

SOCIETE GENERALE GROUP STUDIES THE CREATION OF A NEW RETAIL BANK IN FRANCE, WITH REGIONAL ROOTS AND SERVING 10 MILLION CLIENTS, BASED ON THE MERGER OF ITS TWO BANKING NETWORKS, CREDIT DU NORD AND SOCIETE GENERALE

Press release

Paris, 23 September 2020

Combining the strengths of the two networks would create a major player on the French banking market serving 10 million clients. Drawing on its regional roots and digital strength, the new bank would aspire to a renewed ambition in terms of commercial success and profitability while offering the highest level of client satisfaction and building a more efficient model. Guided by the shared values of the two brands, the new bank would further strengthen its responsible banking commitments and continue to participate fully in the sustainable development of the territories.

The General Management is launching a study, approved in principle by the Board of Directors, on the creation of a new retail bank in France through a merger of its two existing banking networks in France, Crédit du Nord and Societe Generale.

Drawing on the quality of these two businesses, with nearly 9 million individual clients and 1 million professional and business clients, and the strong complementarity of the two networks in terms of expertise and geographical presence, this new retail bank would have an even stronger footprint in the French market, with three objectives:

- maximise satisfaction levels for both current and future clients by drawing on the expertise of the teams, a stronger foothold in the regions, and a more enriched client experience adapted to their specific needs (individuals, wealth management clients, professionals, businesses, non-profits, local authorities);
- establish a more efficient model to pursue even more ambitious commercial goals through regionalised governance, faster decision-making processes and a new acceleration of our digital strategy;
- generate significant synergies to strengthen the profitability of one of Societe Generale's main businesses. This merger would come on top of all the other initiatives already announced by the Group in its different business lines to strengthen its overall profitability.

The study must define, in particular, the conditions to roll out a regional set-up that would strengthen decision-making power at a local level, enhance the proximity of service provided to our clients, and achieve greater agility and responsiveness. It will also look at the conditions for implementing a single information system.

It will be carried out between now and the end of November under the management of Sébastien Proto, Deputy general manager responsible for the retail banking networks in France, with the contribution of the management and teams of both networks and in liaison with the private banking and insurance teams. The resulting project, if it materialises, would integrate social, societal and environmental dimensions and would be subject to the necessary discussions and consultations with the social partners in accordance with our traditional approach of responsible employer.

Frédéric Oudéa, Societe Generale Chief Executive Officer, comments: *“In the current demanding environment, the Group is actively preparing the next stage of its strategy with the new General Management team and we want to speed up structuring initiatives to strengthen our business model of diversified European banking group. The retail banking activities in France are key franchises for the Group. After successfully completing the first stage of transformation of our networks, we are launching a new strategic stage, drawing lessons from the health and economic crises and the constantly changing needs of clients, in order to confirm the commercial and financial competitiveness of our businesses. The goal of the study being carried out on a possible merger of our two networks, which offer highly complementary strengths and areas of expertise, is to create a new leading edge retail bank in France, serving 10 million clients and combining regional roots with technological efficiency, looking to win new clients and achieve growth while staying fully in line with our mission statement. In parallel, Boursorama, the leading online bank in France with 2.4 million clients as at 30 June 2020, will continue the dynamic growth of its alternative model, thus completing Societe Generale Group's presence in the French market.”*

Note:

The activities concerned by the study on the creation of a new retail bank through the merger of the Societe Generale and Crédit du Nord networks:

- *The Societe Generale network is a nationwide generalist banking network with 20,700 employees, 7.3 million clients (individuals, wealth management clients, professionals, businesses, non-profits and local authorities), a network of 1,749 branches mainly located in urban regions and a comprehensive, innovative omni-channel set-up.*
- *The Crédit du Nord network is a banking group comprising nine banks, Courtois, Kolb, Laydernier, Nuger, Rhône-Alpes, Société Marseillaise de Crédit, Tarneaud, Société de Banque Monaco and Crédit du Nord, and the investment company Société de Bourse Gilbert Dupont. It has around 8,200 employees and serves 2.4 million clients (individuals, professionals and businesses), with a network of 679 branches rooted in the regions with a particular focus on serving entrepreneurs.*

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Societe Generale

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

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

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

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

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

About the Societe Generale French retail banking network

The Societe General network offers solutions adapted to the needs of its individual, professional, business and non-profit clients by drawing on three key attributes:

- More than 20,000 employees and 1,749 branches, located mainly in urban regions that account for a significant proportion of the national wealth;
- A comprehensive and diversified offering of products and services, from savings solutions to wealth management and including corporate financing and payment methods;
- A comprehensive and innovative omni-channel offering: internet, mobile, telephone, branches.

Thanks to its policy of placing the client at the centre of its operations, Societe Generale was selected as Customer Service of the Year for 2020 (organised by Viséo Customer Insights), and is rolling out a tailored offering to meet the very latest requirements of its clients. The brand has made innovation a key area of development: the Societe Generale network serves around 4 million mobile clients. The success of its website and mobile app is reflected in the growing volume of connections, now at more than one billion a year. It has opened the first banking client relationship account on Twitter, guaranteeing a response in less than 30 minutes.

www.societegenerale.fr

About the Credit du Nord group

The Credit du Nord group comprises nine banks, Courtois, Kolb, Laydernier, Nuger, Rhône-Alpes, Société Marseillaise de Crédit, Tarneaud, Société de Banque Monaco and Crédit du Nord, and the investment company Société de Bourse Gilbert Dupont. With 8,200 employees and a network of 679 branches, the Crédit du Nord group serves 2.4 million individual, professional and corporate clients.

The Group's different entities enjoy a large degree of autonomy in the management of their activities, which means they can make rapid decisions and respond quickly to the requests of their clients.

Crédit du Nord's mission statement is simple but exacting: to be the go-to bank for entrepreneurs across France and to always play a role in the economic development of the regions in which its banks are located.

Its strategy hinges on detailed knowledge of its clients, whose needs are complex, in order to offer leading edge expertise and comprehensive solutions as part of a services and open-banking approach. The Group makes digital tools available to them, ensuring autonomy, rapidity and simplicity. It tests new approaches while guaranteeing absolute security in all transactions. In this digital era, the Group's employees remain a central component of its customer relationship strategy which prioritises proximity. The quality and solidity of Crédit du Nord's results are recognised by the market (credit rating of A by Fitch).

www.groupe-credit-du-nord.com