrepreneurial spirit, we are changing our ways of working by promoting sharing, experimentation and thinking outside the box. We learn from successes and failures alike.

### RESPONSIBILITY

Our responsibility and our corporate ethics consist of meeting our clients' various needs while safeguarding the long-term interests of all of our stakeholders. Our responsibility can also be seen in our courage to be accountable for our actions and decisions, and to express our opinions transparently. We attach as much importance to the way we achieve results as we do to the results themselves.

### COMMITMENT

Our staff are fully committed to contributing to the success of our clients. We promote involvement and professional accomplishment for all. We nurture relationships based on trust and mutual respect, both inside and outside the Bank. Our commitment derives from the continued satisfaction of our clients in our skills and expertise.



### FIND OUT MORE

- Universal Registration Document 2020, Chapter 1
- [www.societegenerale.com/en/about-us/identity](http://www.societegenerale.com/en/about-us/identity)

## COMMITTED TO THE POSITIVE TRANSFORMATIONS OF THE WORLD

**€120bn**  
ALLOCATED TO FINANCE  
THE 2019-2023  
ENERGY TRANSITION

**2030**  
TOTAL EXIT FROM  
THERMAL COAL FOR EU  
AND OECD COUNTRIES  
(2040 FOR THE REST  
OF THE WORLD)

FOUNDING SIGNATORY OF  
THE UNEP-FI **PRINCIPLES**  
FOR RESPONSIBLE  
BANKING

EXPANSION OF THE  
AGREEMENT WITH  
UNI GLOBAL UNION ON  
**FUNDAMENTAL HUMAN**  
**RIGHTS AND FREEDOM OF**  
**ASSOCIATION**

# EUROPEAN ROOTS, WORLDWIDE PRESENCE

**138,000**

MEMBERS OF STAFF<sup>(1)</sup>

**29m**

CLIENTS – INDIVIDUALS, BUSINESSES AND  
INSTITUTIONAL INVESTORS<sup>(2)</sup>

**136**

NATIONALITIES

**62**

COUNTRIES

**2,908**

members of staff

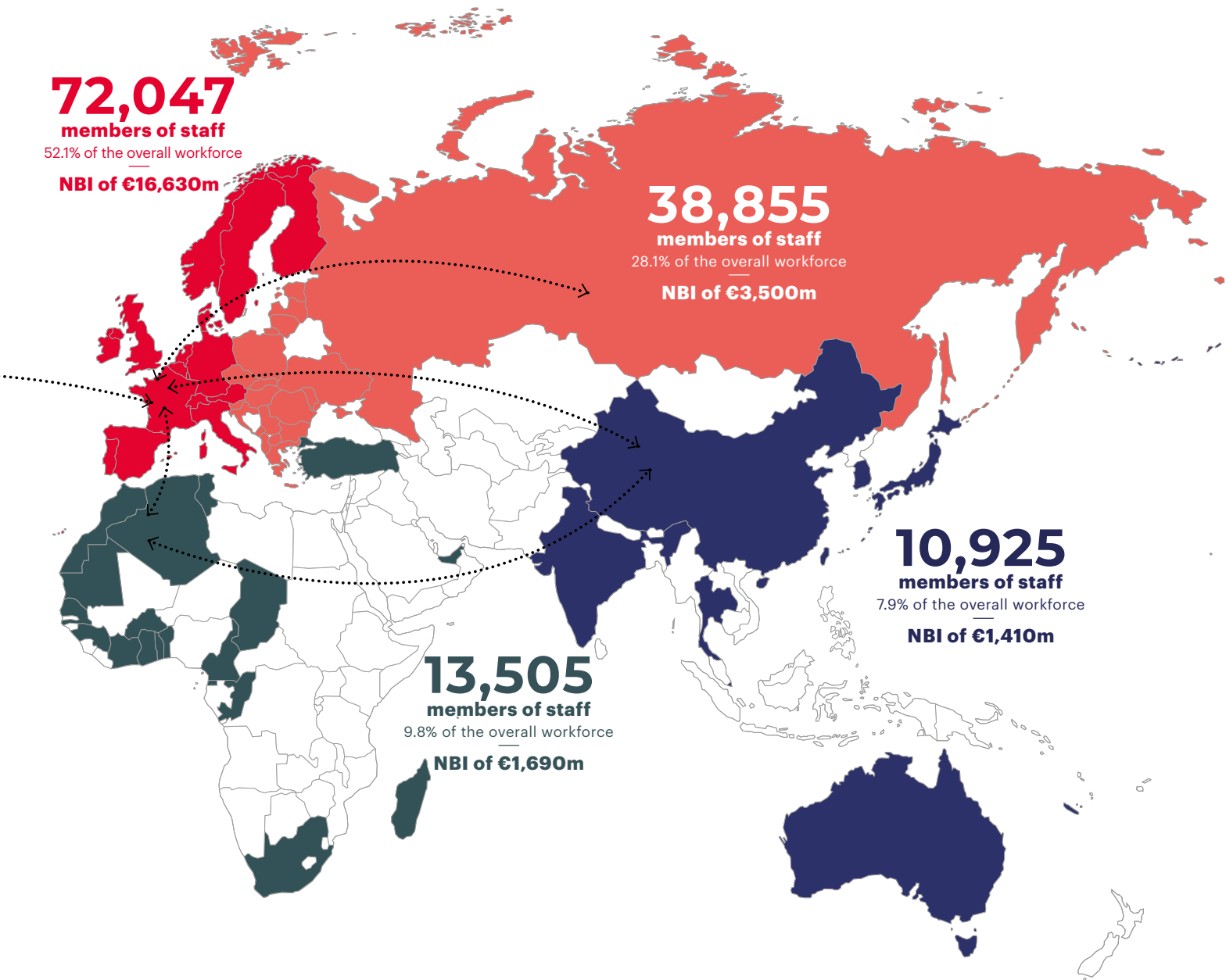
2.1% of the overall workforce

NBI of €1,480m

(1) Headcount at end of period, excluding temporary staff.  
(2) Excluding clients of the Group's insurance companies.



Since our creation in 1864, we have built on our European roots to develop our business internationally. With a unique geographic positioning, we connect Europe, Russia, and Africa with key global financial centres in Asia and the Americas.



**FIND OUT MORE**

- Universal Registration Document 2020, Chapter 1
- [www.societegenerale.com/en/about-us/identity](http://www.societegenerale.com/en/about-us/identity)

# **“WE ARE FIRMLY COMMITTED TO CONTRIBUTING TO BUILDING A BETTER AND MORE SUSTAINABLE WORLD.”**

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## **How does Societe Generale view the unprecedented Coronavirus crisis?**

We are fully engaged in the face of this unprecedented health and economic crisis which has touched every country in the world. The need for drastic lockdown measures to curb the spread of the pandemic has resulted in an abrupt shutdown of our economies. Overnight, we were thrust into the worst crisis seen since World War II. As an employer and as a bank, Societe Generale group is active on all fronts. Our constant priority has been to protect the health of our members of staff by introducing the necessary safety measures while ensuring the continuity of our activities, which are of vital importance to our fellow citizens and our economies. We quickly implemented a series of measures to support our customers, staff and other stakeholders, suppliers, not-for-profit partners, etc. I would like to thank all the teams for their extraordinary dedication in dealing with the emergency situation, which enabled the Bank to successfully meet these multiple requirements. The impact on our businesses and economies in the short- and medium-term is still difficult to assess, but there is no doubt that it will be heavy and deep. The banking sector, including Societe Generale, will not be spared, but we will be able to rely on the substantial work carried out in recent years to absorb these shocks and demonstrate our resilience and our leading role within society.

## **What position does the Group have at the end of 2019?**

As part of our 2020 Transform to Grow strategic plan, focused on strengthening the Group in several key areas – financial strength, profitability, digital transformation, corporate social responsibility – 2019 was an intense year of progress during which we demonstrated our ability to adjust quickly to a more challenging environment than expected. We achieved all of the strategic, financial and extra-financial objectives we set ourselves for the year.



**FRÉDÉRIC OUDÉA**  
Chief Executive Officer

We continued to refocus our activities on our areas of strength where we have a critical mass and powerful synergies within the Group. This allowed us to significantly increase our level of capitalisation, which was our number one priority to reinforce the Group's financial strength. Our results also reflect our strict cost management, our risk management based on a high-quality credit portfolio, and the adjustment to our businesses, where needed, particularly in Market Activities and French Retail Banking. We have also made good progress on our Corporate Social Responsibility (CSR) commitments, and we are one year ahead of schedule in our goal to contribute €100 billion to the financing of the energy transition.

## **What are your priorities for 2020 given this turbulent context?**

2020 should have built on the progress made in recent years, but the sudden onset of the Coronavirus crisis obviously changes the situation and has led us to put our financial objectives for 2020 on hold in this very uncertain environment.

Our financial strength, both in terms of capital and liquidity, as well as the high quality of our diversified credit portfolio will play a fundamental role in overcoming this crisis. We are working to anticipate the various economic scenarios and their impacts, and to prepare the corrective measures that will be needed as a result.

Close relationships with our clients, as well as the quality of our teams and the ability to pool our expertise, will give us the means to support them as a trusted partner in these difficult times. The commitment of our staff will also be a key driver to unite and adjust.

We are continuing our commitments to compliance and CSR, on which we will continue to move forward. We will also prepare for the future by beginning the work to define our next strategic stage for 2021-2025, in line with our corporate purpose, which we have just redefined and which demonstrates now more than ever its relevance to the exceptional challenges of the Covid-19 crisis.

### **What is the meaning of Societe Generale's corporate purpose, which you have just renewed?**

"Building together, with our clients, a better and sustainable future through responsible and innovative financial solutions." This updated expression of our corporate purpose is the result of collective reflection, undertaken with our staff members and in line with the expectations of our stakeholders, on the role our company intends to play in the long-term.

Societe Generale was created 155 years ago to "promote the development of trade and industry in France".

That was our original purpose, to be a bank that promoted progress and economic development. In today's world, economic development goes hand-in-hand with environmental and social progress. The collective geopolitical, economic, technological, environmental, and health challenges facing us are immense, as the current situation reminds us.

The Group and its staff are fully aware of the responsibility of our banking profession. We are living it to the letter during these exceptional times. We provide essential services to our fellow citizens and our economies.

We play a key role in supporting our customers over time, supporting them in difficult moments, helping them to recover and thereby preserving jobs and economic activity. We also have a key role to play in the positive transformations of the world by helping build more environmentally-friendly and inclusive development models and enable the creation of new drivers of sustainable growth.

### **What will be the main areas of focus of your next strategic stage?**

We are going to work on that in the coming months but I am convinced that the main areas of strategic focus that are beginning to take shape will remain relevant in the new context. In addition to continuing the Group's strategic refocusing on our areas of strength and improving our structural profitability, several areas of improvement will be key for moving forward and making the difference, in line with our corporate purpose. The experience and satisfaction of our clients will be determining factors. We will benefit from the strong combination of a solid banking relationship, built on

excellent relationship skills and expertise, and our efficient multi-channel distribution systems, built on the responsible use of new digital technologies. Currently, our customers need the best that humans and digital technology can offer. It will also be about affirming our Group as a leader in responsible finance by continuing to extend our CSR commitments, in line with the collective priorities and expectations of our stakeholders. We set ourselves a new target for contributing to the energy transition of €120 billion between 2019 and 2023.

We also scheduled our withdrawal from the coal industry in 2030 for European Union and OECD countries, and in 2040 in the rest of the world. Our responsibility as an employer to our 138,000 members of staff is also essential to promoting the quality of life at work, diversity and professional development. We also want to continue to support the sustainable development of Africa and help reduce social inequalities by promoting social inclusion through our banking activities and the initiatives led by our corporate foundation. Finally, strengthening our operational efficiency will be crucial. It is not only a matter of costs, it also one of improving our operating methods and our information systems to not only meet the regulators' expectations, but also and above all to create a stimulating and dynamic working environment in which technology will be important. The way we have adjusted to the current situation, including the massive use of working from home, will enable us to learn some very useful lessons.

We are firmly committed to contributing to building a better and more sustainable world, to which we all aspire and that we owe to future generations.

**"In today's world, economic development goes hand-in-hand with environmental and social progress."**



# A NEW PURPOSE, A SHARED VISION

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**After over 150 years of history, we decided to renew our corporate purpose. Its aim is to give our actions more meaning, guide our choices for the future and affirm our goals when we serve our clients.**

Founded in 1864 with the original purpose of “promoting the development of trade and industry in France”, Societe Generale supported the industrial revolution, which profoundly changed the world in the 19<sup>th</sup> century.

Today, globalised economies must adjust to a new turning point: a broader responsibility to society, the planet and future generations. To support this new revolution, Societe Generale decided to redefine its corporate purpose:

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

## **THE EXPRESSION OF A COLLECTIVE AMBITION**

This corporate purpose is the expression of a strong conviction about the specific and differentiating way in which we wish to exercise our banking profession. An engaging purpose, it states, with determination, that our ambition is to continue to play a leading role in the positive transformations of the world. This purpose prepares us for the long term, marking our place in a world where economic development has become inseparable from environmental and social progress.

## **A GUIDE TO STRATEGIC REFLECTION**

Through this corporate purpose, Societe Generale is deepening the promise it makes to its customers, to support the projects of all those who today are building the world of tomorrow.

More than words, this long-term commitment will concretely inform all of the Group’s strategic priorities. Moreover, it is also through their day-to-day work, proposing innovative solutions to our customers, that our staff bring our purpose to life while actively contributing to the sustainability of the company and the world around us.

## **A CO-CONSTRUCTION APPROACH**

To construct this new corporate purpose, Societe Generale drew on 85,000 contributions from staff around the world through the annual staff survey, and on several specific workshops involving a variety of teams. After analysis and convergence work carried out with the Executive Committee, the Board of Directors endorsed the purpose put forward in January 2020. A roll-out and staff ownership programme will be organised throughout 2020.



### **FIND OUT MORE**

- Universal Registration Document 2020, Chapter 1
- [www.societegenerale.com/en/about-us/identity](https://www.societegenerale.com/en/about-us/identity)



### BUILDING

Throughout its more than 150 years of existence, Societe Generale has provided the financing needed for the world to transition from one development model to another. Societe Generale is a sustainable and solid bank with proven robustness on which customers can count. Building has been the historical role of banks, to create the foundations for economic development.



### SOLUTIONS

Our approach is to seek value-added and suitable solutions to meet the needs of our customers and society, with a capacity to offer tailored solutions by drawing on our expertise and our experience in customer service.



### TOGETHER

Team spirit is central to Societe Generale. Within the bank, we work together to be able to offer each customer the tailor-made range of expertise they require. We team up with our customers for the long term and are proud to be the trusted partner on which they rely to help them move the world forward. We establish coalitions with the aim of increasing the impact of positive changes.



### WITH OUR CLIENTS

We assert a permanent determination to be of service to our clients, whether businesses or individuals, by supporting them with their projects. Increasing the satisfaction of our clients is a priority.



### A BETTER AND SUSTAINABLE FUTURE

Through our support for our customers' projects, we aim to help them build a better and sustainable future for themselves and for society. We want to act for the benefit of both individual and collective interests over the long term. Our vision is to play a leading role in the world's positive transformations and contribute to a future that is more ecologically responsible and which shows more respect for the planet, and a future that is more inclusive through the promotion of economic, social and digital inclusion.



### INNOVATIVE

We have a pioneering spirit and firmly believe that innovation is key to a more responsible world. Societe Generale helps to bring about new business models and creates unique solutions thanks to our capacity to combine different areas of expertise with very high expectations.



### FINANCIAL

We take full responsibility for our banking profession, and are proud and conscious of this responsibility. Our business activities are needed more than ever to finance, secure and support the projects of all those involved in building the world of tomorrow.



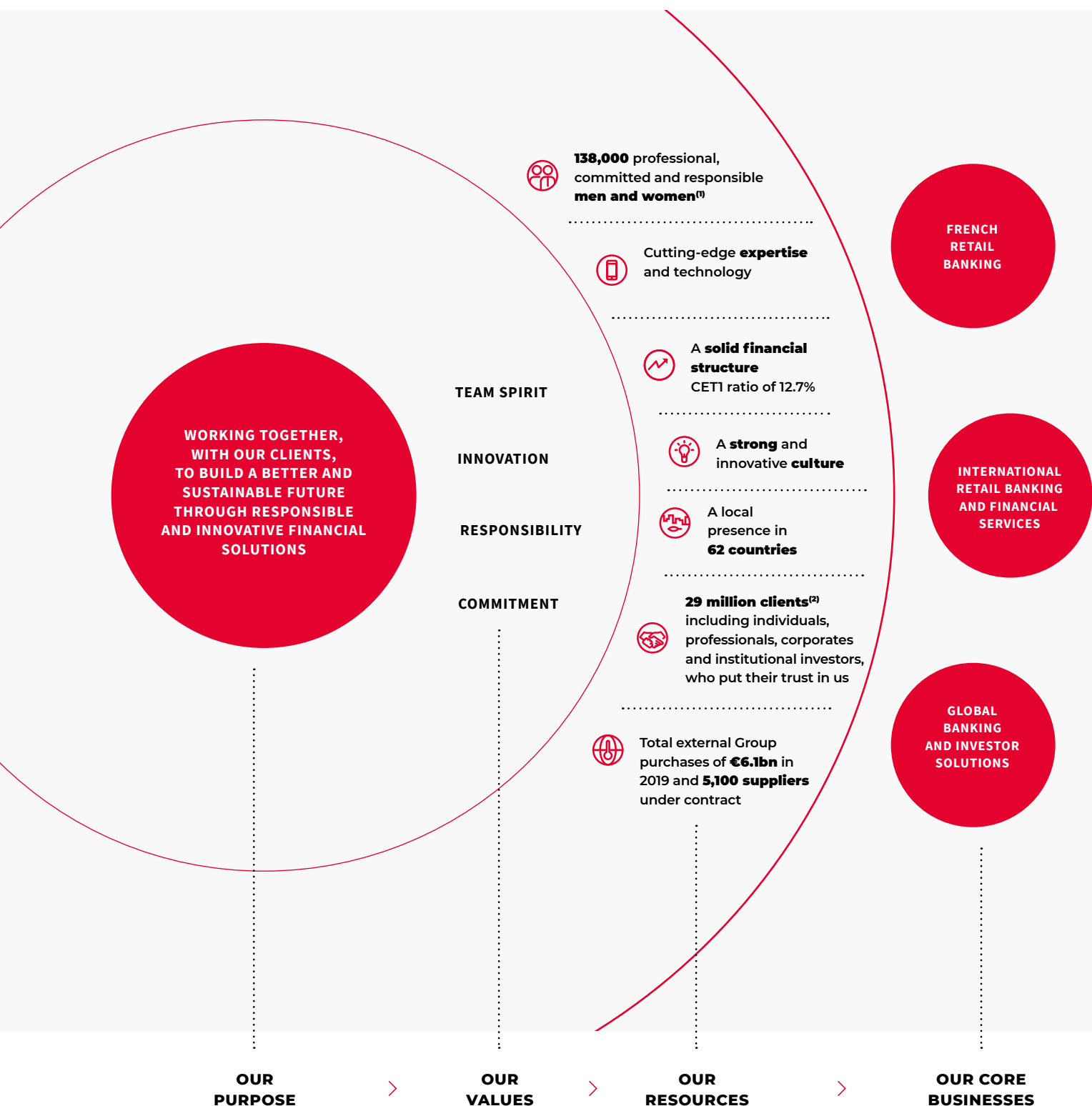
### RESPONSIBLE

We are committed to always taking an ethical approach with the willingness to preserve long-term trust and maintain loyal relationships. And we also believe that the capacity to have a positive impact for society and the environment will be central to the transformation of the banking sector. For these reasons, we see responsibility as an integral part of all the products and services we propose.





# AN INTEGRATED AND DIVERSIFIED MODEL



Built on our corporate purpose and values, our banking model combines financial strength, innovation and our strategy for sustainable growth to create value for all our stakeholders.



**FIND OUT MORE**

► Universal Registration Document 2020, Chapter 1

#### HELPING OUR CLIENTS FINANCE THEIR PROJECTS

- €400bn in outstanding consumer loans

#### OFFERING TECHNOLOGICAL SERVICES AND SOLUTIONS

- 57% of customers actively use online banking (Societe Generale network)
- 1.8 million vehicles managed by ALD Automotive

#### PROTECTING OUR CLIENTS IN THEIR DAY-TO-DAY LIVES AND THEIR PROFESSIONAL ACTIVITIES

- 23 million insurance policies managed
- Global leader in derivatives

#### PROTECTING AND MANAGING OUR CLIENTS' SAVINGS

- €410bn in deposits
- €4,213bn in assets under custody
- €119bn in Private Banking assets under management

#### SECURING TRANSACTIONS

- 15 million payments and €430bn in transactions every day

**MAKING LIFE EASIER FOR OUR CUSTOMERS**

**ADVISING**

**CONNECTING PEOPLE AND BUSINESSES**

**COMMITTING OUR BALANCE SHEET**

**EVALUATING AND MANAGING RISKS**

**PROTECTING**



Assisting our **clients** to provide them with the right service at the right time, in their best interest, while securing and protecting their assets and data

- Companies' favourite bank (survey by the magazine *Challenges*)



Including, developing and engaging our **staff**

- 90% of staff members completed training in 2019



Ensuring the company's growth and longevity while providing precise, comprehensive and transparent information to **investors and shareholders**

- Tangible net assets up 5.6% at end-December 2019 compared to end-December 2018



Contributing to economic and social development in the **countries where we operate**

- Taxes and charges: €2bn in 2019
- Africa's Best bank for CSR 2019 (*Euromoney* magazine)



Building balanced relationships with our **suppliers** based on **trust, equity and transparency**

- "Supplier relations and responsible purchasing" label since 2012



Respecting **cultures and the environment**

A responsible approach reflected in the Group's extra-financial ratings

- Extra €120bn contribution towards financing energy transition
- Programmed end to funding the coal sector over the 2019-2023 period

**OUR PRODUCTS AND SERVICES**

**OUR ADDED VALUE FOR CLIENTS**

(1) Headcount at end of period, excluding temporary staff.

(2) Does not include customers of the Group's insurance companies.



# HELPING OUR CLIENTS BUILD THE FUTURE

**We reaffirm the importance of our role as bankers: to help our clients invest in a more sustainable future. By supporting their projects and helping them grow, we are firmly committed to those who move the world forward.**

## A TRUSTED PARTNER

Societe Generale puts value creation for its customers at the heart of its business model, placing itself alongside entrepreneurs growing their businesses and developing their projects.

The Group offers added value in every aspect of its business and in each of its business lines:

- **making life easier for our customers:** assisting our customers to provide them with the right service at the right time, combining the best that humans and digital technology have to offer;
- **advising:** putting our expertise to work for all customer categories by tailoring our support to the issues facing each one of them;
- **connecting people and businesses:** creating a link between those who have projects and those who can help them;
- **using our resources responsibly:** putting our balance sheet to work to help those who want to invest;

- **evaluating and managing risks:** managing risks in a rigorous and responsible manner over the long term;
- **protecting:** undertaking a commitment to respect and protect everyone's interests while aiming for the highest standards of security and quality of service.

## CUSTOMER SATISFACTION: A PRIORITY

Customer satisfaction is regularly measured and has increased or remained steady at a high level in all our business lines.

The Group's Business Units have adopted a structured approach to monitor customer satisfaction using a range of tools: opinion surveys, surprise visits, questionnaires, Net Promoter Score ratings. A formalised process to address complaints and a mediation scheme has also been put in place.

Furthermore, protecting customers is of major importance for the Group. We are committed to safeguarding their interests, particularly in light of the growing risks associated with cybercrime.

**57**

NEW KEY PRODUCTS OR  
SERVICES LAUNCHED  
WORLDWIDE IN 2019

FOR THE 7<sup>TH</sup> CONSECUTIVE  
YEAR, THE SOCIETE GENERALE  
RETAIL BANKING NETWORK  
IN FRANCE WAS VOTED **BEST  
CUSTOMER SERVICE OF THE  
YEAR 2020** IN THE VISÉO  
CUSTOMER INSIGHTS SURVEY

**8**

SERVICES OFFERED BY  
STARTUPS TO HELP ENTRY INTO  
PROFESSIONAL LIFE AVAILABLE  
ON THE "BOOST" PLATFORM

## OPPENS, THE SECURITY COACH FOR BUSINESSES

The OPPENS startup, established as part of the Group's internal entrepreneurial programme, helps SMEs and VSEs improve their IT security. Oppens.fr offers a simple and customised three-stage support package: a cybersecurity analysis with a free to use self-diagnostic tool, followed by free of charge recommendations and a range of products and services selected and tested by Societe Generale experts for high-quality support appropriate for the needs of small businesses.



## NO-FEE INSTANT PAYMENT IN THE CZECH REPUBLIC

In the Czech Republic, Komerční Banka now offers its customers instant payments, at no additional charge, to accounts held with other banks. Thanks to the *Mobilní banka* app, available for smartphones and tablets, payments can be made in a few seconds, at any time, 365 days a year.



## KAPSUL, THE NEW DIGITAL SOLUTION

To better adapt to the new banking habits of customers seeking greater autonomy, the new digital-focused KAPSUL offer delivers a range of services: an account, a bank card, an app, and access to the entire banking product range as well as the expertise of a customer advisor. In addition, each purchase made with the KAPSUL card from the Bank's partner companies entitles the account holder to a cash reward (cashback). This new product allows customers to discover Societe Generale's banking services for as little as €2 per month, complete with no income requirements or account management fees, while having the benefits and reassurance of an account with a major bank.

## 100% DIGITAL LEASING IN SPAIN

In Spain, the Group's subsidiary ALD Automotive has selected Amazon to market its long-term vehicle leasing offers to private individuals. These deals are available on Amazon Motors, a new online store that allows customers to lease a car 100% digitally and without the need for an initial deposit. Contracts are available for 36- or 48-months, including maintenance, insurance, tyre replacement, roadside assistance and the steps to follow to register your vehicle. Customers get free home delivery and can return their vehicle within 30 days should it not meet their needs.



### FIND OUT MORE

- › Universal Registration Document 2020, Chapter 5
- › Also see: United against Covid-19, page 20





# A BANKING SECTOR FACING THE CHALLENGES OF TOMORROW

**Always being open to the outside world has become a necessity in our changing world. The close relationships we maintain with our ecosystem enable us to anticipate the transformations to come and so better meet the needs of our clients.**

## **SUPPORTING SOCIETAL AND ENVIRONMENTAL TRANSITION**

**Changing social trends, whether climate-related, demographic or economic, represent collective challenges, but they are also rich in opportunities.**

As the climate emergency compels companies and economies to thoroughly reconsider their business models, the banking sector is being called upon to play a major role.

Environmentally-friendly transition brings with it the emergence of new business sectors and innovative solutions, as well as the need to modernise infrastructure. With all the new markets that need to be financed, our job is to better understand the associated risks, which are also new.

At the same time, consumer habits are undergoing profound change. People are seeking transparency and fair competition, searching for greater meaning, energy needs are increasing, more attention is being paid to protecting the environment... While consumers are increasingly aware of their own impact, the traditional banking model is changing to support responsible economic development.

In Europe, demographic changes are having a material impact on the way we consume and the investment, housing and health markets. If, in advanced economies, new sectors of economic activity related to the ageing of the population are emerging, the vast African continent is developing with its own specific societal needs to reduce inequalities and provide access to all the resources the local communities need.

**55%**

**OF SENIOR CITIZENS  
WILL BECOME DEPENDENT  
BY 2100 IN ADVANCED ECONOMIES <sup>(1)</sup>**

(1) Source: Ipsos/Sopra Steria Survey, September 2019.

**78%**

**OF EUROPEANS DESCRIBE CLIMATE CHANGE  
AS A SOURCE OF CONCERN OR EVEN  
OF GREAT CONCERN <sup>(2)</sup>**

(2) European Investment Bank Survey of Citizens and Climate.



## SELECTING THE BEST FROM TECHNOLOGICAL REVOLUTIONS

**The banking sector has now entered an era of disruption. Affecting large sections of society, technological revolutions open up new possibilities and horizons.**

Changing trends and the emergence of neobanks have encouraged ever greater digitalisation of the customer experience. New, increasingly sophisticated technologies make it possible to provide customer experience with high added-value: greater autonomy, simpler steps and personalised services and advice, all further enabling excellence in the quality of customer relationships.

Innovation and the ability to process information are now key differentiating factors. Against this backdrop, Artificial Intelligence, used to automate certain tasks or process massive amounts of data in real time, represents a powerful growth driver. Customers will benefit from even more efficient and seamless services and products with the arrival of 5G. As for the concept of Open Banking, which is based on the opening up of information systems and the responsible sharing of customer data with trusted financial partners, it has increased service opportunities tenfold and has radically changed business models. However, it also comes with a major issue: the ability to guarantee security to the customer.



# 96%

OF BANKERS SAY THAT OVER THE PAST THREE YEARS, THEY HAVE WITNESSED AN ACCELERATION IN THE PACE OF TECHNOLOGICAL INNOVATION IN THEIR BUSINESS

# 52%

OF CONSUMERS SAY TECHNOLOGY PLAYS A DOMINANT ROLE OR IS INTEGRATED INTO ALMOST EVERY ASPECT OF THEIR DAILY LIVES <sup>(3)</sup>

(3) Accenture Survey 2020: Technology Vision Consumer Survey.



## ADAPTING TO A DEMANDING REGULATORY ENVIRONMENT

**In Europe, a strict framework of regulations and standards is designed to ensure the solidity and the integrity of the financial sector.**

Playing an essential role, both at the microeconomic and macroeconomic level, the banking sector's responsibility is governed by an increasingly demanding body of regulations, including prudential regulations, rules of transparency and disclosure, anti-money laundering and counter-terrorist financing, the protection of client assets and the security of savings, the fight against corruption (the Sapin II Act in France for example) and enhanced extra-financial reporting.

Another major reform expected in the coming years is the new international rules under the Basel 3 accords, which in particular address the risk assessment methods of banks.

This strengthening of the framework of regulations and standards aims to improve the ability of the banking and financial sector to withstand potential shocks. It improves the strength of the Group, which is aware of the systemic nature of its activities and therefore demands the highest level of excellence from all its business lines around the world.

Against this backdrop, the European Banking Union can further support a strategic and shared vision, and in doing so support the continent's financial sector. The European Capital Markets Union is a response to the emergence of international banking superpowers, each laying down their own rules and protecting their interests.

**84%**

OF FRENCH PEOPLE SAY THAT THE BANKING INDUSTRY IS A STRATEGIC SECTOR FOR THE FRENCH ECONOMY<sup>(1)</sup>

(1) IFOP Survey - 2018.

**50%**

OF THE EUROPEAN COMMISSION'S LEGISLATIVE OUTPUT WAS DEVOTED TO FINANCIAL SERVICES BETWEEN 2014 AND 2019<sup>(2)</sup>

(2) French banking federation.

**47.4%**

OF FRENCH HOUSEHOLDS HAD AT LEAST ONE LOAN IN 2019<sup>(3)</sup>

(3) French household credit observatory.



**MICHALA MARCUSSEN**  
Group Chief Economist

## ECONOMIC OUTLOOK

**In the midst of an unprecedented health crisis, Michala Marcussen, Group Chief Economist, provides an initial analysis of the impact of the Covid-19 epidemic on the Group's environment. Interview conducted in April 2020.**

Extraordinary shocks brutally lay bare the weaknesses of our systems, presenting authorities with the immediate and Herculean task of delivering an adequate response and reshaping our societies in lasting ways. Pandemics offer particularly grim choices but are in essence no different.

Social distancing and closures marked the first response to Covid-19, easing pressure on health care, saving human life and buying time for medical advances. Shutting down large segments of the economy, however, comes at significant cost. Transportation, accommodation, food services, retail trade and entertainment make up between 25% and 35% of consumer spending in the major economies and shutting down these sectors, even for a short spell, comes at a very high cost. Add to this the stoppages to global supply chains, trade and investment, and it's not hard to see why economists forecast an unprecedented global recession in peace time for the first half of 2020.

The final global growth outcome in 2020 will, however, depend on several factors. Top of the list is how long the lockdowns last, but more critical is to ensure that quick recovery is possible. Credit guarantees, delayed tax and social contribution payments, debt moratoriums and support to furloughed workers all aim to keep businesses and households afloat, but even then it will take time for the economy to restart once health considerations allow.

The financial system naturally plays a critical role and thanks to past efforts, banks entered the 2020 health crisis from a much stronger position than back in the financial crisis of 2008-2009. Financial markets were nonetheless deeply rattled by the prospect of an economic slump against a backdrop of already high corporate debt. Central banks initially struggled to stabilise markets, even with a flurry of new facilities and unlimited asset purchases. The European Central Bank's renewed promise of "whatever it takes" was, nonetheless, effective in taming euro area sovereign spreads.

Welcome as these policy measures are, the reality is that, to a large extent, they translate economic loss into a future debt burden on corporate balance sheets. This presents a two-fold challenge. Near-term, some businesses will inevitably struggle, even as the economy recovers, to service additional debt, pushing them to lay-off workers or even default. Medium-term, a higher corporate debt burden is set to reduce investment capacity and further slow trend growth. The corporate sector needs more capital rather than debt, and the hope is that new policy measures will alleviate this. To further support both recovery and future growth, there is a strong case, moreover, for public investment initiatives, and measures to tackle climate change seem particularly opportune.

Just how the 2020 pandemic will reshape the world is a topic of much debate. There is little doubt that health systems and medical supply chains will see a rethink, along with airport health checks and corporate preparedness for eventual future pandemics. On the broader organisation of the global economy, some fear that the 2020 pandemic will only serve to strengthen trends that already prevailed before the crisis; such as protectionism, border controls and fading multilateralism. Others see hope of shifting consumer behaviour with greater restraint on mass travel and mass consumption, thus shrinking our global carbon footprint and allowing more space for wildlife conservation.

Focusing on Europe, the region's social welfare models, however faulty they may be, have shown strength compared to those of the United States and China. If the region this time round heeds the warnings from President of the European Central Bank Christine Lagarde and European Commission President Ursula Von der Leyen, and delivers on full Banking Union, Capital Market Union, Fiscal Union and the Green Deal, the 2020s could mark a real turning point for the Old Continent. The reality is that the full list is probably too optimistic, but historically crises have always delivered a quantum leap for Europe and the wider world, offering new opportunities and hope.



### FIND OUT MORE

- › Universal Registration Document 2020, Chapter 1.3
- › [www.societegenerale.com/en/news-and-media/economic-studies](http://www.societegenerale.com/en/news-and-media/economic-studies)

# UNITED AGAINST COVID-19

**In the face of the Covid-19 health crisis and its human, economic and social impact around the world, we are committed to three goals: helping to contain the epidemic by enforcing safety measures, ensuring business continuity as an essential operator, and supporting all our stakeholders in these difficult times. As a signatory of the Principles for Responsible Banking, we are involved, along with more than 200 international banking institutions, in the sharing of analyses and best practices to support economies as effectively as possible in the face of the crisis.**

## PROTECTING OUR STAFF

Contending with lockdown measures that have impacted half of the world's population, we were able to adapt in record time to meet our health and safety and business continuity duties.

In a matter of days, we switched over to a largely remote working arrangement. We took all the necessary steps to ensure the safety of those teams whose on-site presence was still essential to serve, notably, our customers. On average, 80% of our bank branches remained open.

This unprecedented situation has disrupted our professional and personal lives, and we were sure to provide support to each member of staff, with psychological and medical support arrangements and enhanced managerial support to maintain working relationships. The Group also pledged to guarantee the salaries of its 138,000 staff members around the world during the crisis, and will not resort to partial unemployment or schemes to defer social security charges and tax in France. Close-knit social dialogue was maintained with the appropriate staff representative bodies.



**“This crisis has had a significant impact on how we consume and access information. The IT team has reacted admirably since the crisis began.**

**In France and worldwide, our teams have been working day and night to maintain a good level of production for clients, obviously, as well as staff.”**

**Jean-Sébastien Goetschy**, Cross-Functional Director of Information Systems.  
Interview conducted in March 2020



**“All crises subject staff to stress, they are quite a test. Nevertheless, it also brought people together and it's very comforting to know that all our staff are engaged and committed. It gives me faith in our company's ability to overcome this crisis.”**

**Michel Galiay**, Corporate Secretary for French Retail Banking (BDDF) and Crisis Director, France.  
Interview conducted in April 2020



# #MOBILIZED FORYOU

## COMMITTED TO OUR CUSTOMERS

To achieve its mission of supporting the economy, the Group is working internationally to assist its individual, professional and corporate clients, local authorities and financial institutions. Since the very first days of lockdown, the Group has made every effort to ensure the continuity and quality of banking services, taking due account of health requirements and operational constraints. Wherever they are, our teams assess the impact of the Coronavirus crisis together with our clients, supporting them by offering the best solutions to support cash flows weakened by the crisis. In particular, in France the Group has played a very active role in making the State-guaranteed loan scheme available to businesses.



### CLIENT EXPERIENCE BY ARTHUR DE PADIRAC

Chief Administrative and Financial Officer of Lemoine Entretien, a hygienic supplies manufacturer in Normandy, northern France.

Interview conducted in April 2020

**“We worked on a project to produce a swab, a wad of cotton on the end of a short stick, used to collect a sample to test for Coronavirus infection. In eight days, we managed to produce a specific swab and a machine dedicated to this new product.**

**The implementation of this project was a real achievement for all the teams involved. We were able to present samples to the health service within a very short period of time. As such, the Lemoine group will be able to produce 1.5 million test kits a week. Faced with this unprecedented situation, we sought the assistance of our financial partners, in particular Societe Generale, who were able to help us with a state-guaranteed loan. With Societe Generale by our side, we made very swift progress with great agility and constant communication.”**



### CLIENT EXPERIENCE BY LAURENT DUMANOIS

Associate Director of Jacquart & Fils, a bedding manufacturer in Hauts-de-France in northern France.

Interview conducted in April 2020

**“Since the onset of the health crisis, activity at all of our three factories virtually ground to a halt. In addition to declining orders, we faced problems in our supply chain.**

**However, we continued to manufacture mattresses for healthcare establishments (hospitals, care facilities for seniors, etc.) which, as you might expect, were in need of them. Our machines and supplies are available to garment makers, who volunteered to make fabric facemasks. Societe Generale was very responsive. We were able to defer our payment due dates very quickly to save the company’s cash flow, with full flexibility. Additional aid was quickly offered to us by our business account manager.”**





# SOLIDARITY THROUGH ACTION

**Unprecedented situations call for exceptional engagement. In keeping with our spirit of commitment, Societe Generale launched a large-scale global solidarity programme that could ultimately reach €50m. The aim of this programme is to contribute to the solidarity initiatives conducted by different governments and to directly support associations that are at the forefront of the health and social emergency. The Group also encouraged its staff in France to join this commitment to social solidarity.**



## Numerous ways to offer support in France

The Group made a €1m donation in France to the “All united against the virus” alliance, sponsored by the *Fondation de France*, *Assistance Publique – Hôpitaux de Paris* and the *Institut Pasteur*, and encouraged staff members to also join in with this commitment to solidarity. The Bank has also reinforced its support for the Societe Generale Corporate Foundation’s partner associations with additional donations of more than €1.5 million made to *Apprentis d’Auteuil*, *Emmaüs Challenge*, *Aurore*, *SAMU Social*, *Rests du Cœur*, *Emmaüs Solidarité* and *SOS Villages d’Enfants*.

A leading sponsor of classical music in France, Societe Generale is also supporting musicians and musical ensembles hit hard by the Coronavirus crisis with an exceptional programme amounting to €2m in aid.

## Concrete actions abroad

Several initiatives, including donations of masks, financial donations and loans of vehicles to healthcare workers among others, have been rapidly put into action in the countries where we operate, notably in China, Romania, Italy, the United States, France, Spain, and other countries.

We will continue to be engaged in all our entities around the world and especially in Africa.

## Solidarity in Africa

Although Africa was initially spared the worst of the health crisis, the continent must now take action in the face of the spreading epidemic. Societe Generale has been historically present on the African continent for over a hundred years and is committed to fighting the spread of Covid-19 with the creation of a specific programme. The first step of this commitment was a €1.5m donation to Doctors Without Borders (*Médecins Sans Frontières*, MSF). With a wealth of medical expertise built up from past epidemics, MSF is working in coordination with local health authorities to assess needs and recommend appropriate solutions.

“

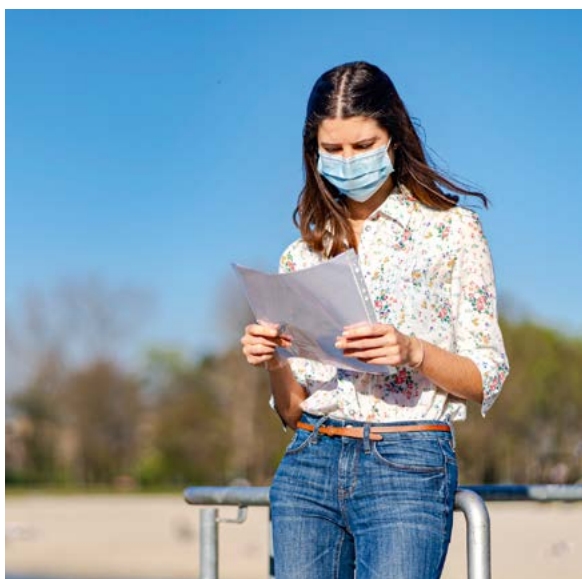
**“Alongside my colleagues from General Management, we have decided to renounce in advance half of the variable component of our salary that would have been allocated to us by the Board of Directors for the 2020 financial year, a year of social action and initiatives, to help finance our solidarity programme.”**

**FRÉDÉRIC OUDÉA**  
Chief Executive Officer

# RESPONSIBLE AND PRUDENT MANAGEMENT

## A TRANSPARENT AND RESPONSIBLE APPROACH FOR OUR INVESTORS

Due to measures limiting the size of public gatherings in France, the Annual General Meeting was instead organised by the teams involved to be held remotely so that this key moment of transparency and discussion with our shareholders was maintained. All shareholders are able to follow the event, either the livestream or the replay available via the Bank's institutional website, as well as by telephone using a freephone number. Shareholders also have the opportunity to submit their questions in writing. Out of concern for shareholders' rights, the Group offers the possibility of voting via a secure website, in addition to postal voting. In line with the recommendations of the European Central Bank, Societe Generale has opted to halt dividend payments for the 2019 financial year. We are determined to play our full role in supporting the economy and want to maintain a maximum level of resources to be able to intervene, in particular by strengthening the cash flow of companies weakened by the health crisis.



During the second half of 2020, the Board will propose guidelines for the distribution of the dividend to shareholders.

This could include the payment of an interim dividend on 2020 earnings or an exceptional dividend in the form of an allocation of reserves, which would require a General Meeting to be convened.

## CAUTION AND RESILIENCE IN THE FACE OF UNCERTAINTY

In these difficult and uncertain times, the Group announced the deferral of its 2020 objectives with the publication of the 2019 annual results on 31 March 2020. The Bank's General Management is fully mobilised and working to analyse potential economic scenarios and their impacts on the Group's performance, as well as any corrective measures that may be required.

Societe Generale benefits from its many strengths when dealing with this crisis, including the strength of its level of capitalisation, its balance sheet and its high-quality loan portfolio, which is healthily diversified in terms of geographical and sector exposures, and its strict and proven risk management.



# GENERATING RESPONSIBLE GROWTH

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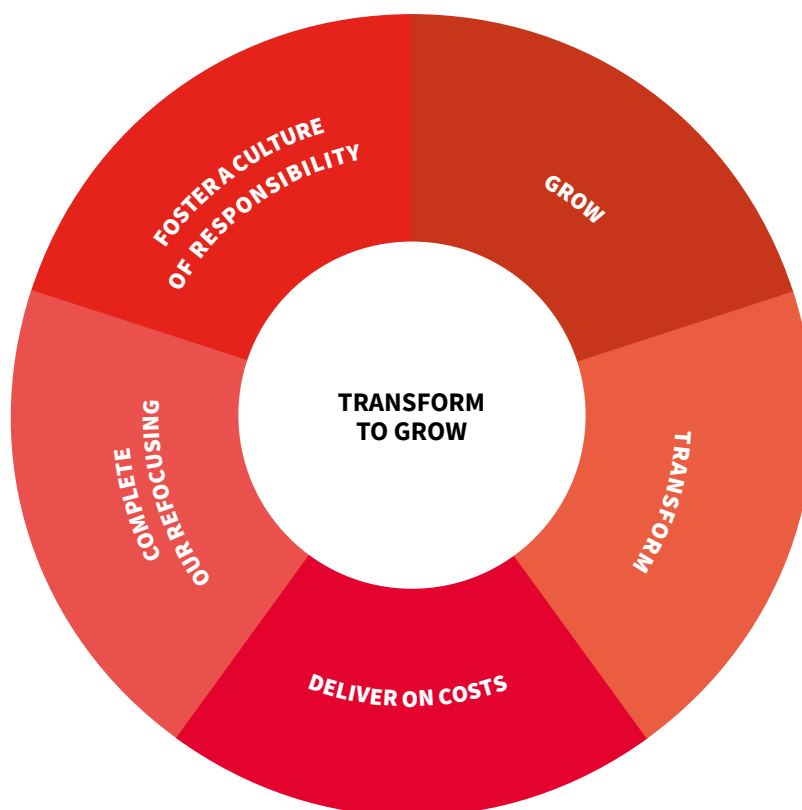
**Announced at the end of 2017, the Transform to Grow strategic plan enabled the Group to achieve results in line with its 2019 objectives and in particular to improve its financial strength. Thanks to the progress made, the Group began 2020 determined in its ability to fully play its role supporting the economy.**

2019 was an intense year of progress in which the Group achieved all of its strategic, financial and extra-financial objectives. Thanks to its strong balance sheet and high-quality loan portfolio, which is well diversified in terms of geographical and sectoral exposure, as well as its strict and proven risk management, Societe Generale remains fully committed to supporting its customers, developing its franchises and the profitability of its businesses.

Given the uncertainty surrounding the scale and duration of the Covid-19 pandemic and in accordance with the recommendations of the French regulator *Autorité des Marchés Financiers* (AMF) and the ECB, the Group has suspended its 2020 objectives, as announced in its 2019 annual results

However, this has no impact on the five areas of the Group's 2017-2020 strategic plan Transform to Grow – Grow, Transform, Deliver on costs, Complete our refocusing and Foster a culture of responsibility – which remain the key indicators of the Bank's medium-term vision.

**“Societe Generale remains fully committed to supporting its customers, developing its franchises and the profitability of its activities.”**

**TRANSFORM TO GROW 2017-2020: FIVE STRATEGIC PRIORITIES****FOSTER A CULTURE OF RESPONSIBILITY**

Bring the whole Group in line with the highest control and compliance standards in the banking sector and integrate our Corporate Social Responsibility commitments into our business development goals.

**GROW**

Maintain responsible and profitable growth by building on client satisfaction, quality of service, added value and innovation. This growth, which will be achieved taking a highly discipline approach to risk management, will be generated by a series of ambitious business development initiatives, while adapting our system to the changing needs of our customers.

**TRANSFORM**

Accelerate the transformation of the relationship model, particularly in French Retail Banking, to improve the customer experience, increase operational efficiency and enhance security. Adapt the strategy for Market Activities in order to integrate regulatory and economic structural developments.

**DELIVER ON COSTS**

Pursue rigorous, disciplined cost management, primarily by automating processes and implementing a new €1.6 billion efficiency programme by 2020, while continuing to make the necessary investments to grow our businesses.

**COMPLETE OUR REFOCUSING**

Optimise the allocation of our capital by selling or closing business lines that have not reached critical mass and/or do not generate synergies. The programme is already well under way, with announced disposals representing an effect of 58 basis points to the CET1 ratio.

**FIND OUT MORE**

► Universal Registration Document 2020, Chapter 1.3  
► [www.societegenerale.com/en/investors/investor-day](http://www.societegenerale.com/en/investors/investor-day)



# THE COMMITMENT OF OUR STAFF, A KEY DRIVER OF OUR PERFORMANCE

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**In the competitive and changing world of banking, the success of our strategy relies on our 138,000 members of staff around the world. Our Human Resources policy is structured around five priorities focused on our teams.**

## **CORPORATE CULTURE AND ETHICS**

For Societe Generale, instilling a culture of responsibility based on strong values, notably through our Code of Conduct, means observing the highest standards of integrity and behaviour in all business lines and countries where we operate. The Group has established ethical principles and ensures that all our staff comply with them. As a responsible employer, we are committed to ensuring the respect of human rights and implement appropriate measures in instances where our principles are not adhered to.

## **EXPERTISE AND SKILLS**

The Group pays particular attention to the quality of our dialogue with staff representative bodies, especially with respect to addressing the challenges of changing business and employment trends. Anticipating the Group's business needs, hiring and helping our staff develop their careers, particularly through training and internal professional mobility and promotions, are essential for attracting and retaining talent and strengthening staff loyalty.

## **DIVERSITY AND INCLUSION**

Building a company that is inclusive and reflects the diversity of its customers is one of the Group's key ambitions. Above and beyond regulatory obligations, Societe Generale treats diversity and inclusion for all as strategic issues for today and tomorrow, and takes proactive steps in this regard.

## **PERFORMANCE AND COMPENSATION**

To attract and retain talent, Societe Generale implements an attractive and fair pay policy, which recognises each staff member's contribution to the Group's performance while ensuring the appropriate management of risks.

## **HEALTH AND SAFETY**

Societe Generale is committed to developing a respectful and safe working environment to enable every one of its staff members of to work in conditions that are positive for their health and well-being, in particular by promoting the appropriate work-life balance.

**97%**

OF STAFF RECEIVED TRAINING  
ON THE CODE OF CONDUCT  
IN 2019

**90%**

OF STAFF ATTENDED AT  
LEAST ONE TRAINING  
SESSION IN 2019

**136**

NATIONALITIES ARE  
REPRESENTED IN THE  
GROUP

IN THE  
**TOP 3**

OF FRENCH BANKS IN  
THE EQUILEAP GENDER  
EQUALITY RANKING (3,000  
COMPANIES EVALUATED)





## ELIMINATE DISCRIMINATION AGAINST THE LGBTQ+ COMMUNITY

An adopter of the five global UN standards for business to tackle discrimination against the LGBTQ+ community in the workplace, Societe Generale launched the Pride & Allies France network (joining up with the networks in London, New York, Hong Kong and Bangalore) in 2019, which promotes equal rights for LGBTQ+ staff members. The Group also participates in the programme to combat homophobia in rugby alongside the French National Rugby League.



## COMMITTED TO FUNDAMENTAL HUMAN RIGHTS

In February 2019, Societe Generale renewed its agreement with the international federation of trade unions, UNI Global Union, on human rights, which applies to all Group staff worldwide. This new agreement includes additional commitments on anti-discrimination, health, safety and workplace conditions as well as the implementation of a Duty of Care Plan and the role of management.

In order to ensure compliance with its ethical guidelines and respect for human rights, Societe Generale has rolled out two specific policies: one to discourage inappropriate behaviour and the other to control the use of disciplinary authority. Since 2013, anyone can make a report via a strictly confidential process should they believe they have been a victim of or witness to misconduct.



### VIEWPOINT OF MARIE CHAMBON

Group Diversity and Inclusion  
Manager

“We decided to support the French National Rugby League’s ‘Celebrate Diversity’ social programme, whose first stage, *#PlaquonslHomophobie* (*#TackleHomophobia*), was launched in March 2020. This is an unprecedented effort to drive change, committing all involved in professional rugby to respect and promote differences in the sporting world and in society for the sake of the common good. Through our example of supporting the French National Rugby League and the French magazine, *TÊTU*, with this campaign we hope to help foster a change in mindset in the sporting and business worlds.”

# 39,000

PEOPLE ENROLLED IN  
THE GLOBAL EMPLOYEE  
SHARE OWNERSHIP PLAN,  
REPRESENTING A TOTAL  
INVESTMENT OF €122.3m

# 32,000

TELEWORKERS WORLDWIDE  
AT THE END OF 2019  
(+40% COMPARED TO 2018)



### FIND OUT MORE

- › Universal Registration Document 2020, Chapter 5.1
- › [www.societegenerale.com/en/content/responsible-employer](http://www.societegenerale.com/en/content/responsible-employer)
- › See also: United against Covid-19, page 20



# A STEP AHEAD FOR TOMORROW

**As pioneers, we explore all avenues towards progress in order to continuously improve our operational excellence and anticipate the needs of our clients. We put our capacity for innovation to work for the sake of progress and helping to build an open, responsible and secure future.**



## **VIEWPOINT OF CLAIRE CALMEJANE AND CHRISTOPHE LEBLANC**

Group Chief Innovation Officer and Group Head of Corporate Resources and Digital Transformation

**With the arrival of the digital revolution, the banking sector is at a historical turning point. What will the bank of tomorrow look like?**

CL: A highly digitalised bank, with a customer experience that combines the best of digital technology and human expertise.

CC: The digital revolution is a chance to seize new opportunities for growth by building on our position as a trusted third party. Throughout our history, Societe Generale has always succeeded in moving into new areas for business development.

## **How is Societe Generale's approach to the digital transformation different?**

CC: We have made structural choices in our acquisitions and with our Internal Startup Call entrepreneurship programme. This is a key factor in setting us apart from the more conventional banks.

CL: We also draw on the wealth of talent of our staff. More than 23,000 people work in the Group's IT community. We recruit 600 developers a year, but the technological revolution concerns all of the Group's staff. Not only is it a technological and industrial revolution, it is also a cultural and human revolution. It is thanks to our staff that we can offer our clients state-of-the-art services such as the bank card with a dynamic security code or the SG Markets platform.

## **OUR VISION OF INNOVATION**

While the technological revolution is changing the way people do things, Societe Generale is inventing the bank of tomorrow with a deeply-held conviction: innovation coupled with responsibility is essential to satisfy and protect our customers, improve our operational efficiency and seize the business opportunities of tomorrow. Technology and innovation give us the means to build the future while we support our staff during this period of radical transformation for our business lines, through an open and collaborative approach.

## **TECHNOLOGICAL, HUMAN AND CULTURAL MATURITY**

The first stage of our transformation enabled the Group to improve its operational efficiency, thanks, in particular, to the gradual digitisation of French Retail Banking and the acceleration of project development timelines in Global Banking and Investor Solutions. This first stage, combined with an acquisition and partnership strategy with the innovation ecosystem (FinTechs, GAFA, startups, etc.), has enabled Group staff to take ownership of the digital culture and so meet new customer needs in innovative ways.



## **FIND OUT MORE**

► [www.societegenerale.com/en/digital-and-innovation](http://www.societegenerale.com/en/digital-and-innovation)



## AN OPEN AND RESPONSIBLE APPROACH TO INNOVATION

In 2019, Societe Generale's innovation strategy made further steps towards pooling and accelerating the application of its digital initiatives, and so offer a first-class relationship experience for our clients.

This process of scaling up is underpinned by three drivers: Data and Artificial Intelligence (AI); co-construction and partnerships (Open Banking strategy); and the Open Innovation approach, particularly through the Group's internal entrepreneurship programme, Internal Startup Call. As cornerstone's of the Group's approach, responsibility and security have been integrated into the digital transformation of the business lines, turning their position as a trusted third party into a competitive advantage to cope with new entrants on the market. Accordingly, Societe Generale announced its signing of the Responsible Digital Charter at its TechWeek 2019 event, giving the Group the opportunity to reaffirm its commitment to the positive benefits of the transformations of societies and economies.



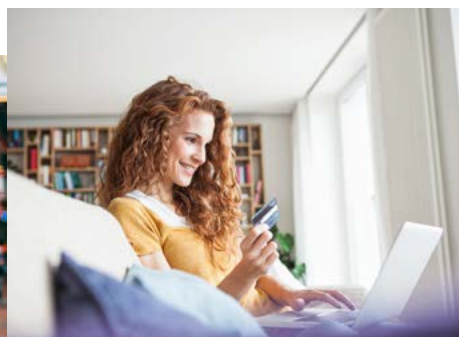
## TECHWEEK 2019: A DIGITAL TRANSFORMATION SHOWCASE FOR THE GROUP

A unique event in the banking world, TechWeek presents the latest technological solutions developed by Societe Generale and its partners in the technology and innovation ecosystem. For three days, Group staff, students and clients were all able to attend conferences and workshops and could also explore some of our tangible technological achievements in better serving our customers and business lines. This year, the Group partnered with Wavestone to launch the Banking Innovation Awards, which recognise innovative Data, Artificial Intelligence (AI) and cybersecurity solutions.



## PRISMEA: THE NEOBANK FOR SMALL BUSINESSES AND THE SELF-EMPLOYED

Crédit du Nord launched its startup Prisme, developed through the Internal Startup Call programme, with a view to offering a "100% digital" banking solution to self-employed entrepreneurs, retailers, VSEs and SMEs. Not only will this neobank solution provide traditional banking services with a simplified account opening process and payment methods, it also offers an account aggregator, a cash flow forecasting tool and a financial management tool. Designed in cooperation with FinTechs, Prisme uses Artificial Intelligence (AI) to provide personalised advice to its customers.



## TREEZOR JOINS SOCIETE GENERALE

With the acquisition of Treezor, the Group steps up its Open Innovation strategy. Created in 2015, this "bank as a service" pioneer in France has developed a white label high-performance banking and payment services platform available to its clients (retailers, collaborative platforms, credit institutions and neobanks). This acquisition will enable the Group's business lines to design increasingly innovative services faster and positions Societe Generale as one of the major providers of solutions for FinTechs and neobanks.

**eCAC40 2019**

SOCIETE GENERALE RANKED NO. 4 IN THE CAC 40 INDEX AND NO. 1 BANK IN TERMS OF DIGITAL MATURITY

**€150m**

INVESTED TO DETECT AND CONTRIBUTE TO DISRUPTION IN THE BANKING INDUSTRY THROUGH THE SOCIETE GENERALE VENTURES INNOVATION FUND

**€650m**

INVESTED OVER 3 YEARS IN DATA PROTECTION AND THE FIGHT AGAINST CYBERCRIME

**700,000**

HOURS OF TRAINING PROVIDED TO STAFF FOR NEW TOOLS AND SERVICES



# CSR AMBITION AT THE HEART OF OUR STRATEGY

**Both an opportunity for innovation and a factor in the sustainability of all our business lines, Corporate Social Responsibility (CSR) is at the heart of our strategic plan.**

**VIEWPOINT OF SYLVIE PREA**  
Director of Corporate Social Responsibility

**To what extent has CSR shown itself to be important for companies and Societe Generale in particular?**

The Covid-19 crisis is a health, economic and financial crisis rolled into one, with risks to supply chains and an unprecedented impact on societies, raising collective awareness about resource depletion and climate shocks.

CSR takes on greater significance when realising the value provided to society by the company, its purpose – which also helps drive staff engagement – and the support of its stakeholders.

Staff around the world have shown their commitment to supporting the economy and our clients. We hope to turn this unprecedented situation into an opportunity for finding a new balance between human and economic needs. Now more than ever, CSR is a driver of future performance, it is at the heart of our strategy, in line with our purpose and our values, and gives the banking business its full meaning.

**What achievements are you most proud of in 2019?**

I would use three priorities to illustrate the Group's progress. Governance, with the creation of the Responsible Commitments Committee, chaired by a member of the General Management team, which, together with the business lines, the support functions and the CSR department, is defining our direction in responsible banking. Innovation, with the signature of the Sustainable IT Charter and the Poseidon Principles to promote greener international shipping. Participation in interbank alliances to accelerate fair and inclusive transition solutions with the UNEP FI's Principles for Responsible Banking and Open Innovation work with four other European banks (through the Katowice Agreement) to develop the methodology for aligning our banking portfolios with a scenario compatible with the Paris Climate Agreement.

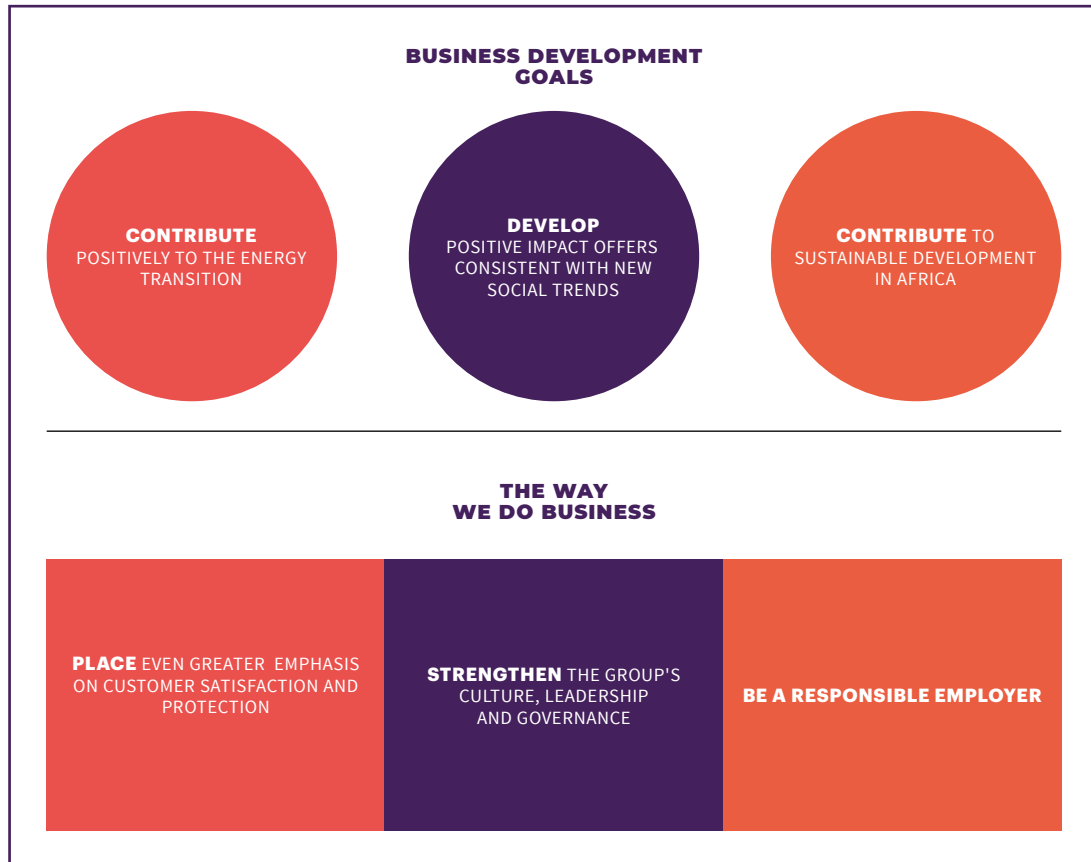


**What are the remaining areas in need of improvement?**

CSR involves a great deal of expertise and is constantly changing. The Group's progress has been commended by independent bodies: Societe Generale is ranked the best bank worldwide (out of 175 banks) on environmental topics by RobecoSAM and our first Task Force on Climate-related Financial Disclosures report was rated best in class by one financial analyst. Societe Generale also won the European Prize for integrating its CSR ambition into the Group's strategy. However, there may be a time lag between the external (or even internal) perception of our achievements and the reality, with occasionally some very heavy-handed attacks on CSR matters, which are not taken lightly at all. Although dialogue with stakeholders is necessary because it changes our policies, there is nonetheless a real communication challenge to being heard, which is being addressed through better education and training. Although "getting the word out" is also an essential aspect, the most important thing for me is to take steps to ensure that our staff are very much involved in CSR for the sake of our stakeholders and, in particular, for future generations. We all benefit from being challenged, because we all need to make progress, especially in areas where progress has the most positive impact!



## AN AMBITION DEVELOPED IN SIX AREAS



**CSR is a key element of Societe Generale's strategic plan. The key pillars of this commitment are part of the objectives set by the members of the Group Management Committee and are taken into account for their compensation.**

The Group's CSR ambition is structured around three transversal priority areas that define the way we do business – customer satisfaction and protection, ethics and governance, and being a responsible employer – and three dimensions that direct and guide the influence the Group seeks to have on the world – the fight against climate change, social change and innovation, and the contribution to sustainable development in Africa.



### FIND OUT MORE

- › Universal Registration Document 2020, Chapter 5
- › [www.societegenerale.com/en/measuring-our-performance/csr](http://www.societegenerale.com/en/measuring-our-performance/csr)
- › See also: Scorecard pages 34-35



# ESSENTIAL DIALOGUE WITH OUR STAKEHOLDERS

**Listening to our stakeholders allows us to better understand the changes in our environment and increases our agility in addressing new expectations. Which is why we set up dedicated communication channels with each of them: shareholders, staff, customers, suppliers, public authorities, rating agencies, regulators and supervisors, and civil society.**

## RESPONSIBLE SOURCING

Committed to a responsible sourcing policy since 2006, the Sourcing department plays a key role in the Group's CSR ambition. Identifying CSR risks posed by products and services, integrating environmental and social criteria into tenders, evaluating suppliers' extra-financial information and developing positive impact purchases are an integral part of the continuous improvement approach that the Sourcing department has constructed.

## DIALOGUE WITH NGOS

The Group is also working with NGOs to discuss environmental and social issues. In 2019, the Group took part in workshops and discussion groups with around 10 NGOs, including Friends of the Earth, BankTrack, Oxfam, Rainforest Action Network, ShareAction, Urgewald, and the WWF.

In addition, Societe Generale is entitled to a right of response where necessary. For example, in 2019, following the publication of a report by Fair Finance and Oxfam on banks' CSR policies and practices, the Group stressed its commitment in this area.

## BRINGING GENERATIONS TOGETHER

At the request of the Student Ecological Awakening Manifesto, Societe Generale responded to its questionnaire on the recognition of the climate emergency within the company<sup>(1)</sup>. At a meeting with students in early 2020, Frédéric Oudéa, Chief Executive Officer, detailed the Group's approach, its commitments and achievements, including those aimed at reducing activities linked to fossil fuels and its support for renewable energy. Furthermore, he asked for the development of long-term dialogue with the association, with further meetings to be organised.



## FIND OUT MORE

► Universal Registration Document 2020, Chapter 5  
► [www.societegenerale.com/en/measuring-our-performance/csr/dialogue-with-stakeholders](http://www.societegenerale.com/en/measuring-our-performance/csr/dialogue-with-stakeholders)

(1) Response available at [www.pour-un-reveil-ecologique.org/en/](http://www.pour-un-reveil-ecologique.org/en/).  
(2) Indicator of customer satisfaction and loyalty according to propensity or likelihood of recommending our products/services to others in their circle.  
(3) Including profit-sharing and stock ownership.  
(4) Renewed in February 2019.  
(5) The Group decided to follow the ECB's recommendations and not pay dividends in 2020 for the 2019 financial year. In the second half of 2020, the Board of Directors will propose guidelines for the distribution of dividends to shareholders.  
(6) Senior short-term rating/Preferred senior long-term rating.  
(7) France and international scope.  
(8) France  
(9) BCBS, PRA, EBA, European Commission, ESMA, FSB, SRB, ACPR.

## FRAMEWORKS FOR APPROPRIATE DIALOGUE

STAKEHOLDER INVOLVED	DIALOGUE FRAMEWORK IN PLACE	ADDED VALUE FOR STAKEHOLDERS
<b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>Measuring and analysing customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>138,000 members of staff in 62 countries serving 29 million customers</li> <li>Net Promoter Score<sup>(2)</sup>: scores are stable or up across the three major business lines</li> </ul>
<b>STAFF</b>	<ul style="list-style-type: none"> <li>Staff survey</li> <li>Dialogue with staff representative bodies</li> </ul>	<ul style="list-style-type: none"> <li>Compensation<sup>(3)</sup>: €10.2bn</li> <li>Labour agreements: 220, just under 10% of which cover Health and Safety.</li> <li>100% of staff covered by the UNI Global Union Agreement on Fundamental Rights<sup>(4)</sup></li> <li>Staff engagement rate (survey response): 64%</li> </ul>
<b>SHAREHOLDERS AND INVESTORS</b>	<ul style="list-style-type: none"> <li>Investor meetings</li> <li>Events and meetings with shareholders</li> <li>Distribution of dedicated communication publications (Letter to Shareholders and the dedicated Shareholders area of the corporate website)</li> <li>Shareholders' Advisory Committee</li> </ul>	<ul style="list-style-type: none"> <li>Number of roadshows: approximately 60 investor events</li> <li>EPS: €3.05 per share</li> <li>Dividends: €2.20 per share paid in 2019 for the 2018 financial year<sup>(5)</sup></li> </ul>
<b>RATING AGENCIES</b>	<ul style="list-style-type: none"> <li>Study and analysis of financial and extra-financial performance reviews</li> <li>Regular discussions and follow-up with extra-financial analysts</li> </ul>	<ul style="list-style-type: none"> <li>Ratings from financial agencies<sup>(6)</sup>: <ul style="list-style-type: none"> <li><b>Fitch Ratings</b>: F1 / A+ (Stable) / F1</li> <li><b>Moody's</b>: P-1 / A1 (Stable)</li> <li><b>Standard &amp; Poor's</b>: A-1 / A (Positive)</li> </ul> </li> <li>Ratings from extra-financial agencies: <ul style="list-style-type: none"> <li><b>RobecoSAM</b>: 79/100; 90<sup>th</sup> percentile</li> <li><b>MSCI</b>: AA</li> <li><b>Sustainalytics</b>: ESG rating report: 71/100; ESG Risk rating report: 30.1/100 (0 = lowest risk)</li> <li><b>Vigeo Eiris</b>: 66/100</li> <li><b>FTSE4Good</b>: 4.4/5</li> </ul> </li> </ul>
<b>CIVIL SOCIETY</b>	<ul style="list-style-type: none"> <li>Monitoring of projects, businesses, or sectors, whether or not financed by the Bank, that are the subject of controversy or public campaigns by civil society</li> <li>Dedicated "Dialogue and Transparency" section on the Group's corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Income tax: €1,264m</li> </ul>
<b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>Responsible sourcing policy</li> <li>Positive Sourcing Programme action plan favouring VSEs/SMEs and the social and solidarity economy</li> </ul>	<ul style="list-style-type: none"> <li>Value of purchases: €6.1bn<sup>(7)</sup></li> <li>Share of purchases from VSEs/SMEs/ISEs: 81%<sup>(8)</sup></li> <li>Revenue with the Social and Solidarity Economy: €12.9m</li> </ul>
<b>REGULATORS AND SUPERVISORS</b>	<ul style="list-style-type: none"> <li>Close working relations with banking and financial supervisory authorities and regulatory bodies</li> <li>Participation to financial sector consultations and events</li> </ul>	<ul style="list-style-type: none"> <li>Responses to 52 financial sector questionnaires<sup>(9)</sup></li> <li>Participation in consultations conducted by the EBF (162), AFME (109), ISDA (9) and IIF (91)</li> <li>Deposit Guarantee Fund: €340m</li> </ul>

# COMPREHENSIVE AND INTEGRATED VALUE CREATION

			2018 PERFORMANCE
RELY ON OUR PURPOSE, STRATEGY AND RIGOROUS AND RESPONSIBLE MANAGEMENT	<b>Satisfy and protect our customers</b>	Invest €650m over 3 years in the security of the Group's IT systems	Improve the protection of IT systems and customer data in line with our objectives
		Net Promoter Score results <sup>(1)</sup>	Overall satisfaction scores steady or increasing for the 3 pillars
	<b>Support the financing of the economy</b>	Customer loan outstandings	€389bn
		Customer deposits	€399bn
	<b>Be a responsible employer</b>	Staff engagement rate (survey response)	66%
		Reduce gender inequality	85/100
	<b>Achieve the highest standards of service quality, integrity and behaviour</b>	Roll-out the Culture & Conduct programme within the Group	90% of staff members attended in-person workshops
TO DELIVER STRONG PERFORMANCE	<b>Ensure growth in the current environment</b>	Net Banking Income for the core businesses	€25.0bn
	<b>Demonstrate cost control discipline</b>	Management fees	€17.9bn
	<b>Gradually standardise the risk profile</b>	Cost of risk (in basis points)	21
	<b>Improve profitability</b>	Group Net Income <sup>(2)</sup>	€4,725m
		Underlying ROTE <sup>(2)</sup>	9.7%
	<b>Maintain a strong capital position</b>	Common Equity Tier One (CET1) <i>capital ratio</i>	11.2%
AND HAVE A POSITIVE IMPACT ON SOCIETY AND THE ECONOMY	<b>Strengthen our position as a leader in responsible finance</b>	Achieve an extra-financial rating that ranks in the top quartile and maintain that position over the long term (MSCI above BBB)	RobecoSAM: 79 Sustainalytics: 75 MSCI: A
	<b>Support our customers with their energy transition</b>	Sustainable and Positive Impact Financing (SPIF)	€11.9bn
	<b>Help our clients with their sustainable investments</b>	Sustainable and Positive Impact Investments (SPII)	€11.8bn
	<b>Be a key player in the fight against climate change</b>	Finance the energy transition	€69bn
			-
		Limit the percentage of coal in the electrical energy mix financing	16.3%
		Reduce our carbon emissions	75% achieved
	<b>Support societal innovations</b>	Invest €2.5bn to fund the Grand Paris project	-
	<b>Contribute to sustainable development in Africa (Grow with Africa programme launched in 2018)</b>	Increase structured financing commitments	€8,506m <sup>(3)</sup> €1,239m <sup>(4)</sup>
		Double outstanding loans to Microfinance Institutions	€60m
		Support for SMEs	€6.369m

(1) Indicator of customer satisfaction and loyalty according to propensity or likelihood of recommending our products/services to others in their circle.

(2) Adjusted for exceptional items.

(3) Group's gross structured financing commitments in Africa.

(4) Gross infrastructure financing commitments by structured financing platforms located in Africa.



**In order to track the progress of our development and transformation plan, we set ourselves a series of indicators that reflect all the aspects of our performance, whether financial, economic, environmental, or societal.**

	2019 PERFORMANCE	DEADLINE	TREND VS. 2018	SUSTAINABLE DEVELOPMENT GOALS
	Efforts are continuing and reflections are under way for a plan beyond 2020	€650m over 3 years		<b>16</b> Peace, justice and strong institutions
	Overall satisfaction scores steady or increasing for the 3 pillars			<b>16</b> Peace, justice and strong institutions
	€400bn		+ 2.8%	
	€410bn		+ 2.7%	
	64%	67% in 2020	↓	<b>8</b> Decent work and economic growth
	86/100	75/100 in 2020	✓	<b>5</b> Gender equality
	A single Code of Conduct, available in 18 languages. 97% of staff have reinforced their knowledge of the Code of Conduct via a compulsory training module	Roll-out of the programme completed at the end of 2019	✓	<b>16</b> Peace, justice and strong institutions
	€24.8bn		- 0.8%	
	€17.7bn		- 1.1%	
	25			
	€4,061m		- 14.1%	
	7.6%			
	12.7%			
	RobecoSAM: 79 Sustainalytics: ESG rating report: 71; ESG Risk rating report: 30.1 (0 = lowest risk) MSCI: AA	Remain in the top quartile of extra-financial ratings	✓	
	€11.0bn			
	€19.1bn			
	€119bn	€100bn between 2016 and 2020	✓	<b>7</b> Affordable and clean energy
	€41bn	€120bn between 2019 and 2023	↗	<b>7</b> Affordable and clean energy
	16.3% as of mid-2019	Limit to 19% until 2020	✓	<b>13</b> Climate action
	100% achieved	25% reduction in carbon emissions per occupant by 2020 (compared to 2014)	✓	<b>12</b> Responsible consumption and production
	€2.1bn	€2.5bn in 2020	↗	<b>11</b> Sustainable cities and communities
	€9,033m <sup>(3)</sup>	+20% between 2018 and 2021	↗	<b>9</b> Industry, innovation, and infrastructure
	€1,679m <sup>(4)</sup>			
	€75.2m	€120m in 2022	↗	<b>1</b> No poverty
	€7,478m	+60% in outstanding loans to African SMEs by 2023	↗	<b>8</b> Decent work and economic growth

N.B. Given the uncertainties related to the scale and duration of the Covid-19 pandemic, the Group is suspending its 2020 financial objectives.





# OUR CORPORATE GOVERNANCE

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To align our activities with our purpose, Societe Generale draws on a solid governance structure, closely attuned to our environment and meeting the highest ethical standards. Responsible risk management is the foundation on which all decisions are made.

# A COMMITTED AND EXPERT BOARD OF DIRECTORS

**Defining and overseeing the company's strategic direction constitutes one of the Board of Directors' major responsibilities. To achieve this, the Board of Directors of Societe Generale brings together the best combination of knowledge and skills, and adheres to the highest international standards of governance.**

## THE ROLE OF THE BOARD OF DIRECTORS

The Board of Directors examines and approves the Group's strategies and ensures they are duly applied in line with its core values and the key themes of its Corporate Social Responsibility policy. The Board considers changes to the Group's management structure and operations that are liable to have a significant impact on the Group's earnings or balance sheet structure. It reviews the Group's risk situation and approves its appetite for risk. The Board evaluates the performance of the Chief Executive Officers and determines the CEOs' and Chairman's compensation. Following the enactment of the French PACTE law, the Board of Directors approved Societe Generale's renewed corporate purpose after an internal consultation process.

## EXPERIENCED AND COMPLEMENTARY DIRECTORS

Chaired by Lorenzo Bini Smaghi, the Board of Directors is made up of 14 directors, 12 of whom are appointed by the General Meeting of Shareholders, and two are staff representatives. All members of the Board of Directors are independent, except for the Chief Executive Officer and the Directors representing the staff. The Board's composition aims to achieve a balance between its members' expertise, skills and independence while observing gender parity and diversity. In particular, the Board of Directors ensures that it maintains a balance in its composition in terms of age as well as professional and international experience. The Board is also committed to having Directors with experience in technological and digital transformation among its members. These balances are reviewed once a year by the Nomination and Corporate Governance Committee.

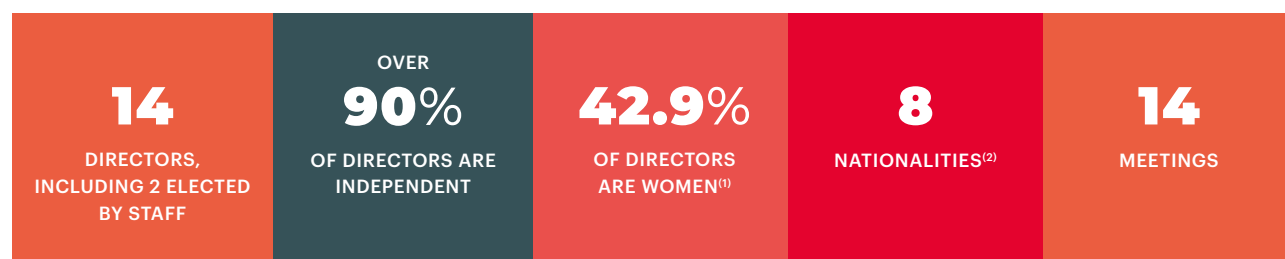
## A WIDE VARIETY OF EXPERTISE

The Directors' complementary areas of expertise cover all the Group's activities and the associated risks and opportunities.

	14 DIRECTORS
RISK	8
FINANCE, ACCOUNTING	9
GOVERNANCE, BUSINESS MANAGEMENT, SHAREHOLDER RELATIONS, CSR, STRATEGY	8
BANKING, INSURANCE	10
REGULATION, LEGAL, COMPLIANCE	5
INTERNAL CONTROL, AUDIT	6
MARKETING, CUSTOMER SERVICES	7
IT, INNOVATION, DIGITAL	4
INTERNATIONAL	12
INDUSTRY	4

(1) Or 41.6% if the two directors representing the staff are excluded from the calculation, in accordance with the provisions of the French Law of 27 January 2011.

(2) Taking into account some Directors' dual citizenship.





## FOUR BOARD OF DIRECTORS COMMITTEES

The Board of Directors is assisted by four committees, tasked with preparing and assisting its work on specific subjects. Each committee has at least four Directors and seeks to ensure gender equality.



### RISK COMMITTEE

Chairperson:  
**NATHALIE RACHOU**

**Anticipates new risks and ensures the quality of the risk management system**

**Duties:** to assist the Board with its overall strategy and appetite for current and future financial and extra-financial risks and with the supervision of the overall implementation of the strategy.

**Main issues addressed in 2019:** IT security, major litigations, assessment of the Risk function, consideration of risks inherent in the compensation policy for staff in the regulated category, recovery and resolution plans, risks related to specialised financial services and offshoring.

- 5 members
- 100% Independent Directors
- 60% are women
- 10 meetings
- 92% average attendance rate

### COMPENSATION COMMITTEE

Chairperson:  
**JEAN-BERNARD LÉVY**

**Ensures fair compensation taking into account regulatory standards, objectives, risks and the requirements of the Group's Code of Conduct**

**Duties:** to prepare Board decisions on the compensation of Executive Officers and staff who have an impact on risk and risk management within the Bank.

**Main issues addressed in 2019:** compensation policy guidelines, particularly regarding staff in the regulated category and the performance of the Global Employee Share Ownership Plan.

- 4 members
- 100% Independent Directors
- 25% are women
- 9 meetings in 2019
- 92% average attendance rate

### AUDIT AND INTERNAL CONTROL COMMITTEE

Chairperson  
**ALEXANDRA SCHAAPVELD**

**Verifies the quality of accounting and financial information**

**Duties:** to address issues relating to the preparation and control of accounting and financial information and the effectiveness of internal control systems and risk assessment, monitoring and management processes.

**Main issues addressed in 2019:** Review of the Statutory Auditors, KYC (Know your Customer), sanctions and embargoes, investment services policy; client protection, whistleblowing.

- 4 members
- 100% Independent Directors
- 75% are women
- 10 meetings
- 98% average attendance rate

### NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Chairperson  
**GÉRARD MESTRALLET**

**Selects the best talent for the Bank's supervision and management**

**Duties:** to assist the Board with the appointment of Directors, members of Board committees and with succession planning for Executive Officers; to review and prepare discussions of issues relating to corporate governance and corporate culture.

**Main issues addressed in 2019:** plans to update the Board of Directors' internal regulations, renewals of Directors' mandates, Board evaluation procedure, terms and conditions for awarding Directors' compensation.

- 4 members
- 100% independent Directors
- 25% are women
- 6 meetings in 2019
- 100% average attendance rate

**58.5 YEARS**

AVERAGE AGE

**6 YEARS**

OF PRESENCE ON  
AVERAGE ON THE  
BOARD

**94%**

AVERAGE ATTENDANCE  
AT BOARD MEETINGS



#### FIND OUT MORE

- Universal Registration Document 2020, Chapter 3
- [www.societegenerale.com/en/about-us/governance](http://www.societegenerale.com/en/about-us/governance)

# GENERAL MANAGEMENT FOCUSED ON SUSTAINABLE PERFORMANCE

**Comprised of the Chief Executive Officer and four Deputy Chief Executive Officers, the General Management team oversees the whole Group with the aid of specialised committees.**



From left to right:  
**Philippe Aymerich, Philippe Heim, Diony Lebot, Frédéric Oudéa  
and Séverin Cabannes.**

## **SPECIALISED COMMITTEES TO ASSIST GENERAL MANAGEMENT**

To ensure that the Group's strategic decisions are implemented appropriately, General Management relies on the following committees:

- the Group Management Committee meets to discuss Group strategy and other matters of general interest to the Group;
- the General Management Committee submits the Group's general strategy to the Board of Directors and supervises its implementation;
- the Group Strategy Committee is responsible for implementing the Group's strategy. It is divided into Business Unit and Service Unit Strategy Oversight committees, where each committee devotes its meetings to the strategic steering of the Business Unit or Service Unit concerned.

## **A CLOSE-KNIT TEAM**

Renewed in 2018, the General Management team is made up of four Deputy Chief Executive Officers who assist the Chief Executive Officer, **Frédéric Oudéa**.

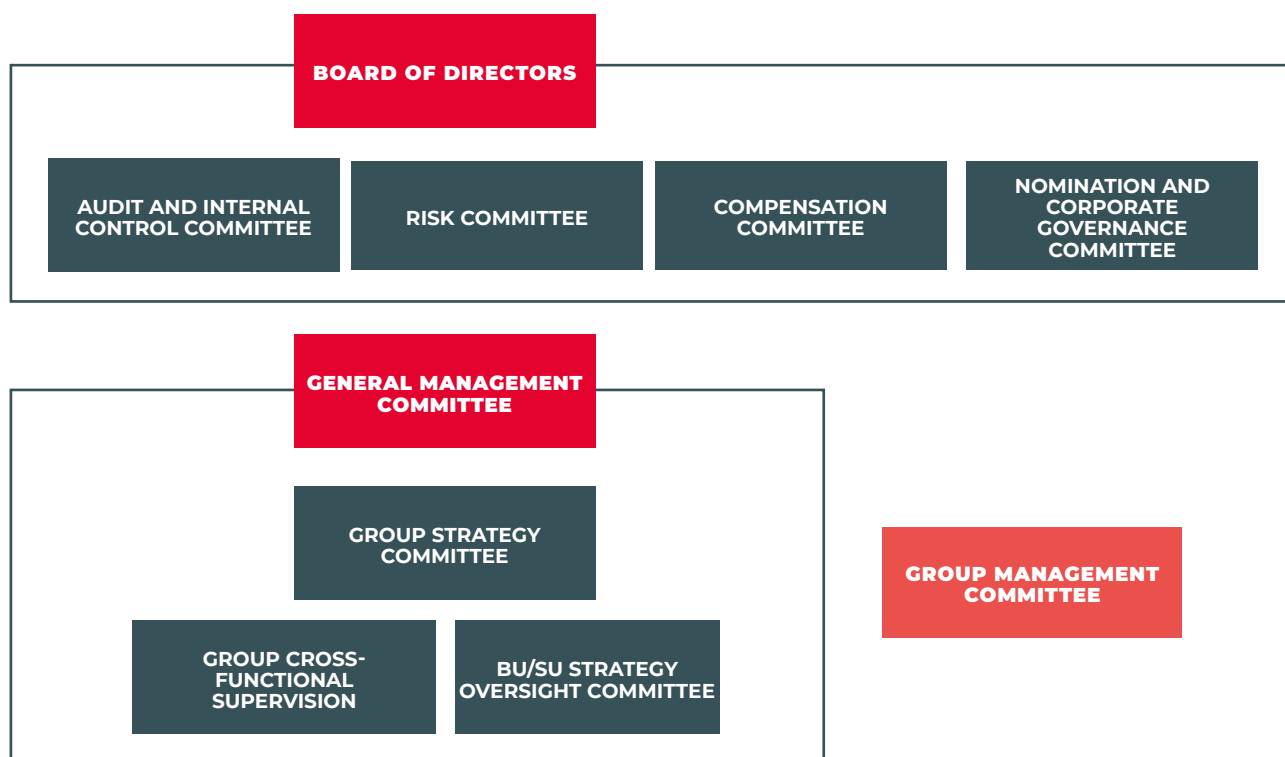
**Diony Lebot** is primarily responsible for supervising the control functions (Risk, Finance and Compliance).

**Philippe Aymerich** is responsible for supervising the activities of French Retail Banking and its Innovation, Technologies and IT department as well as Group Resources (IT, Real Estate and Sourcing). **Séverin Cabannes** is responsible for supervising Global Banking and Investor Solutions activities and **Philippe Heim** is responsible for supervising the activities of International Retail Banking, Financial Services and Insurance.

20% of the General Management team is female, a percentage similar to that seen on the Group Management Committee. Within the Group, women hold 36% of the 10% of managerial positions with the greatest responsibility.

## **CREATION OF THE GROUP RESPONSIBLE COMMITMENTS COMMITTEE**

The role of the Group Responsible Commitments Committee, created in 2019, is to arbitrate and examine complex cases posing substantial reputational risk or a risk of non-compliance with the Group's CSR, ethics or reputation standards. Comprised of the Heads of the Group Compliance, Risk, Communication and CSR departments, and the Heads of the Business Units and Service Units concerned, it meets at least three times a year. The Committee is also responsible for taking on new commitments or revising the regulatory framework.



## AGILE GOVERNANCE DEDICATED TO OUR CLIENTS

Divided into 16 Business Units and 9 Service Units, the Group's organisation has encouraged agility and closer relationships with customers since 2019, whilst facilitating cross-business cooperation and ensuring the control functions remain fully independent.

## A BALANCED COMPENSATION POLICY

The Board of Directors establishes the compensation policy of the Group's Executive Officers. This policy is reviewed annually to take into account developments in the competitive environment and ensure consistency with the policy applicable to the Group's wider staff.

The policy aims to ensure that compensation is attractive, promotes the commitment and retention of the best talent over the long term, whilst also appropriately managing risks, compliance and the Group's principles.

Compensation awarded to Executive Officers consists of three components:

- **fixed compensation**, which recognises experience and the duties performed and takes market practices into account;
- **variable compensation**, which depends on the year's financial and extra-financial performance as well as the contribution of the Chief Executive Officers to the success of the Group. The maximum amount that can be awarded is 135% of fixed annual compensation for the Chief Executive Officer and 115% for the Deputy Chief Executive Officers;
- **long-term profit-sharing**, the aim of which is to strengthen the ties between management and shareholder interests over the long term. Profit-sharing is subject to a presence requirement and depends on the Group's financial and extra-financial performance. The amount awarded is capped at 135% of fixed annual compensation for the Chief Executive Officer and 115% for the Deputy Chief Executive Officers.

**20%**

OF GENERAL MANAGEMENT POSITIONS HELD BY WOMEN

**27%**

OF THE GROUP'S GENERAL MANAGEMENT COMMITTEE IS FEMALE



## FIND OUT MORE

- › Universal Registration Document 2020, Chapter 3
- › [www.societegenerale.com/en/about-us/governance/general-management](http://www.societegenerale.com/en/about-us/governance/general-management)



# OUR ETHICS SECURE THE TRUST OF OUR STAKEHOLDERS

**Carrying out each of our initiatives in a spirit of responsibility and ethical awareness is the guarantee of a relationship of trust with our clients and our staff.**

## **FOUNDATIONS BUILT ON SHARED VALUES**

The Group has built its corporate culture on its values, its Code of Conduct and its Leadership Model.

During the extensive consultation that led to the development of the Group's corporate purpose, staff reaffirmed their commitment to the Group's shared values: Team Spirit, Innovation, Responsibility and Commitment. All this with the shared objective of serving customers, for whom Societe Generale strives to achieve the highest quality of service standards.

## **THE CODE OF CONDUCT: THE BASIS OF PROFESSIONAL ETHICS**

Determined to further install a culture of responsibility and apply the most exacting standards of control and compliance, the Group has defined a Code of Conduct, available in 18 languages, which constitutes the basis of its professional ethics. In addition, there is a Responsible Lobbying Charter, a Tax Code of Conduct, a Code Governing the Fight Against

Corruption and Influence Peddling and a Sustainable Sourcing Charter.

## **THE HIGHEST STANDARDS OF INTEGRITY AND CONDUCT**

In 2016, Societe Generale launched the Culture & Conduct programme aimed at increasing the confidence of our stakeholders and placing our values, quality of leadership and standards of integrity and conduct at the heart of our operations. The programme resulted in the implementation of all the projects related to the risks of misconduct and established the necessary foundations to ensure that the business lines would continue with their cultural transformation. After the successful roll-out of this programme, support for the Business and Service Units will continue into 2020, with a dedicated team reporting to General Management.

(1) Situation or case in accordance with the law, regulations or the rules of Societe Generale but which leaves room for interpretation from an ethical point of view and/or not covered by the law, regulations or rules of Societe Generale.

**94%**

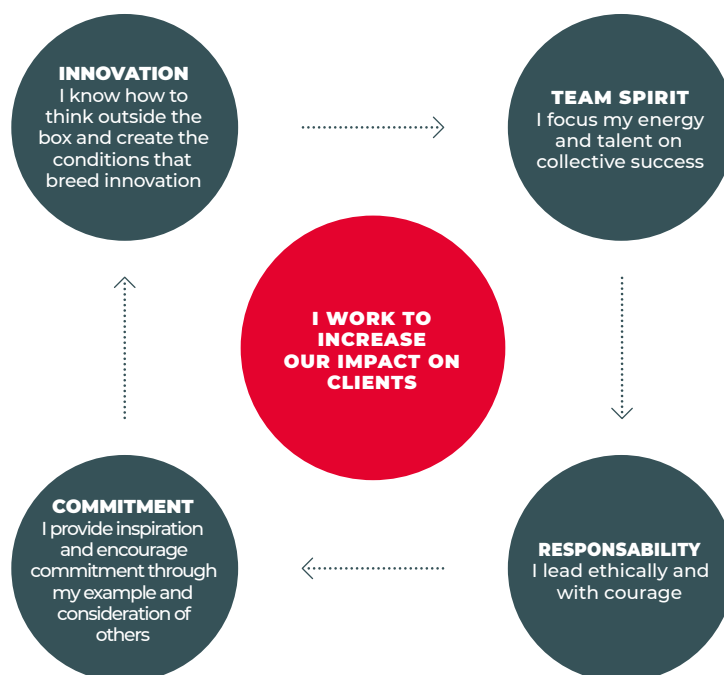
OF STAFF PARTICIPATED IN  
AWARENESS-RAISING WORKSHOPS  
DEDICATED TO GREY AREAS<sup>(1)</sup>

**97%**

OF STAFF HAVE CONFIRMED THEIR  
KNOWLEDGE OF THE CODE OF  
CONDUCT WITH A MANDATORY  
TRAINING MODULE



## TRANSFORMING OUR VALUES INTO EXPERTISE



### VOLUNTARY ENVIRONMENTAL AND SOCIAL COMMITMENTS

Aware of the Environmental and Social impacts (E&S) of our activities, the Group has defined an E&S risk management framework reflecting its institutional commitments and regulatory obligations. This framework is based on the E&S General Guidelines, supplemented by sectoral policies covering 12 sensitive industries (oil and gas, mining, thermal coal, etc.), and on certain transversal issues, such as biodiversity. In 2019, three of these policies were changed - mining, thermal power plants and thermal coal - in line with Societe Generale's commitment to combating climate change. In addition, in 2019, the Group published a Declaration on Human Rights reflecting its commitment to upholding these rights in connection with its operations. Lastly, Societe Generale is one of the founding signatories of the Principles for Responsible Banking, together with 130 other banks. These principles are designed to define the role of the banking industry in building a sustainable future, in line with the United Nations Sustainable Development Goals (SDGs) and the 2015 Paris Climate Agreement.

### HEIGHTENED VIGILANCE

In the French Duty of Care Act of 27 March 2017, Societe Generale saw an opportunity to clarify and strengthen its existing E&S risk management framework and its deployment.

The Group's approach is structured around three pillars: Human Resources and Security, which aims to avert the risks of serious

violations of the human rights, fundamental freedoms, and health and safety of Group staff members; Sourcing, which aims to avoid the same risks as well as environmental damage related to the activities of suppliers; and Activities, which concern the risks directly associated with Group products or services. In response to this act and the Law on Transparency: the Fight against Corruption and Modernisation of Economic Life (the Sapin II law in France), the Group has strengthened existing whistleblowing systems by putting in place a common alert system, deployed in France and internationally, accessible via the Group's corporate website.

### RESPONSIBLE DATA

As a bank committed to innovation and digital transformation, Societe Generale collects and analyses a large volume of data. Aware of the ethical issues relating to the 'Information Society', the Group makes the protection and responsible use of its clients' data a necessity to guarantee their security and preserve their confidentiality.



### FIND OUT MORE

- Universal Registration Document 2020, Chapters 3 and 5
- <https://www.societegenerale.com/en/about-us/responsibility>



# RISK MANAGEMENT MEETING THE HIGHEST STANDARDS

**Serving our clients by controlling the risks inherent in banking activity is our role and our responsibility. To guarantee our clients long-term support, we have put in place a comprehensive set of procedures overseen by the Board of Directors through the Risk Committee.**

The Group seeks to maintain relationships of trust with our customers and all our stakeholders. To this end, we have put in place a number of principles governing risk appetite, the level of risk that Societe Generale is prepared to accept as part of its strategy:

- an organisation based on 16 Business Units that offer products and services in numerous regions;
- a balanced allocation of capital among the business lines, with emphasis on Retail Banking activities;
- a geographically-balanced model - in its Retail Banking activities, the Group focuses its development on Europe and

Africa, where it has a long-standing presence, deep knowledge of the markets and leadership positions; in Global Banking and Investor Solutions, outside Europe and Africa, the Group targets areas where it can leverage its international expertise;

- a targeted growth policy;
- a positive contribution to the transformation of economies and economic, social and environmental transitions;
- focus on its reputation, which is a vital asset.

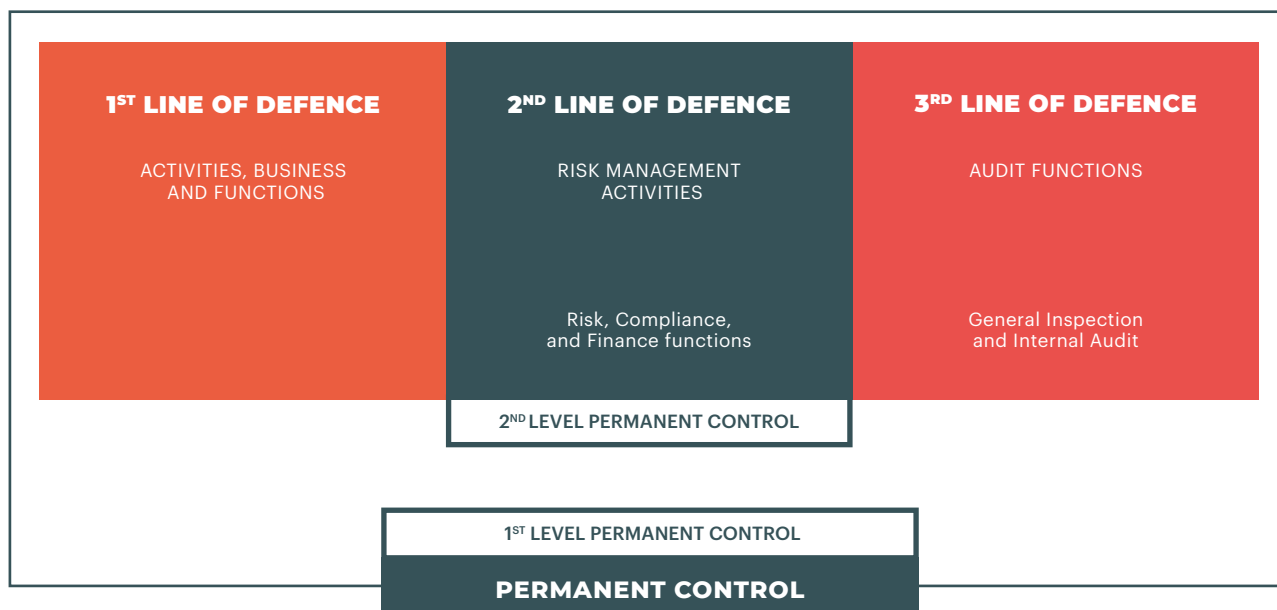
**80%**

OF GROUP RISK-WEIGHTED ASSETS  
(RWA) ARE IN THE CREDIT RISK  
CATEGORY

**60%**

OF GROUP RWA CONCERN FRENCH  
AND INTERNATIONAL RETAIL BANKING  
ACTIVITIES

## A STRICT INTERNAL CONTROL SYSTEM



## ROBUST GOVERNANCE

Each year, the Board of Directors examines and approves the risk appetite profile proposed by the General Management team, as well as the associated governance framework. The Board ensures that the profile is relevant to the Bank's strategic and financial objectives and the macroeconomic and financial environment.

**“Our role in times of crisis is crucial. Our role post-crisis will be equally essential. Through our actions with our clients and the quality of our risk management, we are building together the ‘world after’, a better and more sustainable world, built on trust, service care and responsibility.”**

**DIONY LEBOT**  
Deputy Chief Executive Officer



### FIND OUT MORE

› Universal Registration Document 2020, Chapter 4  
› [www.societegenerale.com/en/about-us/responsibility/risk-management](http://www.societegenerale.com/en/about-us/responsibility/risk-management)

# IDENTIFYING NEW RISKS

	DESCRIPTION
<b>MACROECONOMIC AND GEOPOLITICAL RISKS</b>	<p>The financial markets continue to be affected by considerable uncertainties (trade tensions, Brexit, cyclical slowdown and, more recently, the economic effects of the spread of Covid-19) which could have significant adverse effects on Group business. Growing geopolitical risks are a source of instability that could also stifle economic activity and reduce demand for credit, while increasing market volatility. Developments in the Covid-19 situation are currently the main source of uncertainty.</p>
<b>CLIMATE CHANGE</b>	<p>The risks related to climate change are seen by the Group as factors aggravating credit, market, operational and insurance risks. Risks are categorised as:</p> <ul style="list-style-type: none"> <li>• <b>physical:</b> direct impact of long-term climate change and the proliferation of extreme weather events impacting people and property;</li> <li>• <b>transition:</b> resulting from the transition to a low-carbon economy, such as regulatory changes, technological breakthroughs or changes in consumer preferences;</li> <li>• <b>liability:</b> damages that a legal entity would be required to pay if it were deemed responsible for global warming.</li> </ul>
<b>GREATER COMPETITION</b>	<p>The banking industry is facing ever-tougher competition, market concentration in some financial services segments and the emergence of new players such as FinTechs.</p>
<b>CYBERCRIME</b>	<p>In light of the increasing number and sophistication of digital attacks in a context of the growing digitalisation of the customer relationship, the risk of cybercrime is proving to be an ever more serious risk for the banking sector. Information security and IT security are a critical part of the relationship of trust that the Group nurtures with its clients.</p>

**In order to satisfy the borrowing requirements and investment needs of our clients and to maintain a relationship of trust with supervisors and regulators, we identify and measure the impact of risks on our financial strength.**

**We constantly monitor the emergence of new risks and regularly review our strategies and policies to mitigate any risks that might affect our activity or that of our clients.**

	IMPACT FOR SOCIETE GENERALE	METHODS USED
	These risks, which can arise suddenly and the effects of which cannot be anticipated or hedged, could have a significant adverse effect on the Group's financial position, cost of risk and results. In view of its geographical diversification, any major change in the political, macroeconomic or financial situation could weigh on the Bank's financial position.	Societe Generale's Economic and Sectorial Research department constantly monitors the macroeconomic and geopolitical environment and reviews its strategic guidance as necessary.
	Societe Generale is mainly exposed to physical risk through its insurance activities and has very limited exposure to countries at risk from climate change. The Bank could also be exposed to transition risk through its loan book involving a limited range of sensitive sectors subject to stricter regulations or more technological breakthroughs. The amount of market risk, primarily arising from the Group's exposure to the carbon trading market, is very limited.	In terms of property and casualty insurance provided to customers, the risk policy limits the exposure to one year and the pricing policy is regularly updated to take into account changes in physical risks. The Group also takes out reinsurance contracts to limit its residual exposure to extreme losses. The impact of transition risk on the credit business is managed, firstly, by the application of E&S principles and policies and, secondly, by the implementation at the end of 2019 of a credit policy applicable to the most sensitive sectors based on the calculation of a climate vulnerability indicator for each client. In 2019, the Risk department clarified and strengthened its role on environmental and social risk control (Second Line of Defence) arising from credit exposures in an increasingly proactive regulatory environment. The Group also follows the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), with the publication of its first dedicated report in June 2019.
	All the Group's activities face intense competition from both banks and non-banking rivals on their local and international markets. The Group is therefore exposed to a risk of not being able to maintain or grow its market share in its different business activities. This intense competition can also put pressure on margins, making its activities less profitable.	The Group is drawing on its diversified and integrated banking model to leverage synergies and effectively meet its customers' requirements. The digital transformation, which is fully incorporated into the strategic plan, and an ambitious policy of innovation allow all our business lines to continuously offer new products and services that differentiate us from our competitors. Societe Generale has a strong reputation for its constant focus on customer satisfaction, both in France and around the world.
	Despite dedicated resources, the Group may suffer targeted and sophisticated attacks on its IT network, resulting in misappropriation of funds, losses, theft or disclosure of confidential data relating to the Group and its customers. Such incidents may result in operational losses and adverse effects on the Group's business and results.	The Group's cybercrime policy is coordinated by the Head of IT Systems Security and IT Operational Risk in the Corporate Resources and Digital Transformation department. Its approach is based on cybercrime prevention, protection, detection and response, as well as on raising awareness among customers and staff. Every one of the Group's offices has internal instructions and procedures that meet local regulatory requirements and set out the rules and processes to be followed to protect and ensure the security of our customers' data. To guarantee data security and compliance with banking secrecy rules, Societe Generale is investing €650 million in cybersecurity over three years (2018-2020) to enhance the protection of its customers' assets and transactions.



## FIND OUT MORE

► Universal Registration Document 2020, Chapters 3 and 4







# OUR 2019 PERFORMANCE

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Societe Generale is extremely committed to positive transformation and it creates financial and extra-financial value through its three core businesses. 2019's performance, in line with our strategic, financial and extra-financial objectives, reflects the positive commercial momentum of our activities, strict cost control and sound risk management.



A photograph of four business professionals in a modern office setting. A woman in the center, wearing a patterned blouse and a dark jacket, is gesturing with her hand while speaking. To her left, a man with a beard and a blue shirt is listening. To her right, another man with curly hair and a beard, wearing a blue jacket, is also listening. In the foreground on the right, the back of a woman's head with curly hair is visible. The background shows large windows with a view of a city skyline.

SOCIETE GENERALE GROUP

# SOLID FOUNDATIONS TO PREPARE THE FUTURE

**Societe Generale met its strategic, financial and extra-financial objectives for 2019. Strengthened by a more compact business model that draws on leadership positions in high value-added markets and a presence in high-growth regions, the Group plans to continue to develop its core franchises and improve profitability by leveraging its operational efficiency and disciplined cost control.**

## **CONSOLIDATING OUR BUSINESS MODEL**

In 2019, the Group continued to strengthen its business model by building on leadership positions in value-added businesses and sectors, balancing activities and geographical locations, deepening synergies and seeking efficiency.

The main advances concerned four areas: completion of the refocusing plan, with, in particular, the restructuring of Global Banking and Investor Solutions activities; strengthening franchises with seven disposals announced in 2019; allocating capital to the most profitable franchises; investing in the digitalisation of platforms and the customer experience with the development of new business models.

## **SOCIETE GENERALE, A RESPONSIBLE BANK**

Societe Generale seeks to establish itself as a leader in the field of responsible finance. In 2019, it was ranked the world's leading bank in terms of environmental responsibility (RobecoSAM 2019) and received a number of awards across all CSR criteria. The Group was also recognised by *Euromoney* magazine as Africa's best bank for corporate responsibility. As reaffirmed in its corporate purpose, the Group is committed to building together, with its clients, a better and sustainable future.

**“2019 was an intense  
year of progress.”**

**FRÉDÉRIC OUDÉA**  
Chief Executive Officer

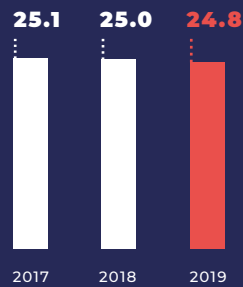


### **FIND OUT MORE**

› Universal Registration  
Document 2020, Chapter 2  
› [www.societegenerale.com/en/  
measuring-our-performance/  
information-and-publications/  
financial-results](http://www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results)

## RESILIENT REVENUES

**NET BANKING INCOME**  
(€ bn)

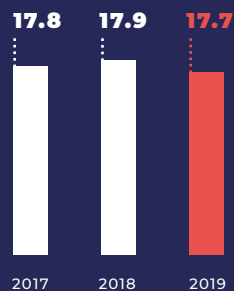


**CONTRIBUTION OF THE CORE BUSINESSES TO GROUP NET BANKING INCOME** (% rounded)

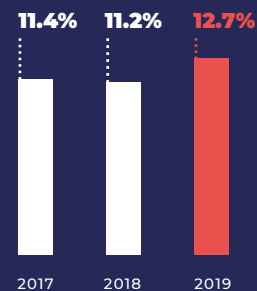


## COST CONTROL AND INCREASED SOLIDITY

**OPERATING EXPENSES** (€ bn)

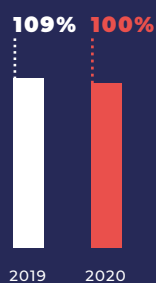


**COMMON EQUITY TIER 1 RATIO** (%)

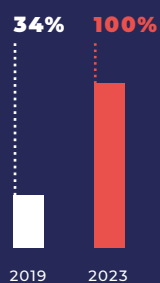


## SOCIETE GENERALE, COMMITTED TO A SUSTAINABLE FUTURE

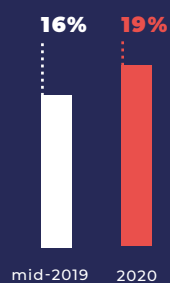
**FIGHTING CLIMATE CHANGE**



**Objective of €100bn** to support the energy transition 2016-2020

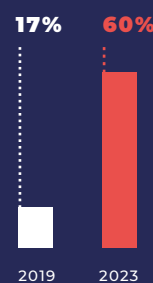


**Objective of €120bn** to support the energy transition 2019-2023



Limit the percentage of coal in the electrical energy mix **to 19%**

**GROW WITH AFRICA**



**60% growth in loans granted to African SMEs** by 2023 (+17% at the end of 2019 vs. 2018)





## FRENCH RETAIL BANKING

# HIGH-PERFORMING RETAIL BANKING NETWORKS IN A DEMANDING ENVIRONMENT

**Societe Generale is the fourth largest retail bank in France. Net banking income<sup>(1)</sup> rose by a slight increase of 0.3%, higher than targeted against a backdrop of low interest rates and transformation of the branch networks. This solid performance reflects the far-reaching transformation underway in the French Retail Banking business lines and the efficiency of growth drivers focused on expertise and increasingly customised solutions for the target client base.**

French Retail Banking offers a wide range of products and services adapted to the needs of a diverse customer base of individuals, professionals, businesses, not-for-profit organisations and local authorities. Drawing on the expertise of almost 35,000 members of staff, a successful multi-channel structure, shared best practices, and increasingly digitised processes, French Retail Banking combines the strength of three brands: Societe Generale, a leading French bank; Crédit du Nord, which draws on its regional banking network business model; and Boursorama Banque, the leader in online banking in France. In a still unfavourable environment of low interest rates, French Retail Banking achieved a solid performance. Outstanding balance sheet deposits rose 4.4% compared to the end of 2018, driven by demand deposits. The retail banking networks continued to support the French economy and help their

customers with their projects, with average outstanding loans up 6.4% compared with the end of 2018.

French Retail Banking is building its business with High Net Worth and Private Banking clients, with an increase in the number of customers of around 1% compared to the end of 2018. Private Banking's net inflows remained strong at approximately €4.2bn for the year, bringing Assets under Management to €68.8bn at 31 December 2019. Relationships with business customers continue to strengthen, with the number of customers up by around 1% compared to 31 December 2018. The business remains buoyant. Life Insurance registered net inflows of approximately €1.7bn for the year. Personal Protection Insurance is also on an upward trend, with a market penetration rate of 21.8% in 2019, up approximately 60 basis points compared to 2018. The Group is continuing to adjust its operations in parallel with its digital transformation. Societe Generale's retail banking customers are making greater use of digital tools, with 57% of customers active on digital platforms. Societe Generale continues to deploy its dedicated organisation for business and professional clients and, at the end of December 2019, had 19 dedicated regional business centres, 116 PRO centres in its banking branches and 10 dedicated PRO centres.

**“Attentive to their clients’ needs, the French Retail Banking teams are contributing significantly to the Group’s performance against a backdrop of major change.”**

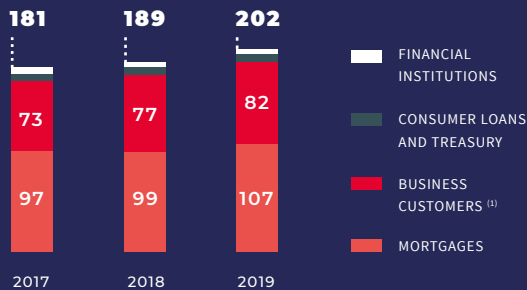
**PHILIPPE AYMERICH**  
Deputy Chief Executive Officer

(1) Excluding provisions for PEL/CEL home savings accounts.



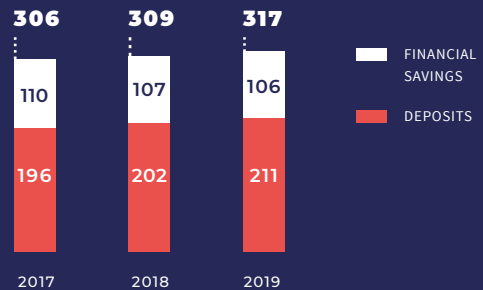
## ROBUST FRENCH RETAIL BANKING IN 2019

NET AVERAGE OUTSTANDING LOANS  
(€ bn)



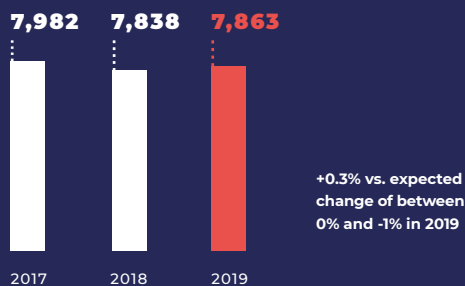
(1) SMEs, professionals, local authorities, large corporations, and associations, including foreign currency loans.

AVERAGE CUSTOMER DEPOSITS AND FINANCIAL SAVINGS  
(€ bn)

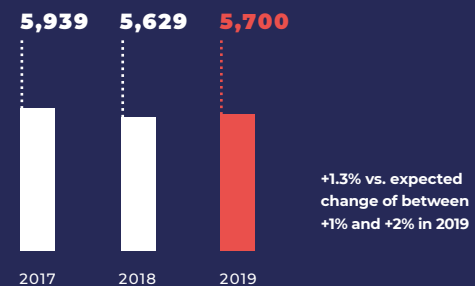


## RIISING REVENUE AND COSTS UNDER CONTROL

NET BANKING INCOME EXCLUDING  
PEL/CEL HOME SAVINGS ACCOUNTS (€ bn)

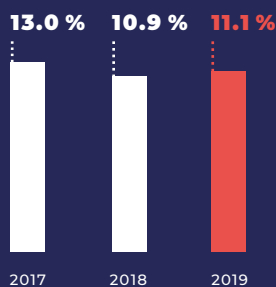


OPERATING EXPENSES  
(€ bn)



## RESILIENT PERFORMANCE

UNDERLYING RONE<sup>(2)</sup>



(2) Return on Normative Equity. Adjusted for exceptional items.



### FIND OUT MORE

► Universal Registration Document 2020, Chapter 2  
► [www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results](http://www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results)



## INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

# REGIONS AND BUSINESSES FULL OF OPPORTUNITIES

**International Retail Banking and Financial Services posted revenue growth of +4.6%<sup>(1)</sup> (+0.7% at current scope), with good commercial momentum offsetting revenue attrition from disposals completed during the year.**

International Retail Banking and Financial Services includes the Group's retail banking activities in Europe, Russia, Africa, the Mediterranean Basin and Overseas French territories, and three specialised business lines: insurance, vehicle leasing and fleet management, and professional equipment financing. With the completion of eight disposals in Central and Eastern Europe in 2019, this core business continued to streamline its model for growth.

With Net Banking Income (NBI) of €8.4bn, revenue from International Retail Banking and Financial Services continued to grow, marked by strong commercial performance across all business lines and regions, offsetting the impact of disposals.

### INTERNATIONAL RETAIL BANKING

Most International Retail Banking activities are located outside the eurozone and as such they offer stronger growth potential as well as a more favourable interest rate environment.

This network of local banks confirmed its role as a growth driver for the core business, with revenues up 5.6%<sup>(1)</sup>, driven by good

momentum across all regions. Over the year, the cost of risk remained low at 43 basis points, despite a slight deterioration in the cost of risk in Africa and, to a lesser extent, gradual normalisation in Europe and Russia.

### INSURANCE

Insurance activities combine an integrated *Bancassurance* business model in France and Life Insurance and Personal Protection Insurance services outside France. Revenues increased by 2.5%<sup>(1)</sup> in 2019. All activities performed well commercially. The share of unit-linked Life Insurance in outstandings at the end of December 2019 was up 3.4 points compared to the end of 2018. The Personal Protection and Property and Casualty Insurance activities also posted steady growth, with an increase in premiums of around 8.6% compared to 2018.

### FINANCIAL SERVICES FOR CORPORATES

With a more than 3%<sup>(1)</sup> increase in Net Banking Income in 2019, these activities confirmed their strong commercial momentum. The vehicle leasing and fleet management business line posted 6.1% growth in its fleet in 2019, which now totals 1.8 million vehicles. The professional equipment financing business recorded a 2.5%<sup>(1)</sup> increase in outstanding loans in 2019 to €18.5bn (excluding factoring).

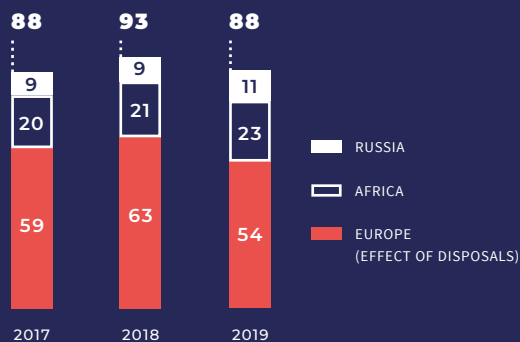
**“Once again,  
our international locations  
and specialised business  
lines confirmed their  
momentum and strength.”**

**PHILIPPE HEIM**  
Deputy Chief Executive Officer

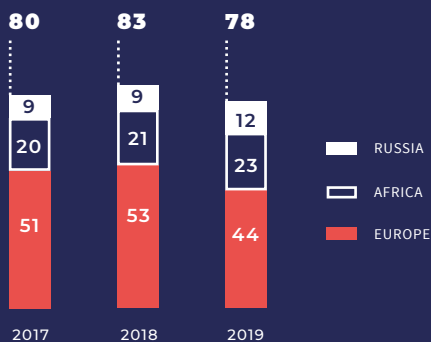
(1) At constant scope and exchange rates.

## STRONG COMMERCIAL PERFORMANCE

**OUTSTANDING LOANS**  
(€ bn)

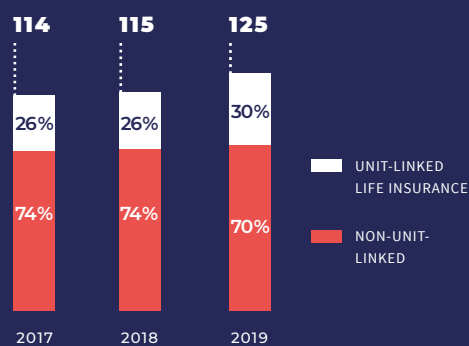


**DEPOSITS**  
(€ bn)

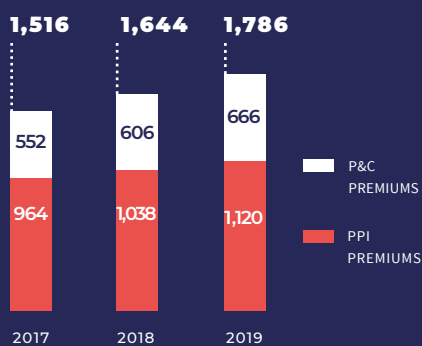


## OPPORTUNITIES IN INSURANCE AND FINANCIAL SERVICES

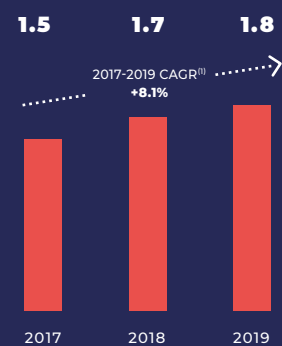
**BREAKDOWN OF OUTSTANDINGS AND PERCENTAGE OF UNIT-LINKED LIFE INSURANCE POLICIES** (€ bn)



**PERSONAL PROTECTION AND PROPERTY AND CASUALTY INSURANCE** (€m)



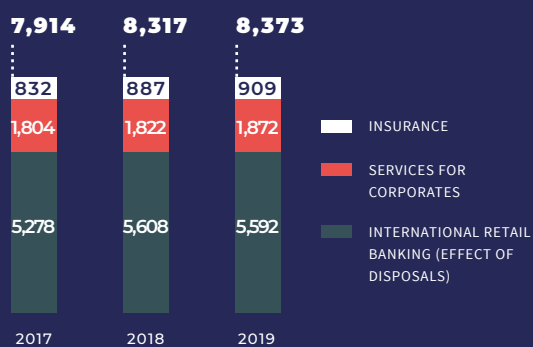
**NUMBER OF VEHICLES MANAGED BY ALD AUTOMOTIVE** (millions)



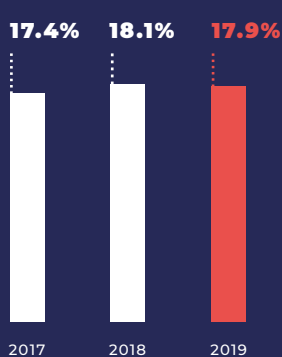
(1) CAGR: compound annual growth rate.

## A HIGH LEVEL OF PROFITABILITY

**BREAKDOWN OF NET BANKING INCOME** (€m)



**UNDERLYING RONE<sup>(2)</sup>**



(2) Return on Normative Equity. Adjusted for exceptional items.



### FIND OUT MORE

► Universal Registration Document 2020, Chapter 2  
► [www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results](http://www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results)





## GLOBAL BANKING AND INVESTOR SOLUTIONS

# RAPID TRANSFORMATION

**In 2019, Global Banking and Investor Solutions successfully executed its restructuring plan, meeting the financial targets it had set.**

Adjusted for the impacts of restructuring (businesses in the process of being closed down or scaled back), the cost of reducing exceptional Risk-Weighted Assets (RWA) and the sale of Private Banking in Belgium, Net Banking Income was up 0.9% compared to 2018. The target of reducing RWA by €10bn by 2020 was met in the third quarter of 2019. Cost savings of 44% have been achieved, compared to a target of between 20% and 30%, and all costs are locked in for 2020.

Global Banking and Investor Solutions are at the heart of economic flows between issuers and investors, offering integrated and tailored solutions to large corporates, investors and private clients. In response to the challenging environment and new regulatory constraints, the Group focused its Corporate and Investment Banking model on its areas of strength, where it has lasting competitive advantages that set it apart from its peers.

### GLOBAL MARKETS AND INVESTOR SERVICES

Societe Generale offers global, integrated access to the increasingly interconnected financial markets with a leading-edge vision and cross-asset solutions. In 2019, the Group reorganised its Market Activities to make them more profitable, primarily by refocusing its cash flow/cash flow derivatives activities, particularly in the Fixed Income, Credit, Currencies and Prime Services businesses. The proprietary trading subsidiary was closed and the OTC commodities business is also in the process of being closed.

### FINANCING AND ADVISORY

The Bank is developing strategic global relationships with large corporate clients and offers integrated solutions including Merger and Acquisition (M&A) advisory, equity financing, structured financing, capital-raising operations, risk hedging and flow and/or payment management services.

Driven by the strong commercial momentum in Global Finance, the continued expansion of the Asset Backed Products platform and the excellent performance of the Transaction Banking business, revenues for 2019 were up 3.3% over 2018, despite the cost of an exceptional transaction to reduce RWA.

### ASSET MANAGEMENT AND PRIVATE BANKING

The Group is capitalising on the expertise of Lyxor, the European specialist in passive, active and alternative asset management, to meet tomorrow's challenges. Assets under Management reached a record €149bn at 31 December 2019, up 26.1% year-on-year, including €17bn from the integration of Commerzbank's assets. At the end of December 2019, Private Banking's Assets under Management rose by 5.3% year-on-year, despite the disposal of the Private Banking business in Belgium.

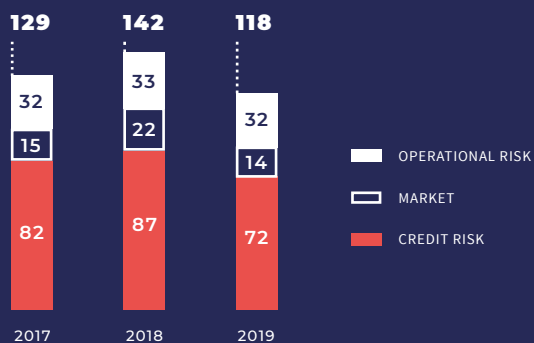
**“2019 was a year of radical transformation at GBIS, when we strengthened our qualities as a pioneering and responsible relationship-focused bank. Our priority is to continue to better serve our clients to build a sustainable and fairer world together.”**

**SÉVERIN CABANNES**  
Deputy Chief Executive Officer

## A BUSINESS PORTFOLIO REFOCUSSED ON OUR CORE FRANCHISES

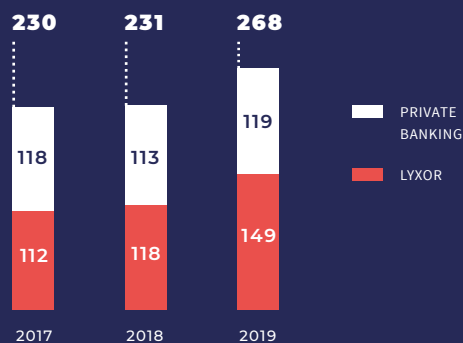
### RISK WEIGHTED ASSETS

(€ bn)



### ASSETS UNDER MANAGEMENT

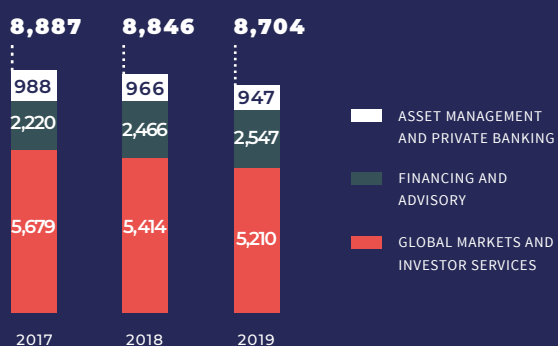
(€ bn)



## AN ADJUSTED STRUCTURE WITH CORE FRANCHISES RETAINED

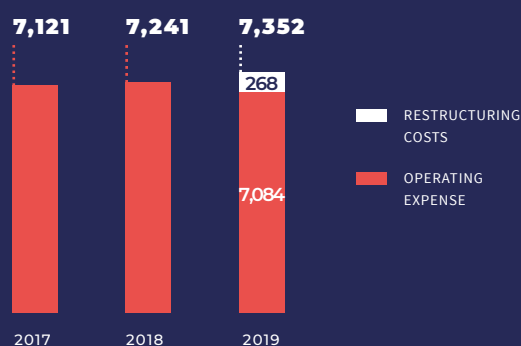
### BREAKDOWN OF NET BANKING INCOME

(€m)

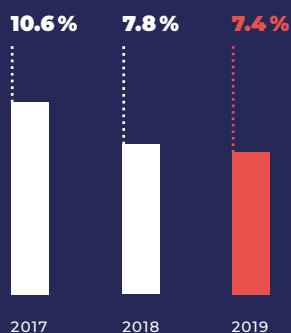


### OPERATING EXPENSES

(€m)



### UNDERLYING RONE<sup>(1)</sup>



(1) Return on Normative Equity. Adjusted for exceptional items



### FIND OUT MORE

> Universal Registration Document 2020, Chapter 2  
 > [www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results](http://www.societegenerale.com/en/measuring-our-performance/information-and-publications/financial-results)









## OUR POSITIVE IMPACTS

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By helping our individual and corporate clients realise their sustainable projects, supporting the energy transition, developing regions and Africa, and promoting inclusion for all, we are working to build the world of tomorrow. For nearly 30 years, Societe Generale has been committed to social development and civil responsibility activities through its Foundation, corporate philanthropy and sponsorship activities.





# RESPONSIBLE AND INNOVATIVE FINANCIAL SOLUTIONS TO SUPPORT OUR CLIENTS

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**By drawing on our expertise in financial engineering and innovation, we have incorporated sustainability criteria into our range of financial solutions to support our clients in this area and involve them in our sustainable development commitments.**

To promote activities with a positive impact on the development of the economy and society, Societe Generale has developed an offer in the spirit of the United Nations Sustainable Development Goals (SDGs).

This offer consists of Sustainable and Positive Impact Finance (SPIF) products dedicated to financing the economy and businesses, and a range of Sustainable and Positive Investment (SPI) products that give our clients the opportunity to invest in sustainable development areas.

Our Positive Impact Finance offer is available for all sectors of the economy and covers climate issues in addition to social and societal aspects.

Thanks to our diversified and integrated model, all the Group's Business Units have been involved in this offer and make it available to their customers.

As a responsible bank, Societe Generale chooses to support its customers, whether or not they satisfy all of today's sustainability criteria, in order to guide them towards a fair, environmentally friendly and inclusive transition.

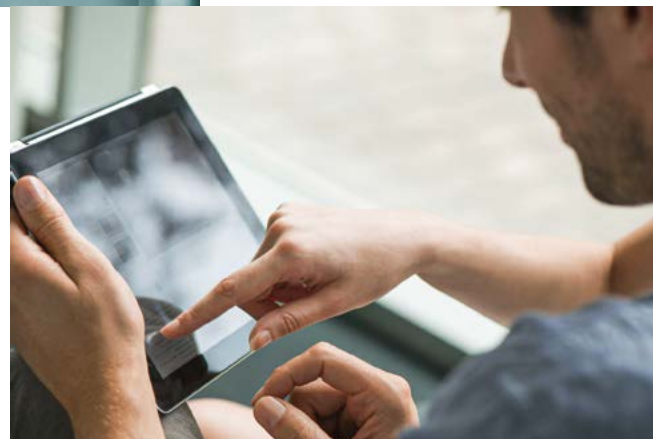


## FIND OUT MORE

- Universal Registration Document 2020, Chapter 5
- <https://www.societegenerale.com/en/commitments-to-the-fight-against-climate-change>

## CSR, A SOURCE OF FINANCIAL INNOVATION

Financial innovation at Societe Generale is based on the dual objective of taking into account the growing concerns of its clients regarding environmental and social issues, and supporting them with their objectives as a responsible bank. The Group innovates by incorporating environmental factors into its products. To cite a few examples, the Group set up the first interest rate and currency hedge tied to environmental indicators for ENEL, the Italian energy company, and signed an extension to a line of credit with Gecina, a leading European office real estate company, authorising an adjustment to the interest rate on a loan granted by the Group based on achieving environmental and social objectives. In the field of solidarity, Societe Generale launched, in partnership with the not-for-profit startup EPIC, Hedge to Pledge, an unprecedented initiative that allows large corporate clients to donate to social organisations through a process of rounding up their foreign exchange transactions.



## CSR CRITERIA INTEGRATED INTO OUR FINANCIAL SOLUTIONS

Societe Generale Corporate and Investment Banking is one of the first market players to expand its independent research to include a systematic study of environmental, social and corporate governance (ESG) considerations in its stock analysis.

Societe Generale Assurances also incorporates ESG criteria into its investment policy. These criteria are used, alongside the credit rating and the financial rating, to guide stock selection and determine whether these stocks should be retained in the portfolio or excluded. At the end of 2019, nearly €87.7bn in Assets under Management were rated according to ESG and carbon criteria.

In conjunction with the integration of ESG criteria into its responsible investment strategy, LYXOR, the European asset management specialist, takes climate issues into account as an integral part of its responsible investment policy, which covers more than 400 investment vehicles, and discusses them in its Climate Policy, published in 2019.

## RECOGNISED EXPERTISE

According to IJ Global<sup>(1)</sup>, the Bank is ranked No. 2 in the global ranking of financial advisers for renewable energy projects.

The Group also received the Best House ESG award for its 2019 activities as part of the 2020 Structured Retail Products Europe Awards for its commitment and innovation in ESG management.

(1) A leading online database for transactions, infrastructure funding and project finance.





# POSITIVE CLIMATE ACTION SUPPORTING A FAIR, ENVIRONMENTALLY FRIENDLY AND INCLUSIVE TRANSITION

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**Determined to play a key role in the fight against climate change, we set ourselves the objective of supporting our clients with their own ecological transition. To lead by example, we also enforce targets to reduce our own greenhouse gas emissions and improve our energy performance.**

## **INCREASED COMMITMENTS IN 2019**

Aware that the fight against climate change is a collective effort, Societe Generale has joined the UNEP FI Collective Commitment on Climate, inspired by the Katowice Commitment, alongside 34 other banks. As such, over the next three years, the Group is committed to establishing and disclosing alignment targets for its loan books in line with the objectives of the 2015 Paris Agreement for a low-carbon and climate-resilient society. The commitment announced in 2019 to eliminate its exposure to the thermal coal sector by no later than 2030 for companies with assets in the European Union and the OECD, and by 2040 in the rest of the world, and the signing of the Poseidon Principles for the decarbonisation of maritime transport are some of the examples.

Societe Generale has also joined the Hydrogen Council, which brings together 81 international companies contributing to the development of hydrogen to aid the energy transition. The Bank is committed to providing its expertise in innovative financing and energy advisory to help develop the “low carbon” hydrogen solutions of tomorrow.

## **SUSTAINED EFFORTS RECOGNISED BY THE INTERNATIONAL COMMUNITY**

RobecoSAM’s<sup>(1)</sup> annual CSR ranking places Societe Generale first worldwide in terms of its environmental action and sixth in Europe for its overall CSR policy, out of a total of 175 banks analysed in 2019.

Furthermore, in 2019, Autonomous Research, the leading research provider on financial companies, cited the Bank’s first TCFD<sup>(2)</sup> report as Best in Class. This report tracks all of Societe Generale’s commitments and achievements in climate strategy.

(1) An investment company dedicated exclusively to sustainable investment.  
(2) Task Force on Climate-related Financial Disclosures.



## POSEIDON PRINCIPLES: TOWARDS GREENER SHIPPING



### VIEWPOINT BY PAUL TAYLOR

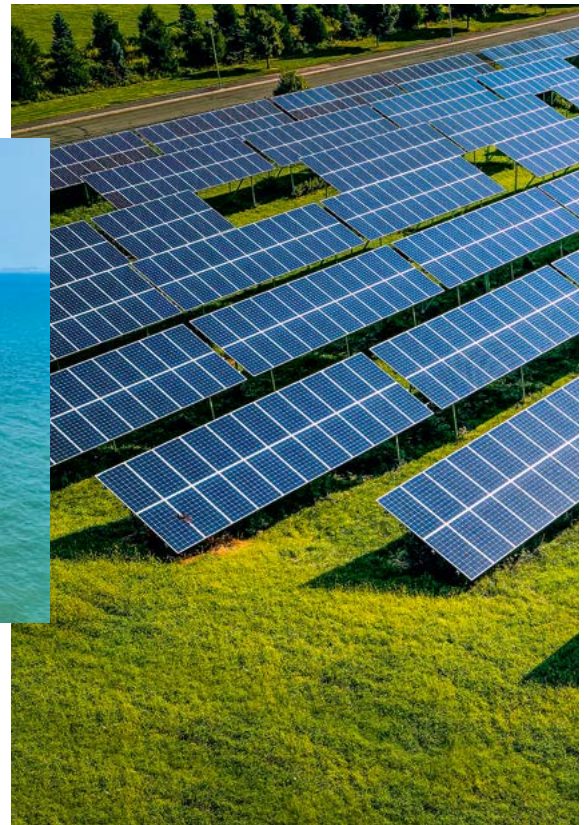
Global Head of Maritime  
& Offshore Transport  
at Societe Generale

#### How can Societe Generale and the Poseidon Principles contribute to a better future?

“Since June 2019, Societe Generale has been one of the 11 founding banks of the Poseidon Principles, under which major financial players in global shipping are committed to incorporating climate concerns into their lending decisions.

It is important to emphasise that financial institutions will increase the availability of liquidity in the future, including structured finance solutions, to support new investments in ships that comply with the “green” energy transition, such as vessels fuelled by Liquefied Natural Gas (LNG), methanol, ammonia, hydrogen, etc.

Under these principles, it is our responsibility to ensure that climate considerations become an essential part of the lending process. In addition, thanks to better communication with customers on the efficiency of existing ships in our portfolios, we are able to work towards the future refinancing of these vessels. It is not a matter of discriminating against older vessels, but of ensuring that their efficiency is the key consideration of future refinancing. If the Poseidon Principles were to become the market standard, they would greatly help the maritime transport sector achieve the International Maritime Organisation’s (IMO) goals, by reducing greenhouse gas emissions by 50% by 2050.”



## ACHIEVING OUR COMMITMENTS IN SUPPORT OF THE ENERGY TRANSITION

Societe Generale achieved its target, announced in 2017, of raising €100bn to promote the energy transition one year ahead of schedule. As such, we took the decision to continue this action with a new commitment of €120bn to promote the energy transition by 2023 (target 34% met in 2019).

The Group exceeded its target of limiting the percentage of coal in the financed energy mix to 19% by the end of 2020, reducing it to 16.3% in mid-2019. The dual commitment made by Societe Generale to reduce its greenhouse gas emissions by 25% per occupant and to increase energy performance by 25% per occupant of its buildings in 2020 compared with 2014 was also achieved as of December 2019, one year ahead of schedule.



### FIND OUT MORE

- › Universal Registration Document 2020, Chapter 5
- › [www.societegenerale.com/en/commitments-to-the-fight-against-climate-change](http://www.societegenerale.com/en/commitments-to-the-fight-against-climate-change)





# ENGAGING WITH NEW SOCIAL TRENDS

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**While the historical presence of the brick-and-mortar network of bank branches becomes a network of online presence, new opportunities are emerging for contributing to the development of local ecosystems.**

**We are committed to positive transformations of local regions by supporting entrepreneurship, contributing to the development of sustainable cities and the growth of “green” mobility solutions.**

## **SUPPORTING ENTREPRENEURSHIP**

Ever since our foundation, Societe Generale has been working to support professionals and businesses at every stage of their business cycle.

With a view to maintaining close relationships with our customers, the Group has strengthened its local network by creating regional centres dedicated to business customers. It is also working hard to make the day-to-day lives of its business customers easier, for example launching a dedicated instant payment solution in 2019. Money is transferred in 10 seconds enabling the immediate payment of a supplier upon delivery, the correction of a mispayment or the refund of a customer payment when their purchase is returned.

In France, Societe Generale is the first bank to offer all its customers an instant payment service within the entire Single Euro Payments Area (SEPA). Responsive and committed, the Bank was able to immediately offer its professional and business clients a State-guaranteed loan to help manage the financial impacts of the Covid-19 health crisis.

## **INVENTING THE CITIES OF TOMORROW**

Aware of the major challenges facing the cities of tomorrow, the Group is furthering its investments in response to environmental and social challenges in innovative ways. Societe Generale is a founding partner in the international training and certification programme Netexplo Smart Cities Accelerator, which aims to provide relevant analyses on the challenges posed by the development of connected cities concerned about their environmental footprint. Societe Generale Assurances prioritises highly energy efficient real estate investments.

## **DEVELOPING SUSTAINABLE MOBILITY**

ALD Automotive, Societe Generale's subsidiary and leading European vehicle leasing and fleet management company, aims to create the conditions for sustainable mobility and regularly increases the share of hybrid or electric vehicles in its fleet. The company is developing innovative offers in vehicle sharing and digital technology, joining the Mobility as a Service (MaaS) movement and offering business car-sharing solutions in many European countries.





## LAVILLEE+: A NEW VISION OF THE CITY OF TOMORROW

Societe Generale launched the startup LaVilleE+® to co-create the human, inclusive and sustainable city of tomorrow. LaVilleE+® offers strategic advice to its public and private clients. With a vision and methodology that are unique in the real estate world, it relies on an impact-based approach, game-based consultations and a holistic vision of the challenges facing the city of tomorrow.

**“LaVilleE+® is a startup hosted at one of Societe Generale's incubators as part of its intrapreneurship programme. It consolidates the Group's ambition to affirm itself as a major player in the real estate world, capable of participating in the construction of the smart, inclusive and sustainable cities of tomorrow.”**

### ÉRIC GROVEN

Head of the Real Estate division of French Retail Banking activities and Chairman of Sogeprom



### FIND OUT MORE

► Universal Registration Document2020, Chapter 5  
► [www.societegenerale.com/en/measuring-our-performance/csr/societal-trends-and-innovations](http://www.societegenerale.com/en/measuring-our-performance/csr/societal-trends-and-innovations)

## ALD AUTOMOTIVE AND E.ON COMMIT TO SUSTAINABLE MOBILITY

ALD Automotive and E.ON, one of Europe's leading energy providers, have signed a strategic partnership to market e-mobility solutions in Europe in support of the transition to electric vehicles.

An electric car rental service for E.ON's retail customers was launched jointly in Denmark. In Norway, a pioneer in electric vehicles, the two partners have an offer dedicated to corporate vehicle fleets.



# 150,000

HYBRID OR ELECTRIC VEHICLES  
IN ALD AUTOMOTIVE'S VEHICLE  
FLEET AT THE END OF 2019  
(+50% VS. 2018)

# 57,000

BUSINESSES UNDER 3 YEARS  
OLD SUPPORTED BY SOCIETE  
GENERALE

# €2.5bn

IN FINANCING DEDICATED TO  
THE GRAND PARIS PROJECT



# SUPPORTING GROWTH IN AFRICA

**Thanks to our unique position in Africa, the result of a long history dating back nearly a century, we support the continent in a fair, environmentally-friendly and inclusive manner. Our ambition is to contribute to sustainable development in Africa.**

Convinced that Africa's demographic development is one of the major subjects of this millennium, the Group is committed to driving positive transformations on the African continent. Present in 19 countries, from the Mediterranean to southern Africa, Societe Generale supports local economies by supporting all types of clients. In 2019, this commitment to sustainable and responsible development in Africa was recognised with Societe Generale named Africa's Best Bank for Corporate Responsibility by *Euromoney* magazine.

## GROW WITH AFRICA

The actions that lead to realising this ambition are implemented through the four pillars of the Grow with Africa initiative, launched at the end of 2018.

The Group has adapted its activities to better **support SMEs**, which are vital to Africa's economic development. As a result, the Bank decided to increase loans to SMEs by 60%. Collaboration with several international partners (AFD-Proparco, Bpifrance, I&P, Réseau Entreprendre, etc.) means that, moving beyond simple financing, we can work together to remove the obstacles standing in the way of business creation and development.

Support is provided by dedicated *Maisons de la PME* (SME centres), of which there were seven at the end of 2019, in seven countries in sub-Saharan Africa. In these centres, local entrepreneurs receive advice, training, mentoring and more.

**The infrastructure financing** provided by the Group covers several strategic sectors, including energy, transport, the environment (water and waste), telecoms and 'social infrastructure' involving education and health.

By supporting governments in developing their infrastructure, the Group encourages the growth of local economies in the medium term while incorporating urbanisation issues and a 'sustainable cities' approach.

Societe Generale makes its expertise and abilities available to its partners to help **the farming and renewable energy sectors**.

The Group recently provided €18 million in financing, partly guaranteed by the African Development Bank and Crédit Agricole CIB, for the purchasing of individual solar power kits by private households in the Côte d'Ivoire. This project seeks to provide access to electricity for more than 100,000 rural households, thereby greatly improving their quality of life.

In order to consolidate its action promoting **financial inclusion**, the Group is developing alternative banking models aimed at helping the flow of money between people on this continent where access to banking services is limited. By providing lines of credit, it also helps to meet the financing needs of microfinance institutions and, more broadly, positions itself as a banking partner for the institutions it supports.

**4.1m**

CUSTOMERS  
IN AFRICA  
(+8% VS. 2018)

**5**

NEW SME CENTRES  
LAUNCHED IN 2019



## SUPPORTING WOMEN, THE KEY PLAYERS DRIVING GROWTH IN AFRICA

Societe Generale has a long history of working alongside women in Africa. The Group supports several initiatives aimed at enhancing their place in the professional world, such as the Women in Africa Foundation Project 54, which aims to support and promote 54 women entrepreneurs from the 54 African countries. Also, with regard to the digital sector, Societe Generale is at the forefront of the *SmartCodeuses* (Smart female coders) programme, which promotes technological initiatives and provides training for young female candidates. The Group has also been a sponsor of Africa Women 4 Tech, a forum dedicated to the promotion of women in the digital world. As an employer, the Group launched the Diversity for Africa programme to ensure gender balance in the company.



## “WATER FOR ALL”

In the Côte d’Ivoire, Societe Generale lent its support to the national Water for All programme by arranging €253 million in financing for the construction of one of the largest drinking water plants in West Africa. This project was awarded the 2019 TFX award for the year’s best sustainable operation supported by an export credit agency (ECA).



## FIGHTING INFECTIOUS DISEASES

In 2019, Societe Generale signed a three-year partnership Memorandum of Understanding with the Global Fund to Fight AIDS, Tuberculosis and Malaria. The Bank is committed to using its experience and resources to strengthen the financial skills and the entrepreneurial capacities of African women with the aim of making them more self-reliant and enhancing their contributions to health programmes.

**60%**

INCREASE IN  
OUTSTANDING LOANS  
TO AFRICAN SMEs BY  
2023 (17% OF THE TARGET  
REACHED IN 2019)

**19**

MICROFINANCE  
INSTITUTIONS ARE CLIENTS  
OF THE GROUP’S AFRICAN  
SUBSIDIARIES, WITH A  
FUNDING COMMITMENT  
OF €75.2M

**OVER  
1.4m**

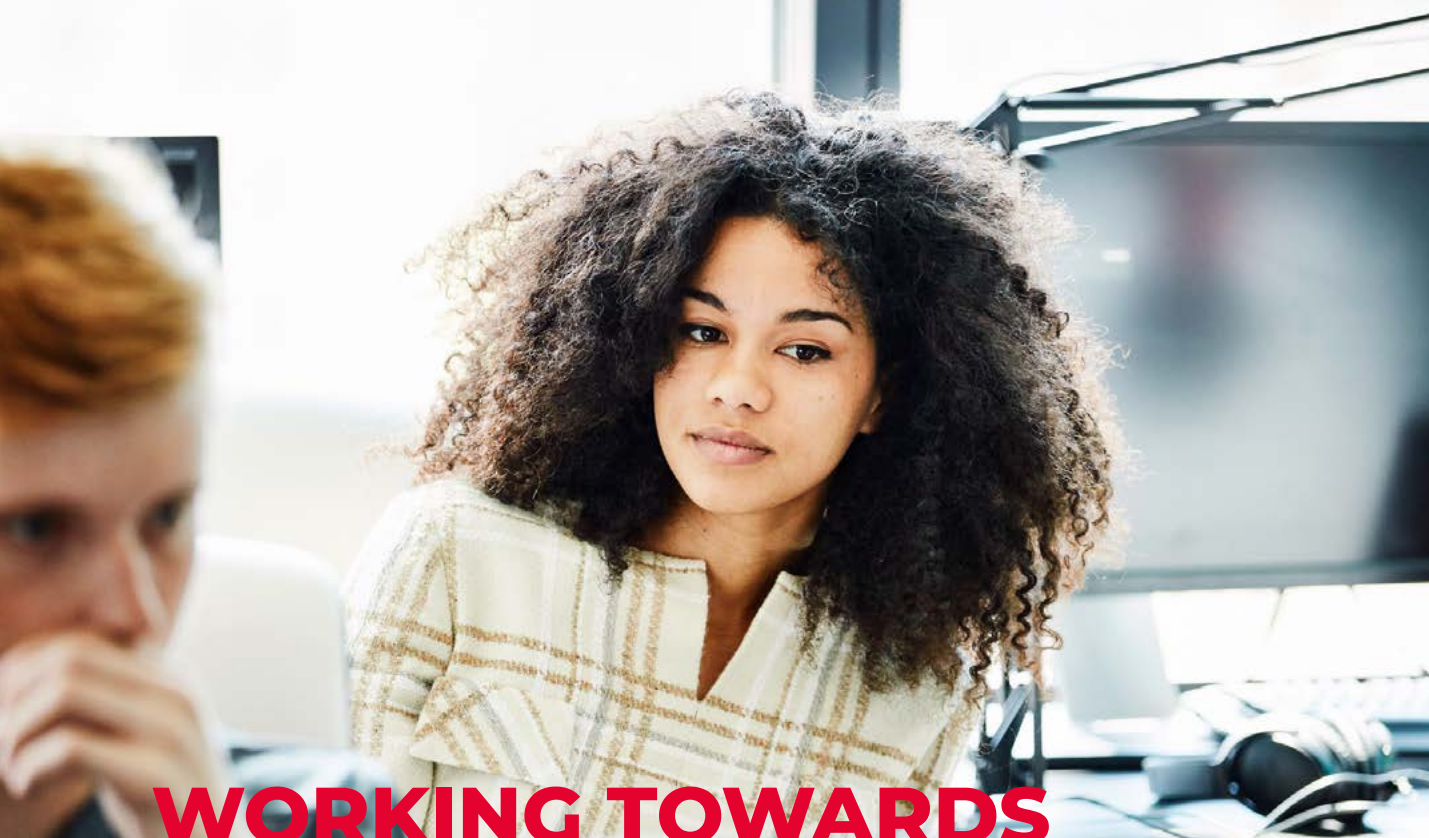
YUP CUSTOMERS IN SIX  
COUNTRIES BY THE END  
OF 2019 (EXCEEDING THE  
TARGET OF ONE MILLION  
CUSTOMERS)



### FIND OUT MORE

- Universal Registration Document 2020, Chapter 5
- [www.societegenerale.africa/en/](http://www.societegenerale.africa/en/)





# WORKING TOWARDS A MORE INCLUSIVE SOCIETY

**To provide as many people as possible with the resources to make a positive impact for the future. This is Societe Generale's ambition to bring new hope, build alternative perspectives and make responsible commitments sustainable.**

## DISCOVERING THE WORLD OF WORK

A long-standing partner of the *Journées nationales des jeunes* (National Youth Days) programme in France, which provides a link between education and business, the Bank contributed to the 8th edition of this annual event, this year dedicated to self-esteem. In addition, through the *Mon premier stage* (My first internship) programme, which aims at promoting equal opportunities, Societe Generale has promised to offer 2,000 internships to young people from disadvantaged urban areas in France.

On these occasions, the Group opens its doors to young people by offering them a series of meetings and workshops on the topics of cybersecurity, financial education, learning how to code and sustainable mobility. These themes are designed to raise awareness about the skills of tomorrow and help plan for their future professional careers.

## CONTRIBUTING TO SUSTAINABLE VOCATIONAL INTEGRATION

The embodiment of the Group's faith in the future, the Societe Generale Corporate Foundation acts in accordance with two pillars, both in France and abroad: vocational integration by supporting organisations that help guide vulnerable groups towards

employment, and social integration through the education of young people via educational, cultural or sports programmes.

The Foundation offers a wide range of ways for staff to be socially engaged, allowing them to share their skills in a beneficial and supportive manner while giving meaning to their professional work. For example, the Senior Part-Time scheme allows those staff approaching retirement, and with ten years of employment at the Group, to work part-time within an association they value, while remaining employed by the Group.

A highpoint of the Group's solidarity commitment, the annual Citizen Commitment Time event gives staff the opportunity to strengthen and build on their social commitment with a partner association in a number of ways, including donations, sports challenges and other fun activities. In 2019, nearly 11,000 members of staff took part in more than 30 countries



### FIND OUT MORE

- Universal Registration Document 2020, Chapter 5
- [www.fondation-solidarite.societegenerale.com/en](http://www.fondation-solidarite.societegenerale.com/en)
- [www.societegenerale.com/en/about-us/commitments](http://www.societegenerale.com/en/about-us/commitments)



## LOCAL CITIZEN INITIATIVES IN AFRICA

Encouraging vocational integration, promoting social innovation and encouraging women to become entrepreneurs are all objectives pursued by the Societe Generale Foundation in Africa. In total, €666,500 in grants was awarded to 15 projects on the continent. To provide further subsidiaries for local citizen initiatives, in 2019 the Foundation set up the PanAfrican Charity Awards, a programme for which the 17 African entities of the Group were invited to present a project from one of their local partner associations. Out of the ten nominations submitted, three associations received an endowment from the Foundation.



## DIGITAL TECHNOLOGY HELPING THE SOCIAL INCLUSION OF REFUGEES

Given that the majority of jobs require a minimum level of digital skills, Konexio, supported by the Societe Generale Corporate Foundation, offers digital training to refugees in France, to help equip them with basic digital technology skills and make them self-reliant. Konexio also involves its partner companies through coaching or mentoring modules. Societe Generale also participates in this area and encourages its staff to do likewise, particularly during workshops to help write CVs. Convinced of the importance of digital technology as a route towards integration, the Foundation also supports the ReDI School of Digital Integration in Germany, which allows young people from immigrant families or disadvantaged backgrounds to acquire basic computer skills free of charge.

**1,105**

NOT-FOR-PROFIT  
PROJECTS SUPPORTED  
BY THE FOUNDATION  
SINCE ITS CREATION IN  
2006, IN **33 COUNTRIES**,  
FOR A TOTAL OF  
**€31 MILLION**

**€1 RAISED  
=  
€1 MATCHED**

BY SOCIETE GENERALE ON  
THE ULULE PLATFORM, FOR  
THE 12 PROJECTS SELECTED  
DURING THIS FIRST YEAR  
OF PARTNERSHIP

**80%**

OF PEOPLE TRAINED IN  
DIGITAL PROFESSIONS  
AS PART OF THE SIMPLON  
PROJECT FIND A JOB  
WITHIN 6 MONTHS

**21,476**

STAFF MEMBERS TOOK  
PART IN SOLIDARITY  
INITIATIVES IN 2019  
(UP BY 15%)



# COMMITMENT AT THE HEART OF OUR VALUES

**Contemporary art, classical music, sport... beyond our banking profession and through a range of different initiatives the Group consistently expresses one of its core values, Commitment.**

## **A LEADING PATRON OF MUSIC**

In over 30 years, Societe Generale's Mécénat Musical association has become one of the leading patrons of classical music in France. By doing so, the Group has built a reputation that goes well beyond its financial commitments. Supporting music also means encouraging promising young talent through scholarships and the loaning of instruments. The Group also supports musical ensembles and artists, with the aim of bringing musical culture to new audiences.

In 2019, the Group made an entry into the electronic music scene by forming a partnership with the French electronic music producer and artist, Rone, the philharmonic orchestra *Les Siècles* and 19 amateur musicians who are also Societe Generale staff members to perform the electronic symphony *Motion*, based on the brand music of Societe Generale.

## **SHARING CONTEMPORARY ART**

Societe Generale's relationship with contemporary art dates back 25 years. Counting more than 1,200 works of art produced by both young and established talent, including French and international artists alike, its contemporary art collection is the embodiment of the Group's support for artists of all generations and from all walks of life. The Collection was curated in parallel with a desire to share it with the general public, and in particular young people.

Guided tours, educational workshops, artistic projects and a growing profile on social media have all contributed to the long-term realisation of this commitment.

## **WORKING ALONGSIDE DISABLED SPORT**

A partner of the *Fédération française handisport*, or FFH, (French Disabled Sport Federation) since 2003, Societe Generale recently extended its support until 2022. A highpoint of this commitment is the Paralympic Games, notably through the active support of the French national teams. The Group is also present alongside the FFH in sponsoring local events and clubs. The Group supports leading athletes such as Marie Bochet, the French eight-time Paralympic skiing champion; Perle Bouge, second place Paralympic paragliding champion; and Jonathan Hivernat, captain of the French wheelchair rugby team.



## **FIND OUT MORE**

► [www.societegenerale.com/en/about-us/commitments](http://www.societegenerale.com/en/about-us/commitments)

# SOCIETE GENERALE AND RUGBY: A LONG-TERM PARTNERSHIP

**Engaged in the development of rugby for decades, we want to share our passion with as many people as possible.**

## COMMITTED TO ALL KINDS OF RUGBY

Societe Generale and rugby have a long history together. In 1924, the Bank made its first commitment to rugby and its sense of team spirit. Since then, the partnership has continued to grow stronger. The 2019 World Cup in Japan was the opportunity for the Group and its staff, clients and children from around the world to experience some truly exceptional rugby matches.

## SHARING THE VALUES OF SPORT

The Group's partnership with the French Rugby Federation (FFR) gives Societe Generale the occasion to fly its colours in every rugby-playing nation and to associate its values with those of rugby in France and around the world. The Group's Ambassador Days see players, referees and coaches from the French Top 14 rugby league and the second division Rugby Pro D2 to go out and meet the fans and fly the banner of sportsmanship. A supporter of university rugby, Societe Generale was the first

partner of Rugby Sevens, which is now an Olympic sport. The Bank has been organising the Societe Generale Sevens competition (the final stage of the French university rugby sevens championship) since 2014, in partnership with the FFR.

## GETTING EVERYONE INVOLVED

In addition to its support for more than 500 amateur rugby clubs in France and across the world (Hong Kong, Australia, among others), the Group took part in the creation of some 50 projects in regions where rugby still has a relatively small following.

In 2019, Societe Generale and Rugby Africa forged a partnership to develop rugby on the African continent, in particular by supporting women's and youth rugby matches. At the end of 2019, nearly 500 children took part in the sixth annual Togo Rugby Scrummage festival in Lomé. Societe Generale Benin and Societe Generale Togo were involved in this event, which saw 13 schools coming together to play rugby.



## SOCIETE GENERALE, A PROUD PARTNER OF THE 2019 RUGBY WORLD CUP

Societe Generale, a Worldwide Partner and the Official Bank of the competition, is proud to have sponsored 48 matches of an unforgettable tournament. From 20 September to 2 November 2019, the Bank kept pace with the Rugby World Cup held in Japan. Societe Generale invited staff, players, supporters and rugby heroes alike to share the unforgettable moments and victories that highlighted the 2019 tournament. Jonny Wilkinson (England), Thierry Dusautoir (France), Matt Giteau (Australia), Ayumu Goromaru and Toshiaki Hirose (Japan) joined the Bank to make these emotions come alive for the greatest possible number of people worldwide.

## KIDS RUGBY SPIRIT FESTIVAL BRINGS TOGETHER 250 CHILDREN

The 2019 Rugby World Cup was also an opportunity to reaffirm the Group's solidarity commitments. Organised in cooperation with ChildFund, the Kids Rugby Spirit Festival allowed 250 children from 10 Asian countries and Madagascar to attend the first semi-final of the tournament between England and New Zealand. For most of them, it was their first international trip. Most of the financing for this event came from fund-raising organised by Societe Generale staff.







**This report was produced under the unique circumstances of the Covid-19 pandemic. We would like to extend our warmest thanks to all the partners and staff of Societe Generale group who contributed to this report.**

This third edition of Societe Generale's Integrated Report was inspired by the guidelines of the reference framework published by the International Integrated Reporting Council (IIRC). It presents Societe Generale's purpose and strategy, its business model, and how it creates value. As a joint project of the Communication and CSR departments, it describes the Group's activities and results for the 2019 financial year with a view to enhancing dialogue with all our stakeholders, in a proactive process of transparency and progress.

At the 2019 Awards for Business and Responsible Governance, Societe Generale won the Integrated Thinking Prize in the European > €7bn category. This award recognises the Group's commitment to promoting a holistic approach to the company, which aligns the economic, social, societal, financial, environmental, ethical and governance aspects of its business.

The contents of this report were selected according to their relevance with regard to the Group's purpose and its Transform to Grow strategic plan.

They were informed by discussions with the Innovation, Strategy, and Investor Relations departments, as well as with senior management of the business lines and the heads of geographic areas, particularly Africa.

Unless indicated otherwise, the information presented is valid as of 31 December 2019. Information regarding the Board of Directors does not take into account the decisions of the Annual General Meeting held on 19 May 2020 concerning the appointment of new members of the Board of Directors.

*Abbreviations used: millions of euros: €m - billions of euros: €bn. Rankings: the source for all rankings is given explicitly. Where no source is given, the information is based on internal sources.*

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**GROUP COMMUNICATION DEPARTMENT  
CORPORATE SOCIAL RESPONSIBILITY  
DEPARTMENT**

**CONCEPTION AND EDITORIAL CONTENT**  
Societe Generale and **Capitalcom**

**DESIGN AND REALISATION**

**Angie**

**PHOTO CRÉDITS**

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**SOCIETE GENERALE**

Societe Generale Towers - 75886 Paris Cedex 18  
Registered office: 29, bd Haussmann - 75009 Paris  
Telephone: +33 (0)1 42 14 20 00

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**OTHER PUBLICATIONS**

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Universal Registration Document 2020  
Risk and Pillar III Report 2020



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