



ENTERING A NEW PHASE IN FRENCH RETAIL BANKING

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



RETAIL BANKING: AT THE HEART OF OUR BUSINESS MODEL

Philippe AYMERICH
DEPUTY CEO

**THE FUTURE
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GÉNÉRALE**

A STRONG RETAIL BANKING FRANCHISE

LEADING POSITIONS IN RETAIL BANKING



#4 in France and **#1** online bank in France (Boursorama)

#3 in Czech Republic (KB) & in Romania (BRD)

#1 International bank in Russia⁽¹⁾ (Rosbank)

#Top 3 in most of our countries in Africa

#4 in specialised⁽²⁾ consumer finance in Western Europe

STRONG SYNERGIES ACROSS BUSINESSES



INSURANCE



FINANCIAL SERVICES



TRANSACTION BANKING



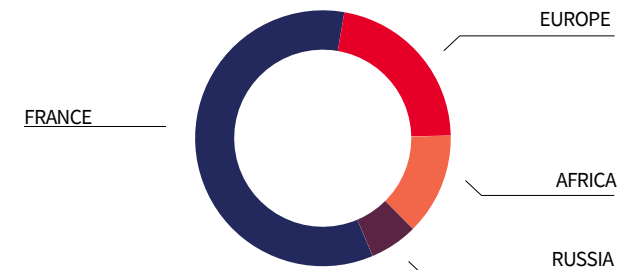
CIB

(1) based on retail loans/(2) excluding captive finance companies

A STRATEGIC ASSET FOR THE GROUP



EUR **13.3 bn**
54% of Group Revenues
~25 m clients



2019 RETAIL BANKING REVENUES

A PROVEN CAPACITY TO HANDLE RETAIL BANKING EVOLUTIONS



CHANGING CLIENT EXPECTATIONS



ACCELERATION OF DIGITAL TRENDS



UNCERTAIN MACRO-ECONOMIC ENVIRONMENT



NEW ENTRANTS



INCREASING REGULATION

OUR VISION



DIFFERENTIATED RELATIONSHIP MODELS & THE BENCHMARK IN CLIENT EXPERIENCE

PIONEERING NEW BUSINESS MODELS

EXTENDED / INNOVATIVE RANGE OF PRODUCTS & SOLUTIONS

COST-TO-SERVE REDUCTION

HIGH STANDARDS IN ESG, RISK AND COMPLIANCE

OUR LEVERS



EXPERTISE

DIGITAL TOOLS

DATA

OPEN ARCHITECTURE

SHARING GROUP BEST PRACTICES

FRANCE: A KEY MARKET WITH STRONG FUNDAMENTALS

ATTRACTIVE MARKET

EUR 33.3K⁽¹⁾

GDP/capita above European average in 2019

OUTSTANDING CORPORATE ENVIRONMENT

From large corporate champions to dynamic start-up ecosystem

EUR 5,432 bn⁽²⁾

Household savings outstandings in France as of Sept-20

STRUCTURAL FAVOURABLE TRENDS

+18% # NEW COMPANIES IN 2019 VS. 2018 IN FRANCE ⁽⁴⁾

1st EUROPEAN COUNTRY IN TERMS OF FOREIGN INVESTMENT ⁽⁵⁾
(as of end of 2019)

GROWING FRENCH POPULATION

GROWING AND SOUND RETAIL BANKING MARKET

Growing outstandings (annual evolution 15-20)⁽²⁾

Corporate loans

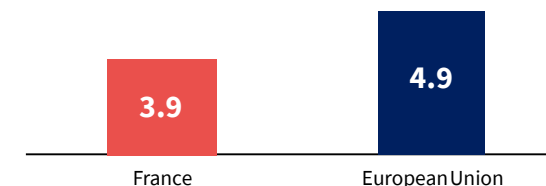
Household loans



14.6% IN 2019⁽¹⁾, 23.2% IN H1 20⁽¹⁾

Household saving rate above European average

NPL ratio below European average⁽³⁾



(1) Source: Eurostat, household savings rate based on the average of the quarter (2) Source: Banque de France – corporate and household loans, average of annual growth (3) Source: ACPR _ NPL Ratio on non-financial corporations (4) Source Insee (5) Source: EY European Investment Monitor - 2020

DEVELOPING THE WINNING UNIVERSAL RETAIL MODEL

IMPORTANT TRANSFORMATION COMPLETED



UNIVERSAL BANK

- ✓ Reinforced expertise
- ✓ 20% of branches closed since 2015 and 30% of back offices since 2017
- ✓ Digitalisation of the offer internally and through acquisition



REGIONAL BANKS

- ✓ Differentiated relationship model depending on clients
- ✓ 15% of branches closed since 2015 and launch of a new branch model (« Agora »)
- ✓ Development of the « Bank as a platform » model

INCREASED MUTUALISATIONS

ADAPTED SET-UP
STRONG DIGITAL POSITION

RELATIONSHIP MODEL AND
PROXIMITY

~**7.3M** CLIENTS



~**2.4M** CLIENTS

~1% OF SHARED CLIENTS



SOCIÉTÉ
GÉNÉRALE

NEXT PHASE: COMBINATION OF OUR NETWORKS



**FURTHER INCREASE
CLIENT SATISFACTION**

**TOP 3 IN CLIENT SATISFACTION
IN OUR CORE SEGMENTS**



IMPROVE EFFICIENCY

2025 Basel 3 RONE ~11%-11.5%

GENERATING HIGH LEVEL OF PROFITABILITY WITH A REINFORCED #1 POSITION IN ONLINE BANKING

A POWERFUL BUSINESS MODEL

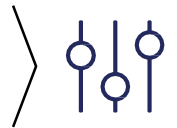


#1 ONLINE BANK IN FRANCE
More than 2,5m clients⁽¹⁾



A SIMPLE BUT COMPREHENSIVE OFFER

EUR 10bn ⁽¹⁾ loans (x 2 vs. 2016), EUR 28bn ⁽¹⁾
Asset under administration (x2 vs. 2016)



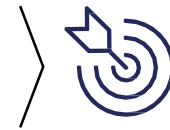
SCALABLE OPERATING MODEL
(x2.5 clients vs. 2016 with +100 FTE)



SAFE BANK WITH HIGH COMPLIANCE AND RISK STANDARDS

(1) Data as of September 2020

STEPPING UP AS ONE OF THE LEADING FRENCH BANK



**4.5M CLIENTS BY
2025**



**REACHING STRONG
PROFITABILITY IN 2024**
~EUR 100m net income in 2024
~EUR 200m net income in 2025

>25% Basel 4 RONE in 2025

CONCLUSION



**ENTERING THE
NEW STRATEGIC
STEP TO ACCELERATE
IN FRENCH RETAIL
BANKING**



VISION2025

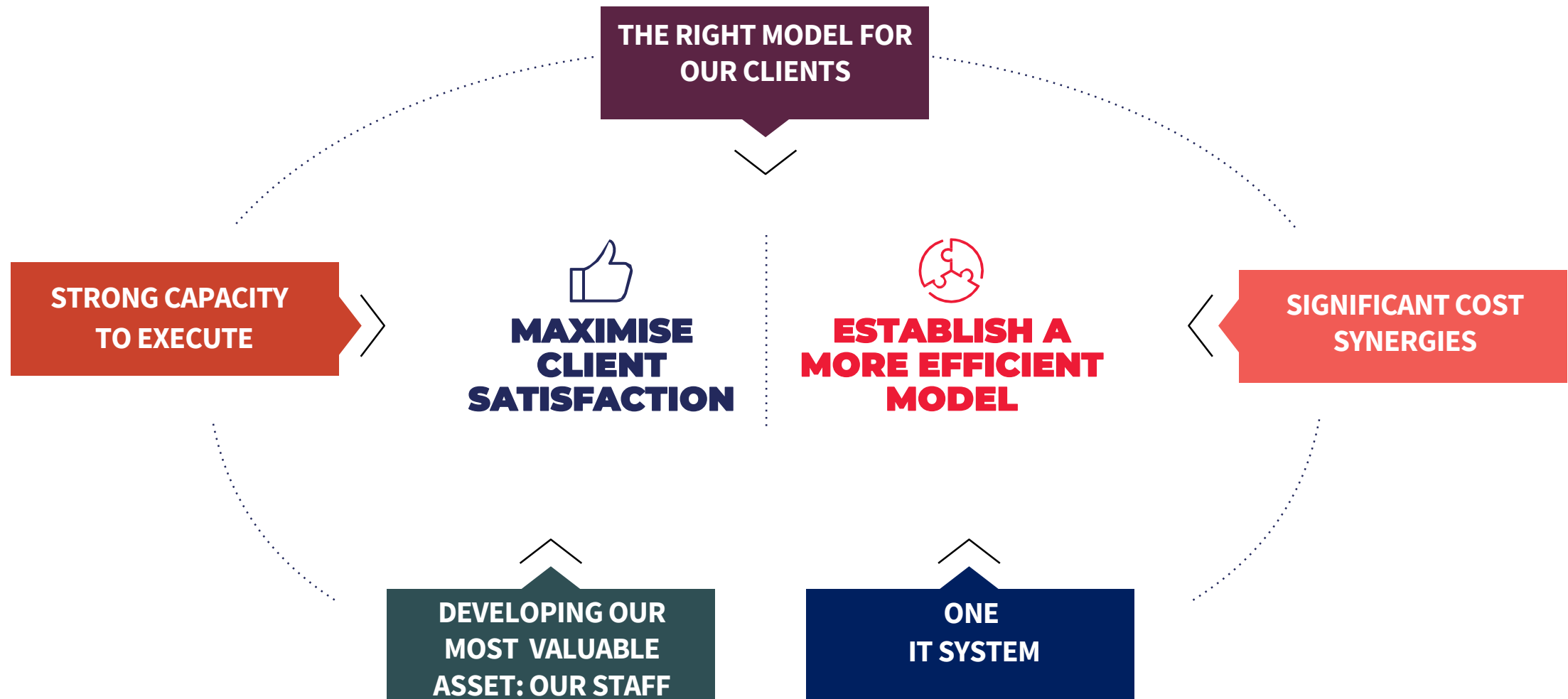
Sébastien PROTO
DEPUTY GENERAL MANAGER

**THE FUTURE
IS YOU**  **SOCIETE
GENERALE**



COMBINATION OF OUR NETWORKS

COMBINING OUR NETWORKS – KEY POINTS



THE RIGHT MODEL FOR CLIENTS

PERSONALISED CLIENT
EXPERIENCE AND
EFFICIENT CLIENT
JOURNEY

DIGITAL WHEREVER
RELEVANT

EXPERTS FOCUSED ON
ADVISING CLIENTS
LOCALLY

THE BEST
INNOVATIVE OFFER



CORPORATES

LEVERAGING ON EXPERTISE
OF AN INTERNATIONAL
BANKING GROUP



PROFESSIONALS

ONE TRUSTED PARTNER,
FOR BOTH PRIVATE AND
PROFESSIONAL NEEDS



AFFLUENT

DEDICATED SET-UP AND
OFFER TO LEVERAGE ON A
~EUR 160 bn AUM BASE*



MASS-MARKET

GREATER SEGMENTATION
AMONG ~7m CLIENTS



TOP 3 IN CLIENT SATISFACTION IN OUR CORE SEGMENTS

* Including wealthy and mass-affluent clients

BUILDING ON COMPLEMENTARY NETWORKS



IMPROVED OFFER
FOR PROFESSIONALS



STRONGER LOCAL
PRESENCE AND PROXIMITY
WITH SHORTER DECISION
MAKING PROCESSES



KEEPING THE EDGE
ON DIGITAL




**IMPROVED
VALUE
PROPOSITION
FOR
CLIENTS**



IMPROVED DIGITAL OFFER
AND USER EXPERIENCE



USING GROUP EXPERTISE TO
SERVE CORPORATES WITH A
COMPLETE RANGE OF
SOLUTIONS



KEEP STRONG LOCAL PRESENCE
AND PROXIMITY, WITH
EMPOWERED TEAMS

ENHANCED CLIENT EXPERIENCE
THANKS TO MORE FOCUSED
INVESTMENT CAPACITY



STRENGTHENED VALUE PROPOSITION
WITH DEDICATED APPROACH OF
AFFLUENT CLIENTS

KEEP DEVELOPING CLIENT BASE

SIGNIFICANT COST SYNERGIES



OPTIMISED NETWORK

Keeping the same strong local presence

Fewer branches*: from ~2,100 in 2020 to ~1,500 branches in 2025



ONE SET OF CENTRAL FUNCTIONS

Single headquarters

Merging central functions

Unified and more efficient support functions



SINGLE IT SYSTEM

Reduced maintenance costs

More focused and efficient IT development and investment capacity

~EUR 450M DECREASE IN COST BASE IN 2025 (VS. 2019)
IMPROVED OPERATING LEVERAGE

* Fully-fledged branches

ONE IT SYSTEM



STRATEGY

Build on the Société Générale platform, digitally advanced, feature-rich



IMPLEMENTATION

Strong preparation to **reach the best quality** check level, handled by **highly experienced team**

Keep developing the platform to stay at the edge of clients, staff and partners needs



THE NEXT GENERATION OF INFORMATION SYSTEM



SYNERGIES

~1.5 year payback on the investment



INVEST MORE EFFICIENTLY

Investments no longer diluted between 2 systems

DEVELOPING OUR MOST VALUABLE ASSET: OUR STAFF



BUILDING ON A COMMON CULTURE

Client satisfaction

Autonomy & Empowerment

Regional presence

Promoting and committing to diversity and inclusion



UPSKILLING STAFF

Focus staff on expertise and advice

Enhancing the skillset of the existing workforce

Career development prospects

Investment in training



ACCOMPANYING THE TRANSFORMATION

Strong culture of responsible employer

Accompanying staff, to adapt for change

Specific human resources team for the project

INVOLVING OUR EMPLOYEES IN A FEDERATING PROJECT

STRONG CAPACITY TO EXECUTE

IT MIGRATION

.....



Building on a **very agile and strong IT system**
Experienced team which has already executed this kind of migration
Keep **enriching the system** during the transition period

HUMAN RESOURCES

.....



Strong culture of responsible employer
Involving our employees in a **federating project**, building on similar culture and shared best practices
Accompanying our staff and talent management during the transition

CLIENTS

.....



The **best of two franchises** to further improve our client experience
Keep **developing value added propositions** for clients during the transition period in a consistent way

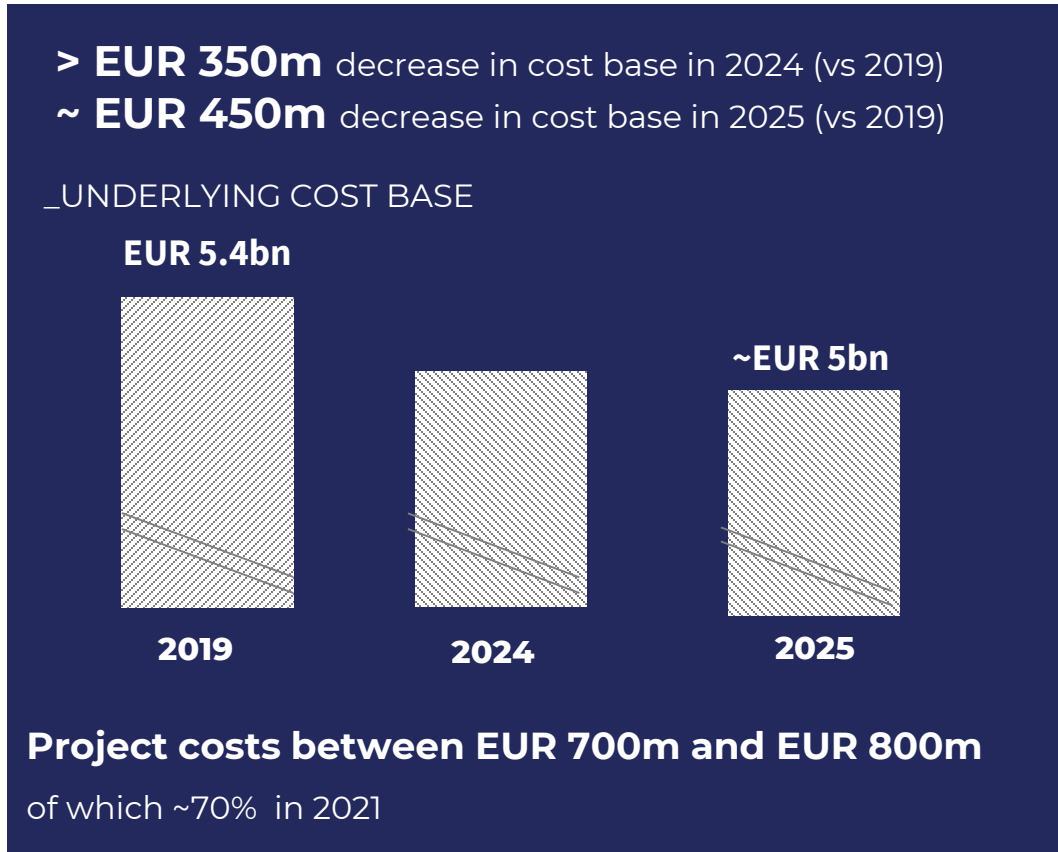
ORGANISATION & TIMETABLE



One IT system and one legal entity by early 2023
A **coherent timetable** to ensure successful execution while getting ~80% of the benefits in 2024 and full benefits from 2025
Managing the run while executing the combination with dedicated and experienced teams

STRONG CAPACITY TO EXECUTE THE COMBINATION, BASED ON EXPERIENCED TEAMS AND FULL KNOWLEDGE OF BOTH ENTITIES

DATA FOR THE COMBINED ENTITY



Data for SG+CDN



THE WINNING UNIVERSAL RETAIL BANK

~10m CLIENTS WITH DIFFERENT NEEDS

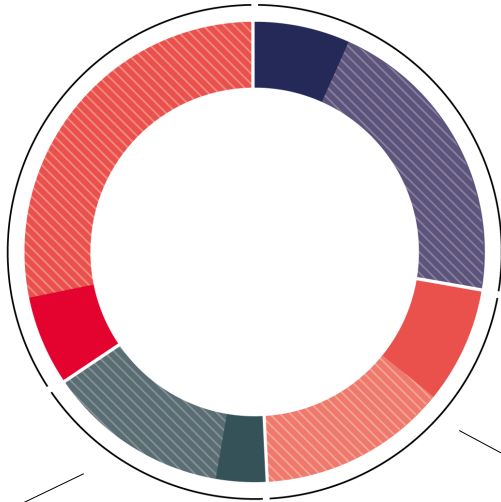


**>65% OF REVENUES ON HIGH
VALUE ADDED SEGMENTS**

2019 Revenues split



MASS
MARKET



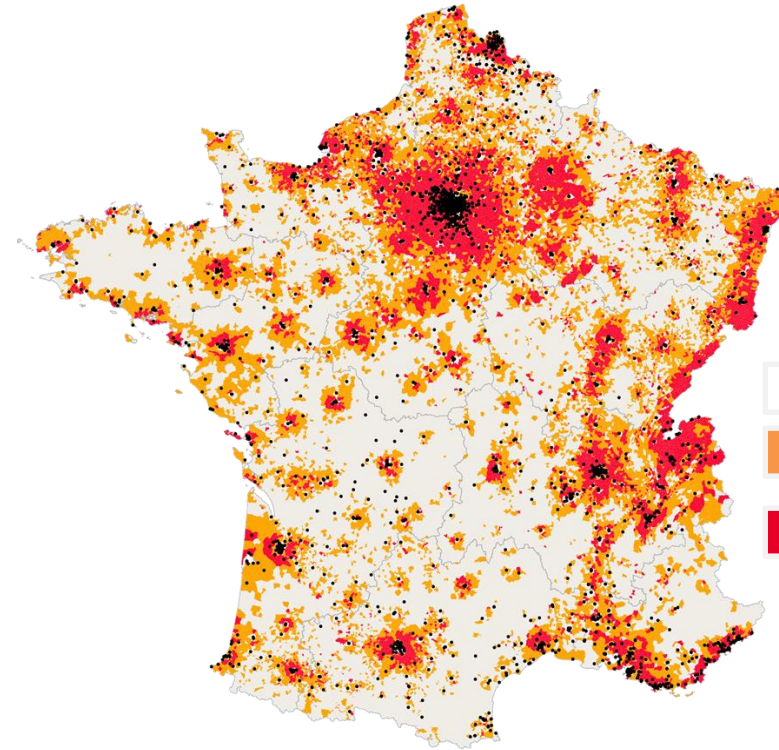
CORPORATES

PROFESSIONALS

AFFLUENT



**TOP POSITIONS IN MORE
DYNAMIC FRENCH REGIONS**



AVERAGE HOUSEHOLD INCOME

- Lower Income**
(50% of municipalities)
- Middle Income**
(30% of municipalities)
- Higher Income**
(20% of municipalities)

Source: Direction Générale des impôts

DEDICATED SET UP TO ADRESS MORE AND MORE DIFFERENTIATED NEEDS

THE WINNING UNIVERSAL RETAIL BANK



DIGITAL, DATA AND AI TO ENHANCE CLIENT EXPERIENCE



ACCELERATE TO

BETTER KNOW OUR CLIENTS TO PERSONNALISE EXPERIENCE

DATA ANALYTICS

Better categorise clients needs
Use of digital marketing

APPROPRIATE ASSESSMENT OF CLIENT NEEDS

Voice recognition and automated analysis

INCREASED PERSONNALISATION

Digital tools to better serve clients (So bot, Synoe, Fiduceo)

INTEGRATE VALUE ADDED SERVICES IN CLIENT JOURNEY

Kwiper, Banxup

HAVE BEST INTERACTIONS

MANAGE CLIENT INTERACTIONS, USING THE RIGHT CHANNEL

SG Talk based on AI: should decrease by ~35% the calls and emails received in branches

BEST IN CLASS DIGITAL OFFER

57% of active clients using digital (88% of eligible customers enrolled for digital)
Increased App functionalities

PREDICT CLIENT BEHAVIOURS THROUGH MACHINE LEARNING

Predictability of overdraft (40 min a day by banker)
Automatic management of email
Deployment of next-best offer and next-best action

INTEGRATE HIGHEST RISK AND EFFICIENCY STANDARDS

USE OF AI TO ACCELERATE DECISION MAKING PROCESS WHILE KEEPING STRONG RISK MANAGEMENT

Document processing automation
Customer claim management

LEADER ON SECURITY AND DIGITAL PROTECTION

Mosaic (More Security with Artificial Intelligence) : < 0,5 seconds to detect a fraud on instant payment

2025
Target



>80% of hybrid digital and physical sales (electronically signed)

Reaching **30%** of digital-only sales on eligible products

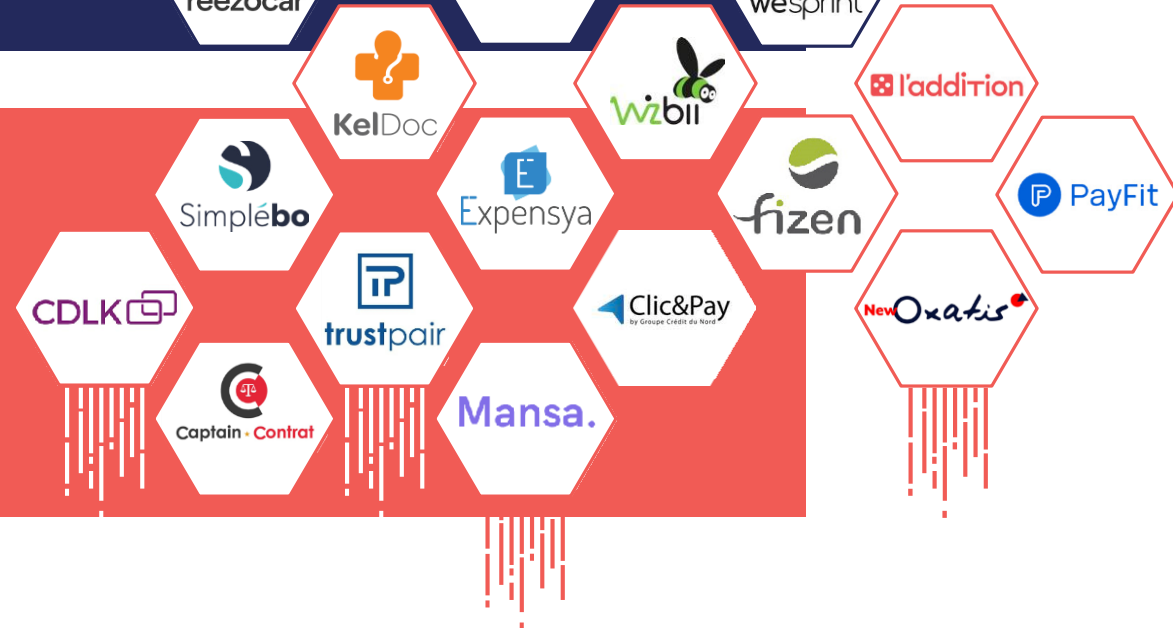
>80% of the corporate offer available with electronic signature

LEVERAGING ON AN INNOVATIVE ECOSYSTEM

LEVERAGING ON GROUP EXPERTISE



ENHANCED VALUE PROPOSITION THANKS TO PARTNERSHIPS



THE FIRST FRENCH LARGE BANK TO OFFER OPEN ARCHITECTURE FOR SAVINGS FROM 2021

Amundi
ASSET MANAGEMENT

LYXOR
Asset Management
SOCIETE GENERALE GROUP

BlackRock



DNCA
INVESTMENTS

PRIMONIAL

**LA FINANCIÈRE
DE L'ÉCHIQUIER**

mirova
Investing in sustainability



The first French large bank to offer open architecture for savings for all clients



Innovative offer with 7 partners enabling clients to access the best expertise in France and internationally



Systematic integration of ESG
First retail bank to offer a complete range of SRI funds and Environmental Impact solutions, through open architecture

STRONG REGIONAL PRESENCE WITH EMPOWERED EXPERTS

STRONG LOCAL PRESENCE FOCUS ON EXPERTISE

REGIONS AT THE CENTRE OF THE MODEL

Bringing reactivity, proximity, understanding of local situations

BRANCHES FOCUSED ON EXPERTISE FOR CLIENTS

Dedicated experts and set-up for each client category

EMPOWERED TEAMS TO BETTER ANSWER CLIENT NEEDS

Local decision making process, greater agility and reactivity

OPTIMISED NETWORK

FEWER BRANCHES BUT SAME LOCAL PRESENCE

From ~2,100 branches* in 2020 to ~1,500 in 2025

* Fully-fledged branches

CONCLUSION: A STRATEGIC STEP



CLIENT CENTRICITY

.....

Increased client satisfaction

Enhanced client journey thanks to personalisation and improved interactions

The best innovative offer for clients



ESG

.....

Supporting our clients and accompanying them with transition with local ESG experts

ESG embedded within our offer

A strong culture of responsibility with shared values



EFFICIENCY

.....

A more efficient model, with significant recurrent synergies

Delivering sustainable profitability



BOURSORAMA

Benoît GRISONI

BOURSORAMA CEO

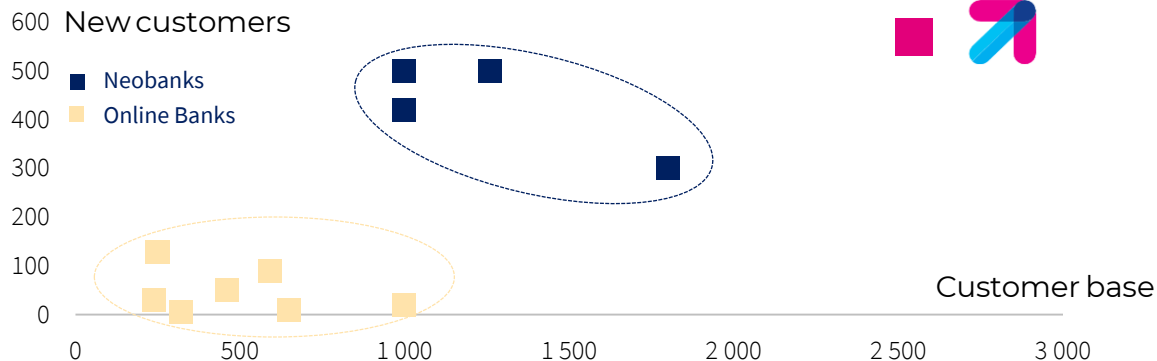
Aurore GASPAR

BOURSORAMA DEPUTY CEO

THE UNDISPUTED ONLINE LEADER IN FRANCE

LEADING MARKET POSITION⁽¹⁾

+550K
new clients
in 2020



#1

IN NUMBER OF CLIENTS

#1 In notoriety

1st top of mind among online banks⁽²⁾
4th in brand image among all banks⁽³⁾

#1 online broker and financial & economic portal

5.2 million trading orders in 9M 20
45 million visits per month

#1 In clients' satisfaction

NPS⁽⁴⁾ = +48
Recommendation rate⁽⁴⁾ = 86%



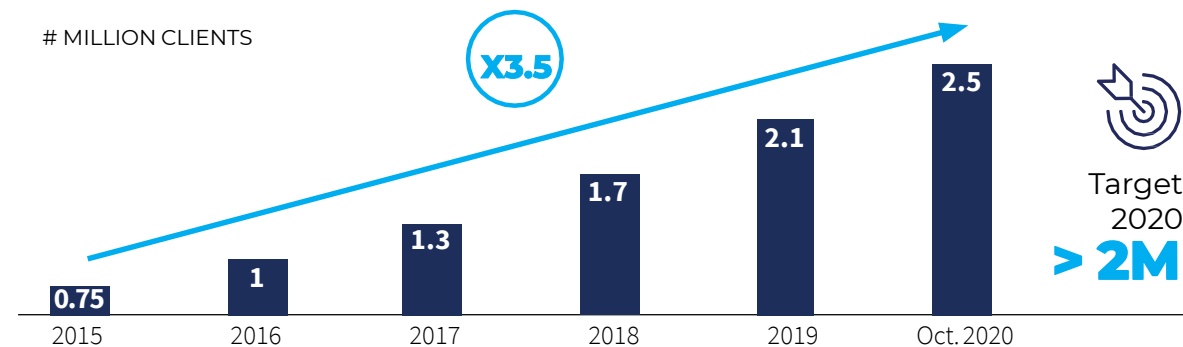
4.9



4.8

ACCELERATED GROWTH 15-20

MILLION CLIENTS



< 4% Customer base annual churn (vs. 6% in the market⁽⁵⁾)

HIGH POTENTIAL CLIENTS

YOUNG

36 year-old avg.
New clients:
50% under 30

WEALTHY

36% with +€100k of total wealth
>50% with + €25k revenues

ACTIVE

84% of active clients
50% of primary bank

RECENT

46-month avg. seniority

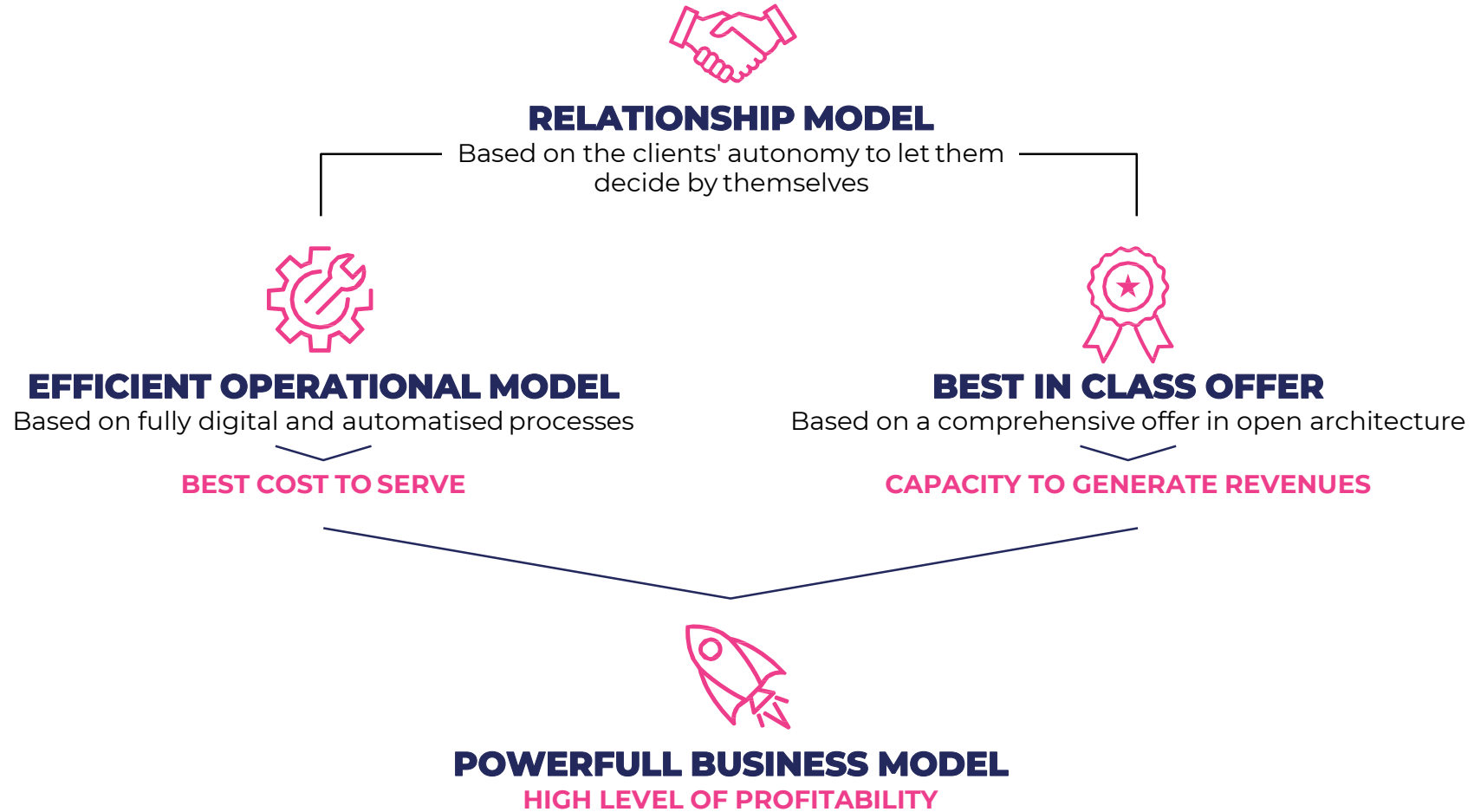
8% of French 30-somethings
9% of Parisian
15% of French white collars

PENETRATION RATES⁽⁶⁾

Full upside potential to be captured


Note: (1) As of end october 2020 (2) SmartTest D2D 2020 (3) Posternak-IFOP September 2020 (French banks brand image ranking based on their "image index") (4) Opinionway october 2020 (5) Bain & Company (6) Insee

A UNIQUE, ALTERNATIVE AND HARD TO REPLICATE BANKING MODEL



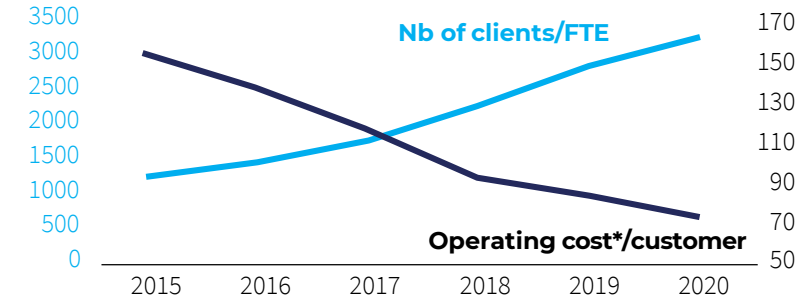
A HIGHLY SCALABLE INFRASTRUCTURE AT THE FOREFRONT OF DIGITAL

A FULLY-DIGITAL BANKING MODEL AND EFFICIENT INFRASTRUCTURE...

- 1 Digital native Banking model**
100% mobile
30 products
950 functionalities
100 smart notifications
No physical network
- 2 High customer autonomy**

 - Best in class digital services
 - Very limited contacts with customer service (less than 1 per year / client)
 - ~40% of clients interactions automatised through the IA based robot (Eliott)
- 3 High productivity**
 - 800 FTE to manage 2,6M clients
 - In 2020: + 8 FTE for + 550K new clients
 - High rate of process automation (ex: fully automated consumer loan grant process)
 - Industrialisation through data (risk...) and AI (bots...)

...DRIVING UNPARALLELED SCALABILITY

Continuously lower cost-to-serve driven by the model



* Without marketing costs.

DEMONSTRATED ABILITY TO EQUIP CUSTOMERS THANKS TO A COMPREHENSIVE OFFER

A FULLY FLEDGED PRODUCT OFFERING...



DAY TO DAY BANKING AND PAYMENTS



LOANS & MORTGAGES



SAVINGS & INVESTMENTS



BROKERAGE



INSURANCE AND NON BANKING PRODUCTS

...BACKED BY INNOVATIVE AND CUSTOMER CENTRIC TOOLS



Easy move



Wicount 360



Secured Vault

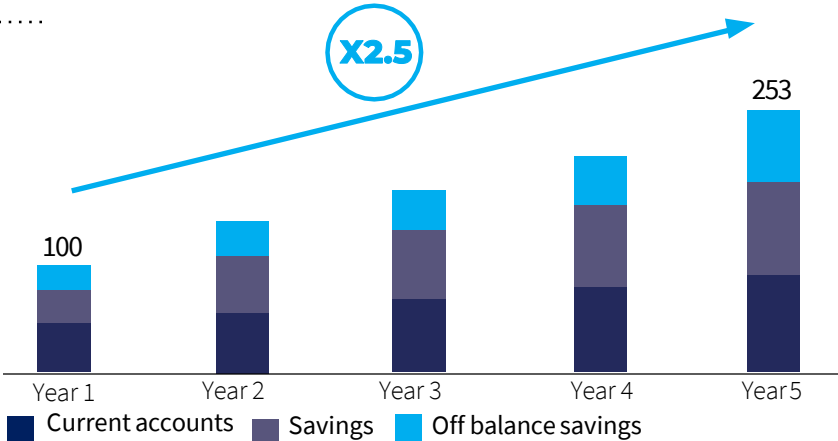


Personalised Insights

AUTOMATIC COMMUNICATION BASED ON SMART DATA
=> ADVISORY AND CROSS SELL + CAPACITY TO DRIVE DEPOSITS TO SAVINGS

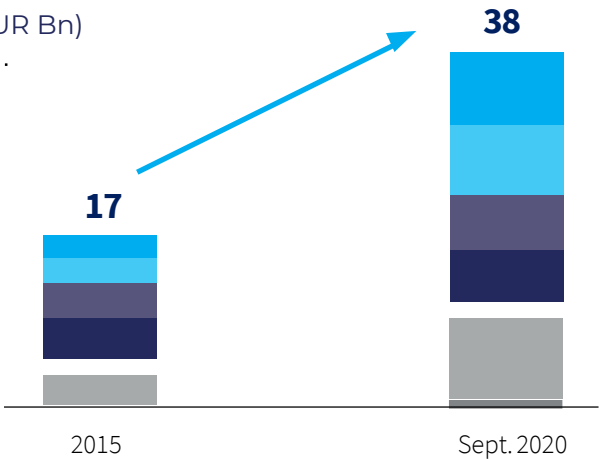
MORE THAN EUR 15K AUA & LOANS PER CUSTOMER

Yearly evolution of assets per customer
(cohort vision - 100 Basis)



(1) Source banque de France

Yearly evolution of AuA & loans
(in EUR Bn)



CAGR 2015 -Sep 20	CAGR Market ⁽¹⁾
Clients +27%	
Deposits +28%	+11%
Savings +25%	+5%
Life insurance +9%	+2%
Securities & mutual funds +5%	
Mortgages +23%	+5%
Consumer loans +61%	+4%

A FULLY FLEXIBLE MODEL THAT PROVED IN 2020 ITS RESILIENCE AND CAPACITY TO GENERATE PROFITABILITY

OUTSTANDING 2020 YEAR...

	(%) sept 20 Vs sept 19
Number of customers	+22%
AuA	+20%
Loans	+20%

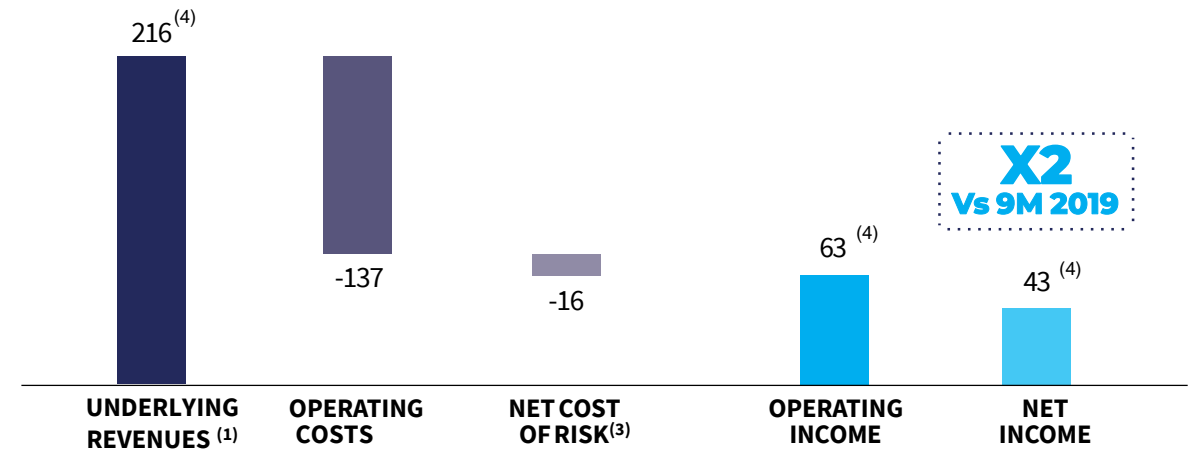
	(%) 9M 20 Vs 9M 19
Underlying revenues ⁽¹⁾	+35%
Operating costs ⁽²⁾	+1%
Net cost of risk ⁽³⁾	-6%

- (1) without customer rebates & operational risk
 (2) Including customer rebates
 (3) Including operational risk and forward looking add-ons

Breakeven in Q2

...THAT CONFIRMS THE INTRINSIC ECONOMIC VALUE OF THE MODEL

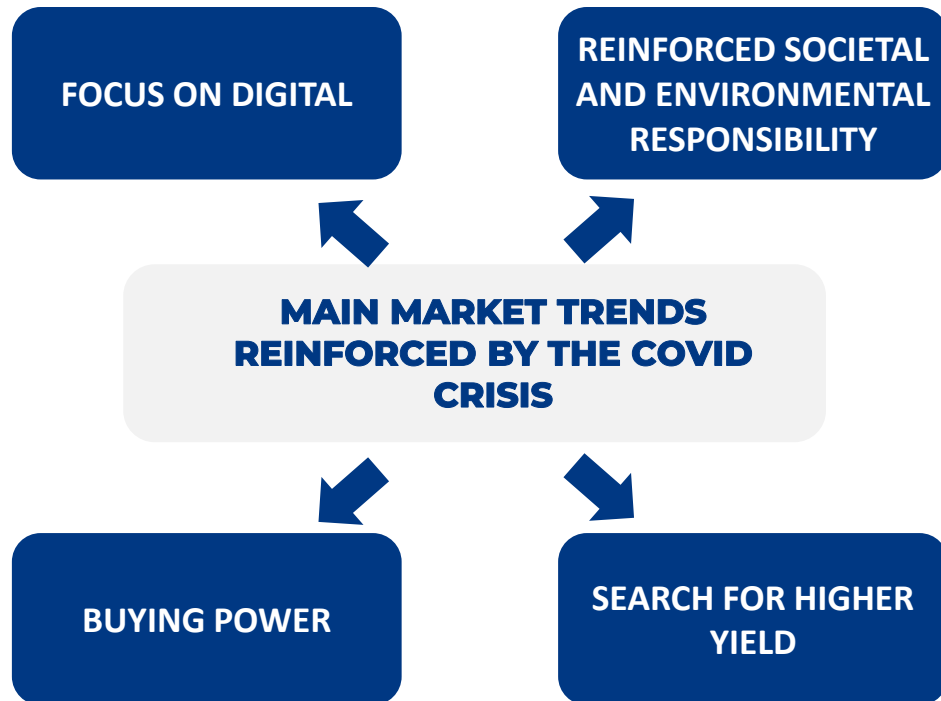
Theoretical view: no client acquisition
 (EUR M – 9M 2020)



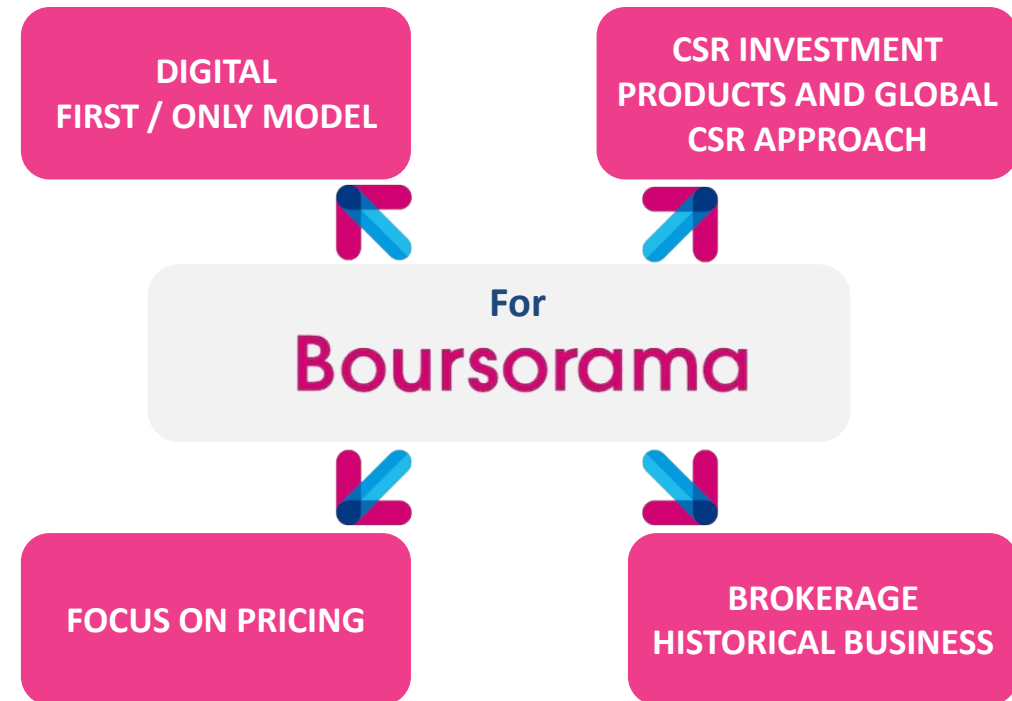
(4) A part of 2020 revenues (and net income) is due to outstanding brokerage activity in the COVID context : number of orders x 3 vs 9M 2019 (5.8M orders vs 2.1), number of brokerage accounts openings x4 vs 9M19 (116K new brokerage accounts vs 23k, leading to a stock of 450K brokerage accounts in oct. 20)

2020 HAS ACCELERATED SEVERAL UNDERLYING TRENDS THAT BENEFIT BOURSORAMA

MAIN MACRO SOCIETAL TRENDS ACCELERATED BY COVID CRISIS...



...ARE IN LINE WITH BOURSORAMA'S DNA AND STRATEGY



A STILL GROWING MARKET WITH HIGH POTENTIAL

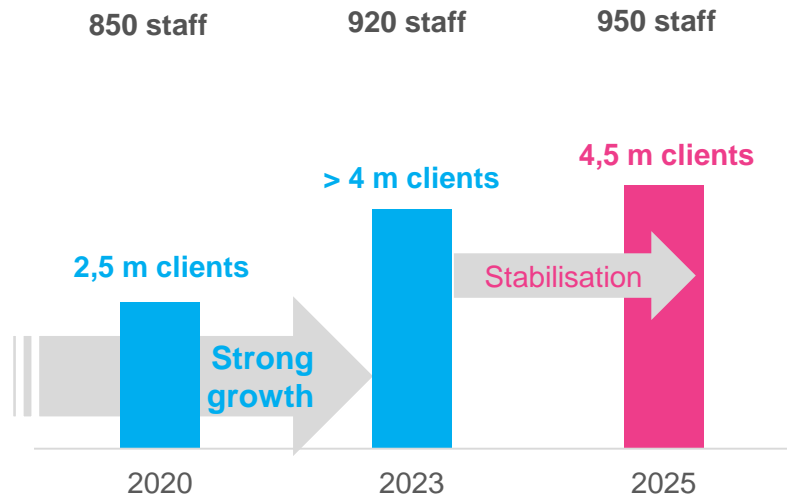
20 % of the French intend to open an account in an online bank⁽¹⁾

65% of the French clients are ready to turn their secondary online bank account into a primary account⁽¹⁾

Notes: (1) Arcane Research 2020

THE WINNING MODEL WITH 4.5 M INDIVIDUAL CLIENTS AND RONE > 25% IN 2025

KEEP INVESTING IN CLIENT ACQUISITION WHILE STILL IMPROVING OPERATING LEVERAGE...

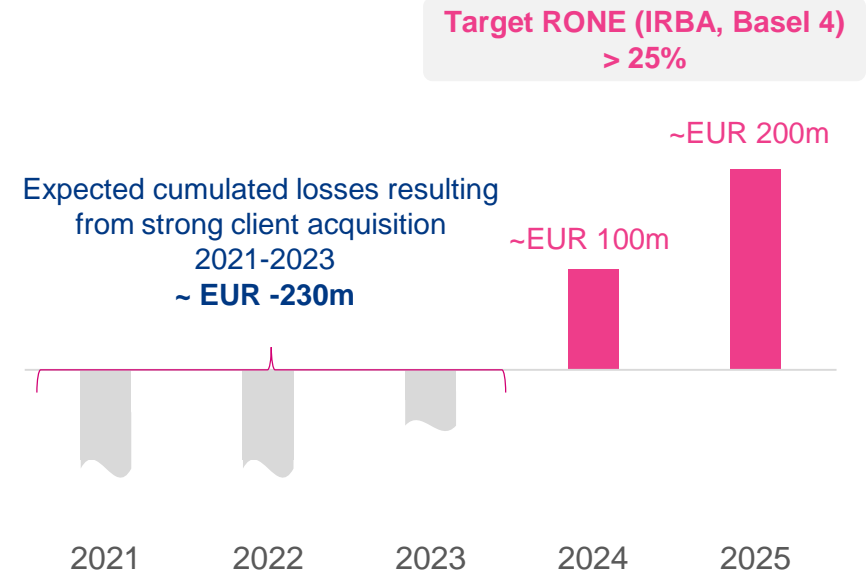


STRONG POTENTIAL TO DEVELOP CLIENT BASE, LEVERAGING ON STRONG POSITIONING

Increased appetite for online banking proposition

...AND TURNING HIGHLY PROFITABLE IN 2024

Net result (in EURm)



REACHING STRONG PROFITABILITY IN 2024

thanks to lower acquisition costs / natural growth of NBI (client basis effect) / increased revenues per customer (equipment) / strict management of opex



CONCLUSION

Frédéric OUDÉA
CHIEF EXECUTIVE OFFICER

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

BUILDING A UNIQUE DUAL MODEL IN FRENCH RETAIL BANKING

VISION 2025

FURTHER DIFFERENTIATE OUR FRENCH NETWORK: A BEST IN CLASS OFFER FOR SAVINGS, A LEADER FOR CORPORATE & PROFESSIONALS



Boursorama

BRING TO FULL MATURITY THE UNDISPUTED NUMBER ONE ONLINE BANK IN FRANCE AND ESTABLISH IT AS ONE OF THE LEADING BANKS FOR INDIVIDUAL CLIENTS

A UNIQUE SET-UP, CREATING VALUE FOR CLIENTS, STAFF AND SHAREHOLDERS IN A COMPETITIVE AND CHALLENGING MARKET

DISCLAIMER

This presentation contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, in particular in the Covid-19 crisis context, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Universal Registration Document filed with the French Autorité des Marchés Financiers.

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