

APRIL 2019

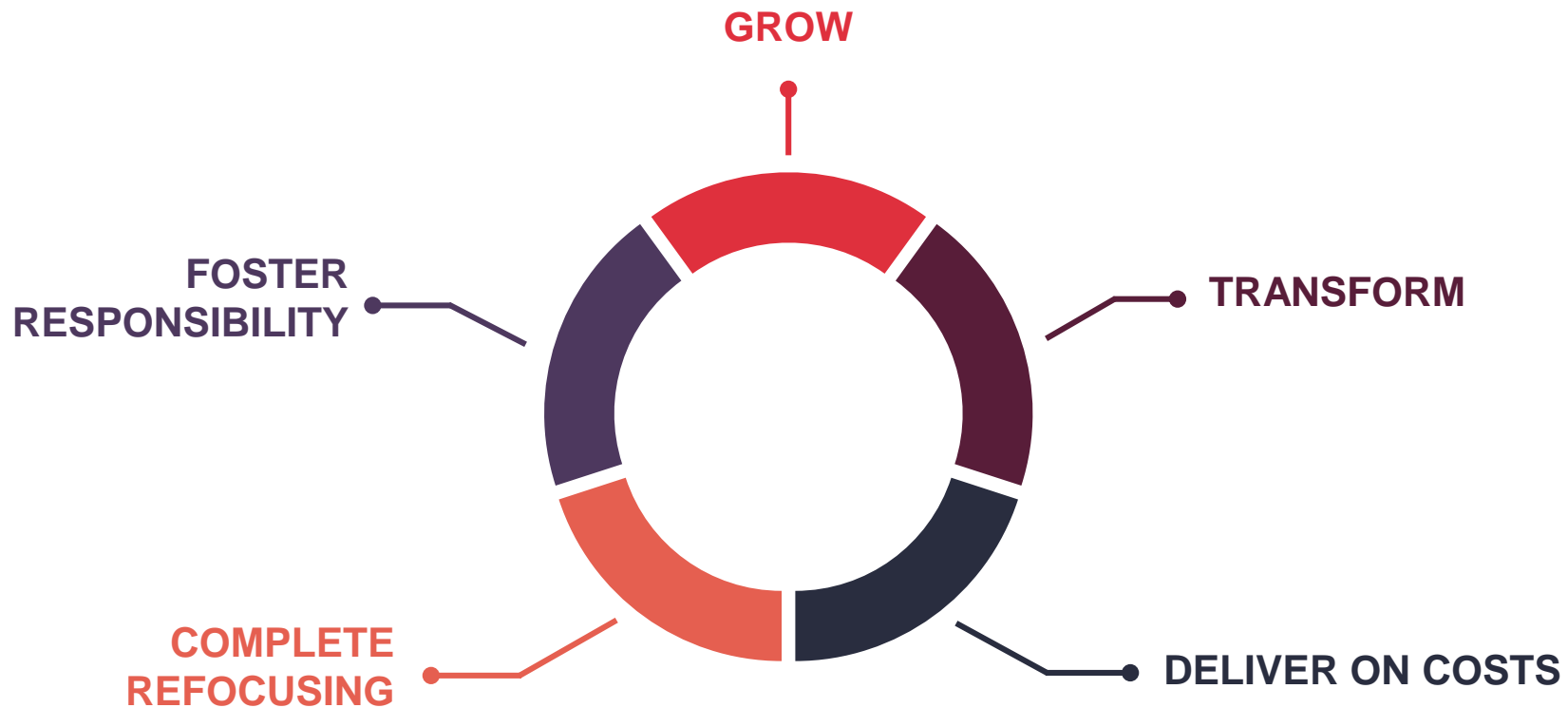
APPROACH TO SUSTAINABILITY

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

CONTENTS

INTRODUCTION – GROUP OVERVIEW	p3
1. GOVERNANCE	p5
2. REMUNERATION POLICY	p18
3. CULTURE & CONDUCT AND HUMAN CAPITAL	p22
4. ENVIRONMENTAL & SOCIAL	p29
5. CYBER SECURITY	p37

2020 STRATEGIC PRIORITIES



INTEGRATING ENVIRONMENTAL, SOCIAL & GOVERNANCE IN SOCIETE GENERALE'S TRANSFORM TO GROW STRATEGY

DRAWING ON INNOVATIVE SKILLS AND PIONEERING SPIRIT



Digital transformation: #1 in eCAC40 Awards 2018



UN Environment Programme
“Positive Impact Finance Initiative”:
 a founding member



Renewable energy: acquisition of the pioneering crowdfunding platform



Financial Inclusion: YUP mobile money launched in Africa

ANCHORING A CULTURE OF RESPONSIBILITY



CULTURE & CONDUCT
 TEAM SPIRIT - INNOVATION - RESPONSIBILITY - COMMITMENT

A Culture & Conduct programme sponsored by the CEO and reporting to the Board of Directors

Ambitious programme with a clear roadmap for transforming SG's culture

→ **All staff training and appropriation** of the Code of Conduct

AT THE FOREFRONT OF POSITIVE TRANSFORMATIONS



Client Service of the Year: SG awarded for 6th time by Viséo Customer Insights



Strategic approach to cyber security

- Monitored by the Board's Risk Committee
- Applying innovation to the security of clients: Cryptodynamic Visa card; biometric voice password; biometric facial recognition

MEMBER OF
Dow Jones Sustainability Indices
 In Collaboration with RobecoSAM

MSCI ESG Research
 Rated **“A”**



SUSTAINALYTICS
 Rated **“Outperformer”**

ISS-ekom
 Rated above **“PRIME”** threshold



Best French Bank in gender equality by Equileap

A TRUSTED PARTNER COMMITTED TO OUR CLIENTS

SUSTAINABILITY RECOGNISED IN RATINGS

1

GOVERNANCE

SNAPSHOT OF SOCIETE GENERALE BOARD



Separation of Chairman and CEO roles since May 2015

14 Directors; 91.6% independent (excluding 2 staff-elected)

Gender: 43% women;

Nationality: 36% non-French (US/ British, Italian, Spanish, Dutch, Canadian)

Broad range of skills: Risk, Control, Finance, IT, Digital, Management, Regulation, International, Client Services, Legal, Industry... (see slide 10)

Length of term: 4 years; Average tenure: 5 years

Cap on the number of directorships:

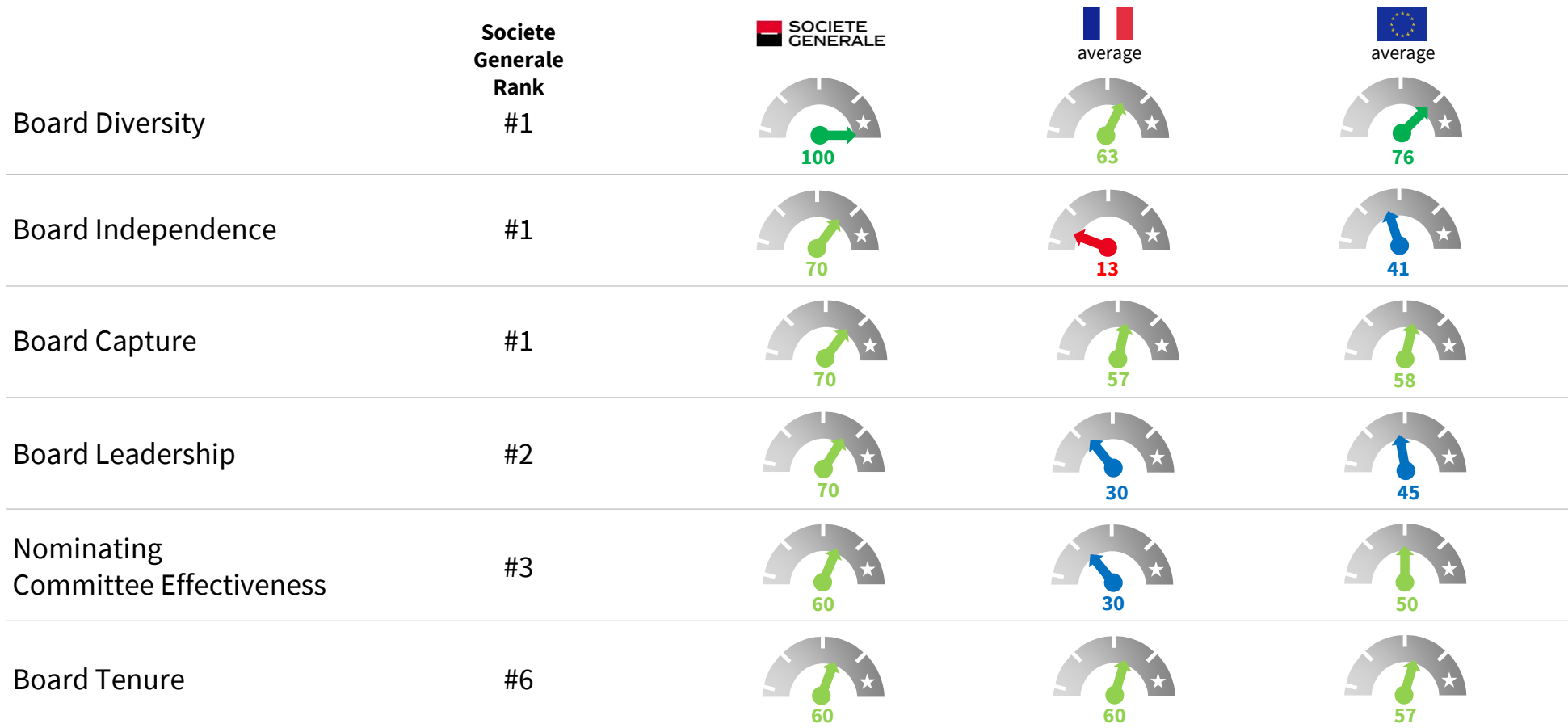
- 1 executive and 2 non-executive; or
- 4 non-executive

Attendance in 2018: 93%

Wide and regular training programme based on previous year's appraisal. In 2018 this included US regulation and AI / cyber security.

External 360° assessment every 3 years; internal assessment in other years

POSITIVELY POSITIONED VS EUROPEAN PEERS ON GOVERNANCE INDICATORS










Source: Sustainalytics data, 2016 (score /100; Rank /14)








French panel includes BNP Paribas, Credit Agricole and Natixis

European panel includes Barclays, BBVA, BNP Paribas, Credit Agricole, Credit Suisse, Deutsche Bank, HSBC, ING, Intesa, Natixis, Nordea, Santander, Societe Generale and UniCredit

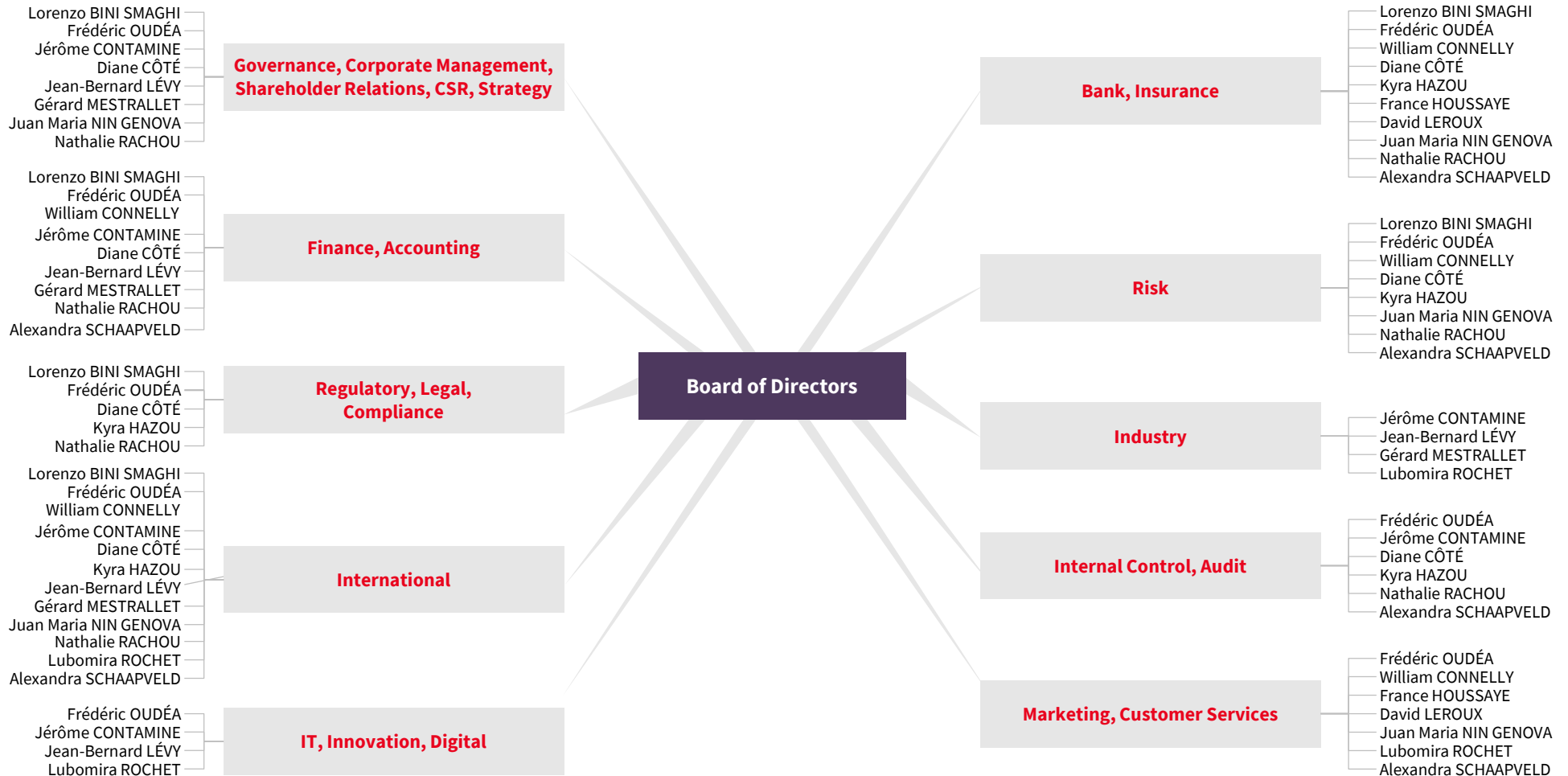
DIRECTOR COMPETENCIES AND EXPERIENCE (1/3)

Directors	Tenure (years)	Summary
 <p>Lorenzo BINI SMAGHI First appointment : 2014 Term : 2022 Italian</p>	4	<ul style="list-style-type: none"> - Member of the Executive Board of the ECB from 2005 to 2011, - Member of the Board of Directors of TAGES Holding (since 2014), Morgan Stanley International (from 2013 to 2014), - Chairman of the Board of Directors of Italgas (since 2016), SNAM (from 2012 to 2016), ChiantiBanca (from 2016 to 2017).
 <p>Frédéric OUDEA First appointment : 2009 Term : 2019 French</p>	9	<ul style="list-style-type: none"> - Societe Generale Group since 1995 : - Chief Financial Officer from 2003 to 2008, - Chairman and CEO from 2009 to 2015, - CEO since 2015, - Member of the Board of Directors of Cap Gemini since 2018.
 <p>William CONNELLY First appointment : 2017 Term : 2021 French</p>	1	<ul style="list-style-type: none"> - Various posts at ING Bank N.V. from 1999 to 2016, latest positions were : - Global Head of Corporate and Investment Banking, - Member of Management Board of ING Bank N.V. from 2011 to 2016, - CEO of ING Real Estate B.V. from 2009 to 2015, - Member of the Supervisory Board of Aegon N.V since 2017.
 <p>Jérôme CONTAMINE First appointment : 2018 Term : 2022 French</p>	New	<ul style="list-style-type: none"> - Chief Financial Officer of Veolia Environnement from 2000 to 2009, - Chief Financial Officer of Sanofi since March 2009, - Chairman of the Board of Directors of SANOFI European Treasury Center (from 2012 to 2015), SECIPE (from 2009 to 2016), SANOFI 1 (from 2009 to 2015), - Member of the Board of Directors of Valeo (from 2006 to 2017), SANOFI European Treasury Center (from 2012 to 2016).
 <p>Diane CÔTÉ First appointment : 2018 Term : 2022 Canadian</p>	New	<ul style="list-style-type: none"> - Chief Risk Officer of the London Stock Exchange Group since 2012, - Chairman of the Board of Directors of SANOFI European Treasury Center (from 2012 to 2015), SECIPE (from 2009 to 2016), SANOFI 1 (from 2009 to 2015), - Member of the Board of Directors of Novae Syndicates Limited (from 2015 to 2018), Frank Russel Company (from 2014 to 2016), Russel Investment Inc (from 2015 to 2016).
 <p>Kyra HAZOU First appointment : 2011 Term : 2019 US/ British</p>	7	<ul style="list-style-type: none"> - Managing Director and Regional General Counsel for Salomon Smith Barney/Citibank from 1985 to 2000, - Lawyer in London and New York, - Non-executive Director and a member of the Audit Committee and Risk Committee at the Financial Services Authority in the United Kingdom from 2001 to 2007
 <p>Jean-Bernard LEVY First appointment : 2009 Term : 2021 French</p>	9	<ul style="list-style-type: none"> - CEO of Vivendi from 2002 to 2005, - Chairman of the Executive Board of Vivendi from 2005 to 2012, - Chairman and CEO of EDF (since 2014), Thalès (from 2012 to 2014), - Chairman of the Supervisory Board of Framatome (since 2017), Viroxis (from 2007 to 2014), - Chairman of the Board of Directors of Edison S.p.A (since 2014), JBL Consulting & Investment SAS (from 2012 to 2014), EDF Energy Holdings (from 2015 to 2017), - Member of the Board of Directors of Dalkia (since 2014), EDF Énergies Nouvelles (since 2015), EDF Energy Holdings (since 2017), Vinci (from 2007 to 2015), DCNS (from 2013 to 2014).

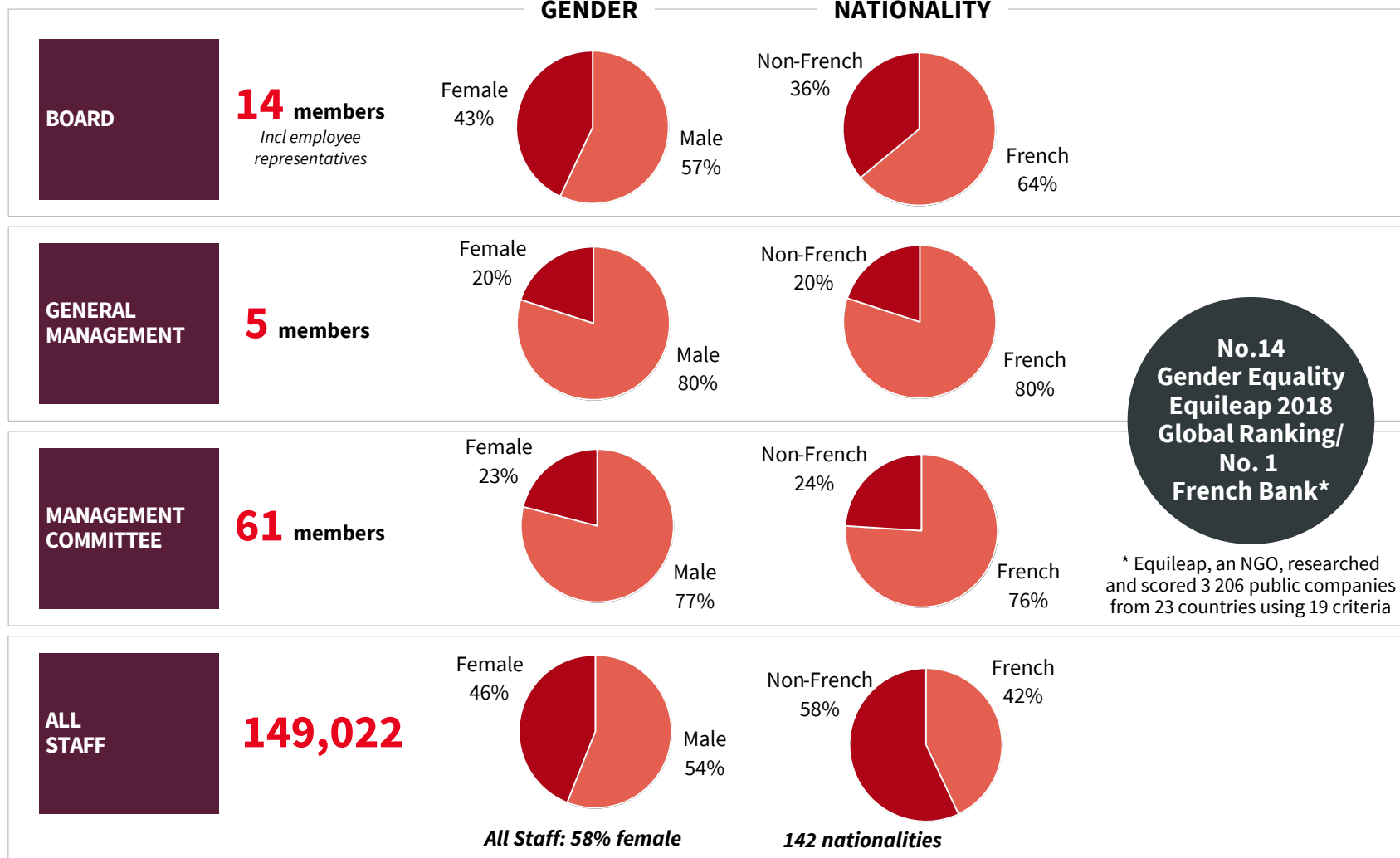
DIRECTOR COMPETENCIES AND EXPERIENCE (2/3)

Directors	Tenure (years)	Summary
 <p>Gérard MESTRALLET First appointment : 2015 Term : 2019 French</p>	3	<ul style="list-style-type: none"> - Chairman and CEO of Compagnie de Suez from 1995 to 1997, - Chairman of the Executive Board of Suez Lyonnaise des Eaux from 1997 to 2001, - Chairman and CEO of Suez from 2001 to 2008; Chairman and CEO of Engie from 2008 to 2016, - Chairman of the Board of Directors of Engie (since 2016), SUEZ (since 2008), Electrabel (from 2010 to 2016), ENGIE Energy Management Trading (from 2010 to 2016), ENGIE Energie Services (from 2005 to 2016), GDF SUEZ Rassembleurs d'Énergies S.A.S (from 2011 to 2014), GDF SUEZ Belgium (from 2010 to 2014), - Vice-Chairman of the Board of Directors of Aguas de Barcelona (from 2010 to 2015), - Member of the Supervisory Board of Siemens AG (from 2013 to 2016), - Member of Board of Directors of International Power (2011 to 2016), Saint-Gobain (1995 to 2015), Pargesa Holding SA (1998 to 2014).
 <p>Juan Maria NIN GENOVA First appointment : 2016 Term : 2020 Spanish</p>	2	<ul style="list-style-type: none"> - CEO of La Caixa from 2007 to 2011, - Executive Vice-Chairman of Obra Social de La Caixa (2007 to 2014); Vice-Chairman & Deputy Advisor CaixaBank S.A (2011 to 2014), - Member of the Supervisory Board of ERSTE Groupe Bank AG (2009 to 2014), Grupo Financiero Inbursa (2008 to 2014), Banco BPI S.A. (2008 to 2014), - Member of the Board of Directors of DIA Group SA (since 2015), Grupo de Empresas Azvi S.L. (since 2015), Azora Capital S.L. (since 2014), Naturhouse (Spain) (2014 to 2016), Grupo Indukern* (Spain) (2014 to 2016), Gas Natural (Spain) (2008 to 2015), Repsol SA (Spain) (2007 to 2015), - Chairman of the Board of Directors of VidaCaixa Assurances (in 2014), SegurCaixa Holding, SA (from 2007 to 2014), - Operative Partner of Corsair Capital LLC since 2016.
 <p>Nathalie RACHOU First appointment : 2008 Term : 2020 French</p>	10	<ul style="list-style-type: none"> - Banking experience from 1978 to 1999 at Crédit Agricole Indosuez, - Founder of an asset management company, Topiary Finance Ltd, from 1999 to 2014, - Foreign Trade Advisor for France since 2001, - Senior Advisor for Rouvier Associates since 2015 - Founder of an advisory company in Financial Services sector, NECGL Ltd, since 2015 - Member of the Board of Directors of ALTRAN (since 2012), VEOLIA (since 2012), LAIRD Plc (since 2016)
 <p>Lubomira ROCHET First appointment : 2017 Term : 2021 French</p>	1	<ul style="list-style-type: none"> - Head of Strategy at Sogeti from 2003 to 2007, - Head of Innovation and Start-ups in France at Microsoft from 2008 to 2010, - CEO of Valtech from 2012 to 2014, - Chief Digital Officer and Member of Executive Committee of L'Oréal since 2014, - Member of the Board of Directors of Founders Factory Ltd since 2016.
 <p>Alexandra SCHAAPVELD First appointment : 2013 Term : 2021 Dutch</p>	5	<ul style="list-style-type: none"> - Various posts at ABN Amro investment banking division from 1984 to 2007, - Appointed head of Western Europe at RBS in 2008, - Member of the Supervisory Board of Vallourec SA (since 2010), Burni Armada Berhad (since 2011), FMO (since 2012), Holland Casino (from 2007 to 2016).
 <p>France HOUSSAYE First appointment : 2009 Term : 2021 French</p>	9	Societe Generale employee since 1989
 <p>David LEROUX First appointment : 2018 Term : 2021 French</p>	New	Societe Genrale employee since 2001

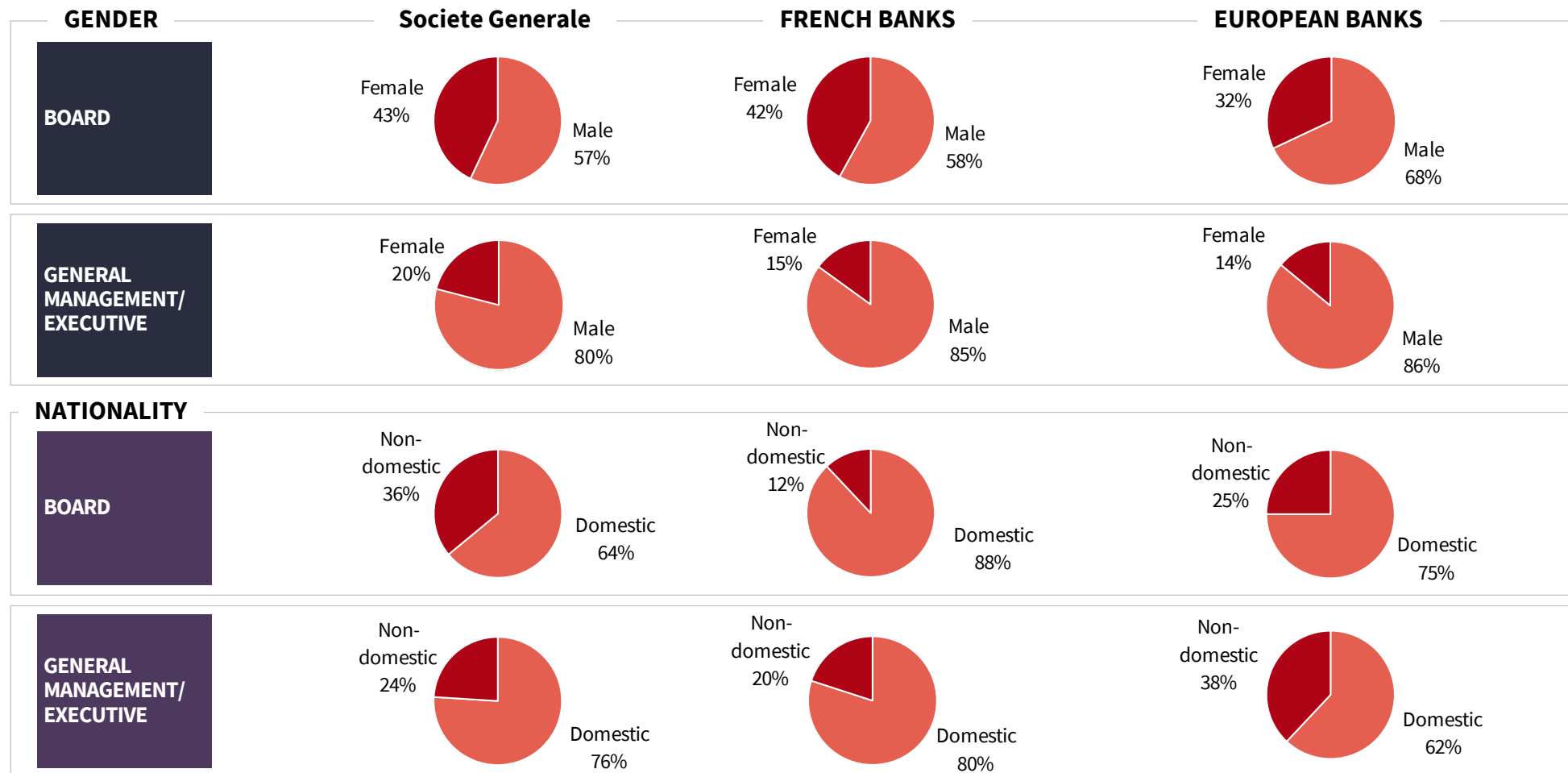
DIRECTOR COMPETENCIES AND EXPERIENCE (3/3)



DIVERSITY AT SOCIETE GENERALE



...POSITIVELY POSITIONED VS PEERS ON DIVERSITY



Source : 2017 Annual reports / Corporate websites / like-for-like comparisons taken where possible

French Banks : Societe Generale, Credit Agricole, BNP, Natixis

European Banks: Unicredit, Deutsche Bank, ING, Barclays, Santander, Crédit Suisse, HSBC, Societe Generale, Crédit Agricole, BNP, Natixis

BOARD COMMITTEES

5 independent directors

Review of the risk panorama & mapping; Culture & Conduct; CSR; GDPR; cyber security; liquidity remediation; Brexit; NPLs; stress tests; regulatory projects; litigations; compensation policy.

Assessment of compliance and risk functions.

As US Risk Committee, it met 12 times to validate the risk appetite of the US operations, supervise risk policies; follow up of remediation plans.

2018: met 10x; attendance rate 98%

4 independent directors

Review of Group accounts; Statutory Auditors; audit and internal control; participation in US Risk Committee which audits the US businesses.

Review of compliance organisation; anti-money laundering; monitoring of remediation plans; regulatory compliance; customer protection; and specific business reviews.

2018: met 10x; attendance rate 90%

4 directors (3 independent)

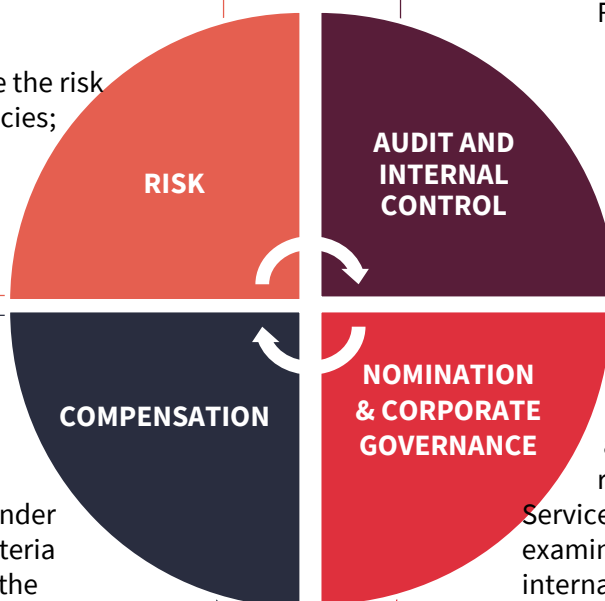
Monitors long-term and deferred remuneration; Chairman's remuneration; and ensures remuneration policies are in line with regulations, internal risk control policy, gender equality and (from 2018) that extra-financial criteria are considered in the variable remuneration of the Management Committee.

2018: met 8x; attendance rate 97%

4 independent directors

Prepares the appointment of new directors and succession of General Management; reviews the succession plans of the Business and Service Units; prepares resolutions for General Meeting; examines Internal Rules of the Board; prepares annual internal evaluation of Board; and assesses the independence of Directors.

2018: met 7x; attendance rate 82%



Public activity reports for all Committees included in the Registration Document

ROLE OF THE BOARD

THE BOARD OF DIRECTORS COLLECTIVELY REPRESENTS ALL SHAREHOLDERS

STRATEGIC DIRECTION

- The Board:
 - sets Societe Generale’s strategic direction
 - ensures its implementation
 - defines the Group’s values and Code of Conduct
 - defines the Group’s social and environmental responsibilities

REMUNERATION

- The Board sets the compensation of the CEOs, including:
 - fixed and variable, ensuring a balance between financial and extra-financial criteria
 - long-term incentives to align interests with long-term shareholder value

SOLID GOVERNANCE

- The Board periodically:
 - ensures that it is well composed and has sufficient breadth of skills to perform its duties
 - approves effective risk procedures, a sound internal control system, and efficient administrative processes
 - ensures a well-defined, transparent and coherent sharing of responsibilities

AN ORGANISATION BASED ON SHARED CULTURE AND GOALS...

MORE AGILE ORGANISATION

- **New organisation and governance** adopted in 2017, with two objectives :
 - To be **more agile and customer-focused**
 - To support a more **collective working** model
 - (see slide 16)

REINFORCED INTERNAL CONTROL SET UP

- Since 2017, Group Compliance division **reports directly to General Management**
- **Doubled Compliance headcount** in 3 years and **increased training** budget
- Commitment to continue to enhance compliance programme :
 - To **prevent and detect** potential violations
 - To **enhance corporate oversight**

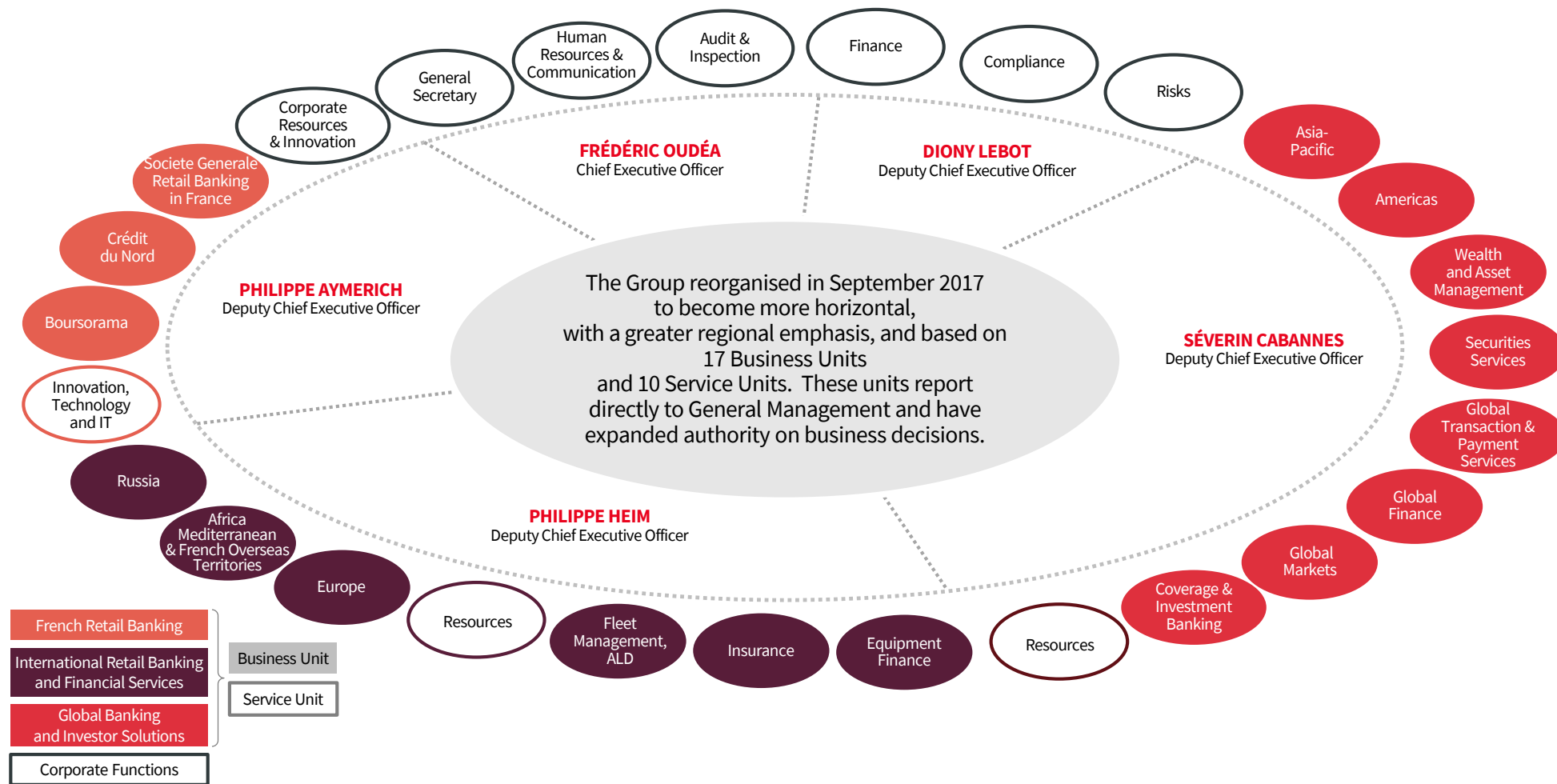
DEPLOYING CULTURE & CONDUCT PROGRAMME

- **Company-wide culture & conduct programme** sponsored by the CEO and reporting to the Board of Directors
- **New Code of Conduct** deployed worldwide reinforcing commitments towards every stakeholder

MORE ALIGNMENT

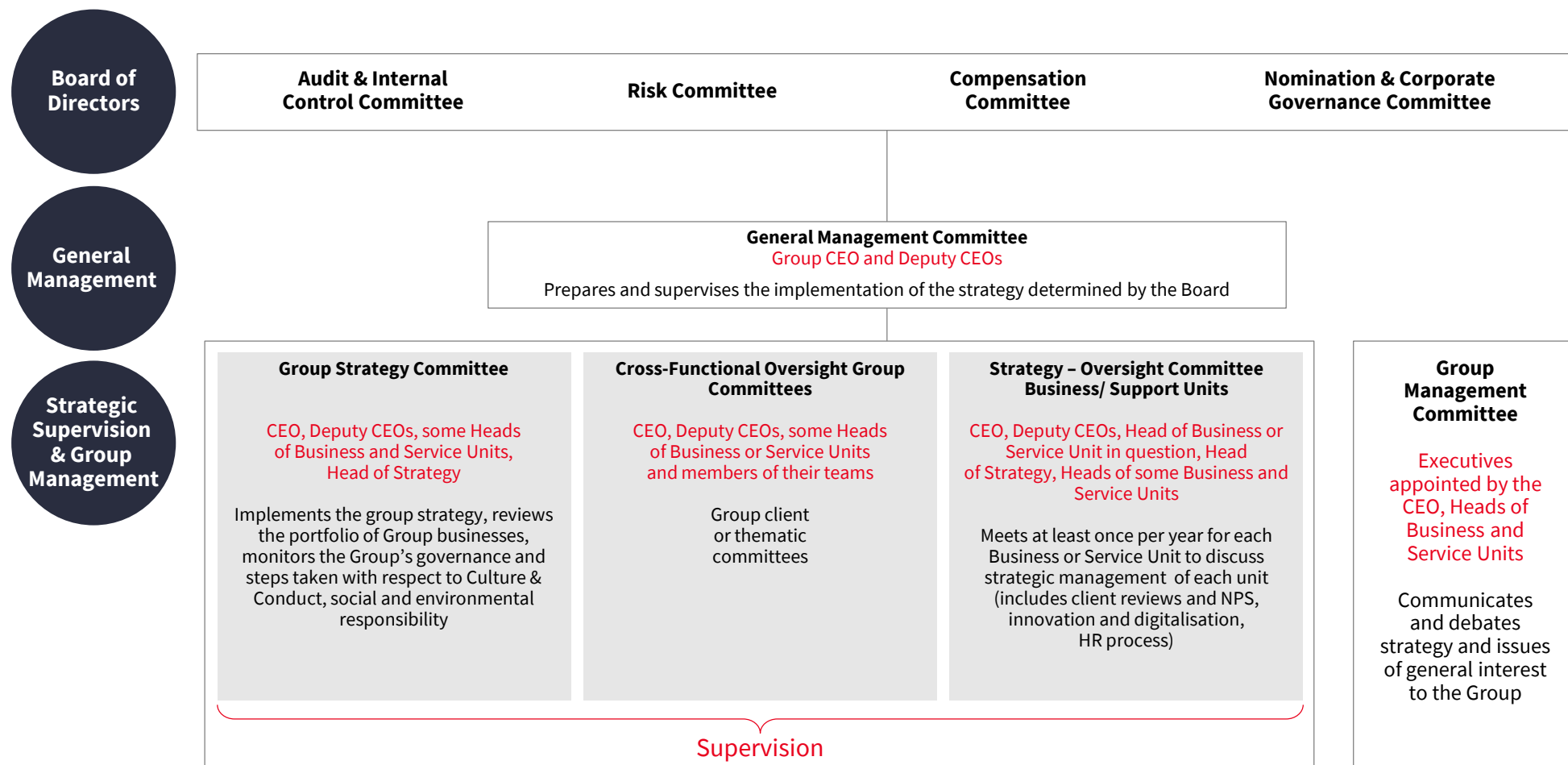
- **Common leadership model, based on 4 shared values,** applying to all staff worldwide
- **Variable remuneration of Management Committee members significantly aligned with shared Group targets:** Financial targets, Net Promoter Score, global employee commitment rate and Group CSR rating

... AND TO FOSTER AUTONOMY, COLLEGIALLY AND COOPERATION



~30 EXECUTIVES WITH COMMON OBJECTIVES AND REMUNERATION SCHEMES

GROUP GOVERNANCE, OVERSIGHT AND MANAGEMENT STRUCTURE



The Group's governance bodies are set up to be collegial and cross-cutting and to systematically review strategic and operational objectives.

2

REMUNERATION POLICY

REMUNERATION POLICY - EXECUTIVE MANAGEMENT (1/2)

SAY ON PAY EX ANTE 2018

A stable remuneration policy, compliant with banking standards and the French governance code: the European CRD4 Directive standards, the AFEP/MEDEF code, and the “Sapin 2” law

FIXED COMPENSATION

Reflects **experience** and **responsibilities** and **compares with practices** in similar companies

VARIABLE COMPENSATION BASED ON ANNUAL PERFORMANCE

Based on **financial objectives** (60%) and **qualitative objectives** (40%)

- Maximum 135 % of fixed remuneration for the CEO and 115% for the D-CEOs
- Partly indexed to SG share, conditional and deferred for 3 years, in compliance with European standards

LONG-TERM INCENTIVE

Designed to **associate executive managers in the Group’s long-term performance and align their interests with those of the shareholders**

- Maximum 135 % of fixed remuneration for the CEO and 115% for the D-CEOs
- Entirely conditional and deferred for 7 years

Total variable compensation capped at twice the amount of fixed compensation

REMUNERATION POLICY - EXECUTIVE MANAGEMENT (2/2)

SAY ON PAY EX ANTE 2018

NON-COMPETE CLAUSE

6 months non-compete clause, compensated 100% of fixed remuneration

SEVERANCE PAY

Only in case of **forced departure**
Max 2 years fixed remuneration, subject to performance

SUPPLEMENTARY PENSION SCHEME

No supplementary pension scheme for the CEO
Supplementary pension scheme maintained for the D-CEOs, subject to being employed by Societe Generale at time of retirement
(with a performance condition for D-CEOs appointed since 2017)

*Total non-compete
+ severance pay
cannot exceed 2
years total
compensation*

3

CULTURE & CONDUCT AND HUMAN CAPITAL

A CULTURE OF RESPONSIBILITY IS KEY TO OUR STRATEGY

SOCIETE GENERALE HAS BUILT A STRONG CULTURE

A culture rooted in our shared history dating back over 150 years, and based on:

4 values

- Team spirit
- Innovation
- Responsibility
- Commitment

A Leadership Model that guides our management and individual behaviour

A Group Code of Conduct that sets out the commitments and principles we must all observe while fulfilling our duties, **and 2 codes focusing on particular conduct matters: tax and corruption**

AND DEVELOPING A CULTURE OF RESPONSIBILITY IS A PILLAR OF OUR STRATEGY

A strong culture of responsibility is a key pillar of the *Transform to Grow* strategy

Meanwhile the Culture & Conduct Programme, which reports directly to General Management is tasked with achieving the necessary cultural transformation to develop this culture.



A THREE YEAR CULTURE AND CONDUCT PROGRAMME TO ACCELERATE OUR CULTURAL TRANSFORMATION

THE PROGRAMME HAS 3 MAIN OBJECTIVES...

- Accelerate our **cultural transformation**
- **Achieve the highest standards of quality of service, integrity and behaviour**
- **Make our culture a key differentiating factor:** integrity and ethics, creating performance and a competitive advantage

...TO BE ACHIEVED OVER 3 YEARS

2017

- **Develop** the Programme **architecture** and roadmap
- **Communicate** to business and service units
- **Launch** first deliverables

2018

- Ensure the Programme **becomes highly visible**
- **Deliver** on our **core conduct priorities**

2019

- **Complete** Programme **roll-out:** fully embedding deliverables and **alignment of HR processes**
- Prepare the **transition to full ownership by business and service units**

RELYING ON A MULTI-PRONGED APPROACH...



GOVERNANCE

- Culture & Conduct programme **launched January 2017: implementation discussed by the Board twice a year**
- **Overall responsibility for the programme is with General Management** : the Group Head of Culture & Conduct reports directly to the CEO and delivers an annual dashboard of indicators
- **Managers and Excos of each Business/Service Unit champion and lead on culture and conduct which is directly under their responsibility**



CODE OF CONDUCT

- The **Board formally endorsed** the Code of Conduct in 2016 and the Anti-Corruption and Anti-Bribery Code in 2017
- **2018 global roll-out** of a mandatory Conduct Journey Workshop to all active staff, with an additional appropriation all-staff test



CONDUCT RISK MANAGEMENT

- **Redefining and broadening our definition of conduct risk and embedding** this definition into **overall Group risk management framework**, so that risks can be better identified, assessed and mitigated across the Group



DASHBOARD

- **Annual dashboard for General Management with indicators on culture and conduct** covering regulatory training, compliance dysfunctions, operational losses resulting from misconduct, sanctions and compensation reviews, results of internal staff survey



CULTURAL TRANSFORMATION

- **Alignment of HR processes**, including sanctions, performance evaluation and compensation, recruitment and induction, talent development
- Providing tools to **support and encourage an ethical approach**



COMMUNICATION AND AWARENESS

- **Communication on 3 levels (General Management, Business/ Service Unit and local level)** to embed culture and conduct topics into the daily lives of staff

...AND REQUIRING THE GROUP TO BE A RESPONSIBLE EMPLOYER

SUPPORTING *TRANSFORM TO GROW* STRATEGY BY DEVELOPING OUR STAFF

- **Develop the skills that employees need** to adjust to transformations on the banking landscape
 - Develop employees' employability through training, learning and the formulation of diverse career paths
 - Targeted recruitment for growing and emerging businesses
 - Embrace digital transition by offering alternative working methods
- **Develop a responsible banking culture** based on the **common values** of the Group's 'Leadership Model'
 - Commitment to diversity
 - Highest standards of conduct and ethics
 - Cascading a strong tone from the top
- **Foster employee commitment and team spirit**
 - Recognising each individual's contribution to the Group's long-term performance
 - Ensuring safety and well-being at work
 - Involving employees in civic initiatives

WITH POLICIES TO SHAPE AND GROW OUR STAFF



Workforce

58% women
46% women managers
25% women in Top 1000
142 nationalities
58% non-French



Retention management

8.3% voluntary turnover
5.3% voluntary turnover exc. Russia and India
9.7 average years of service



Strategic workforce planning

A tool using artificial intelligence is being developed worldwide to connect competencies with needs;
18% group internal mobility rate
56% jobs filled internally world-wide



Transformation of French Retail Banking

Removal of 3,450 positions by 2020 through internal mobility, voluntary departures and attrition: no forced dismissals;
EUR 150m commitment by 2020 to a strengthened and personalised training programme

TALENT DEVELOPMENT

- A group-wide **High Potentials approach** built around the values of the *Leadership Model*
 - **2.4%** of the Group's workforce
 - **40%** women; 42% non-French
- Corporate University responsible for developing the Strategic Talent of the Group's most senior managers and executives, offering behavioural skills development modules
 - **300 talents** attended programmes in 2018
 - (**33%** women; **21%** non-French)
- Succession planning for the next generation of managers:
 - **300 Key Group positions**
- Targeted development programmes:
 - **Expert** fields, including IT, Compliance, Data, Cyber Security
 - **Junior** programmes
 - **PanAfricanValley** regional talent programme

FOCUS ON GENDER DIVERSITY IN THE GROUP

GENDER DIVERSITY EMBEDDED IN ALL HR PROCESSES

- **Collective agreements** with unions on equal opportunities and action plans
- **Unconscious Bias** training for managers
- **Women's networks**
- **Sponsorship by senior management**
- Diversity & Inclusion **branding & marketing** internally & externally



- **Charters:** UN Women Empowerment Principles in 2016; UK Women in Finance Charter 2018; renewal of UNI Global Union (human rights) in 2019
- **Juniors and female pipeline:** gender active recruitment campaigns; IT4GIRLS
- **Mid-careers:** focus on women returning from maternity leave

- **Gender pay gap actions:** Since 2013 EUR10.1m allocated to correcting 5100 pay gap differences in France. A further EUR7m allocated over next 3 years, of which EUR3m in 2019
- **Work/Life balance** benefits
- **Women's mentoring and reverse mentoring**

- **Priority to promote women and international profiles** to positions of responsibility
- **Sponsorship programmes** for young female talent to increase visibility in the organisation
- **40% of High Potentials** were women in 2018

GENDER DIVERSITY PROGRAMMES:



WOMEN IN MARK



4

**ENVIRONMENTAL &
SOCIAL**

A CLEAR CSR STRATEGY INTEGRATED ACROSS THE SG GROUP

tone from the top

- Each year, the Board approves the Group's CSR objectives and strategy and reviews the developments of the programme
- Climate risk monitored by the Board and reviewed by a dedicated Group Management Risk Committee

CSR ambitions structured around six main themes and integrated in the *TRANSFORM TO GROW* strategy

Listening to stakeholders to define our Materiality Matrix in 2017 and continue integrating ESG risks

In our business development goals...

Climate Change

Offers in line with Social Trends

Sustainable Development of Africa

In the way we conduct business...

Client Satisfaction & Protection

Culture, Conduct & Governance

Responsible Employer

CLIMATE RISK

Governance

- In 2016 the Risk and CSR teams collaborated to analyse climate-related risk, and **from 2017 these risk factors were incorporated in the risk appetite of the Group, with Board approval**
- Climate-related credit risks are reviewed at least annually through the **Group Management Risk Committee**
- The risks related to climate change (physical and transition risks) are **not considered as a separate risk category**: they constitute a risk factor aggravating credit, operational, insurance and market risks
- In October 2018 the Group Management Risk Committee refined the credit risk appetite to take a 2°C transition scenario into account in the Group's credit risk profile
- Exposure to physical risk in French residential real estate was also presented

Methodology

- Transition risk assessment methodology:
 - A **reference climate scenario** is selected for the Group's credit policy and reviewed annually : output helps to assess the economic impact on sectors and individual clients
 - A **'climate vulnerability'** assessment of transition risks is conducted for all client groups in key sectors.
 - This evaluation is **mandatory for key sectors** impacted by climate: oil and gas, metals and mining, transport and power sectors for the corporate credit portfolio

Working Groups

- Societe Generale seeks to participate in the development of methodologies to continue to improve the incorporation of the risk of climate change and participates in a number of working groups:
 - the United Nations Environment Programme Finance Initiative (UNEP-FI), from which Societe Generale's methodology is largely derived
 - the working group organised by the French banking regulator (ACPR) and the Banque de France on climate change risk assessment in the banking sector
 - the ClimINVEST initiative, to develop understanding of the impact of physical risk on SMEs in France

EMBEDDING ENVIRONMENTAL RESPONSIBILITY IN CLIENT ACTIVITY

ENERGY TRANSITION

- Commitment to align activities by 2020 with the IEA's* trajectory to limit global warming to 2°C
- €100 billion commitment to support the energy transition between 2016 and 2020: 69% completed as at end-2018
- No new financing projects of coal, oil sands or Arctic oil (since 2016/17)
- Oil & Gas policy updated in 2018, committing to finance only activities with mitigated impact on climate

LESS RELIANCE ON FOSSIL FUELS


Electricity financing, 30.06.18:

48.7% non-carbon energies
→ of which 42% renewable energies



51.3% fossil fuels
→ of which 19.3% coal
Target 19% coal by 2020

RENEWABLE ENERGY

- Accelerating support in renewable energy financing : currently among global leaders
- SG supports and finances R&D of new technologies, large-scale infrastructure projects and innovative start-ups
- 2018 acquisition of the pioneering renewable energy crowdfunding fintech platform : 
 - Offers individuals and companies the opportunity to participate in financing projects

E&S RISK MANAGEMENT

- 12 cross-sector and sector-specific Environmental & Social policies
- E&S risk management framework which extends beyond the regulatory requirements of the French Duty of Care Bill
- Compliance with the Equator Principles

CLIENT SUPPORT

- Environmental & Social advisory for GBIS clients:
 - Assisting clients with the transition to a low-carbon economy
 - Ensuring clients and transactions meet Societe Generale E&S Sector Policies and Guidelines
 - Managing Societe Generale E&S reputation and credit risks

A BANK PIONEERING RESPONSIBLE FINANCE

A CONSOLIDATED SUSTAINABLE AND POSITIVE IMPACT FINANCE OFFERING

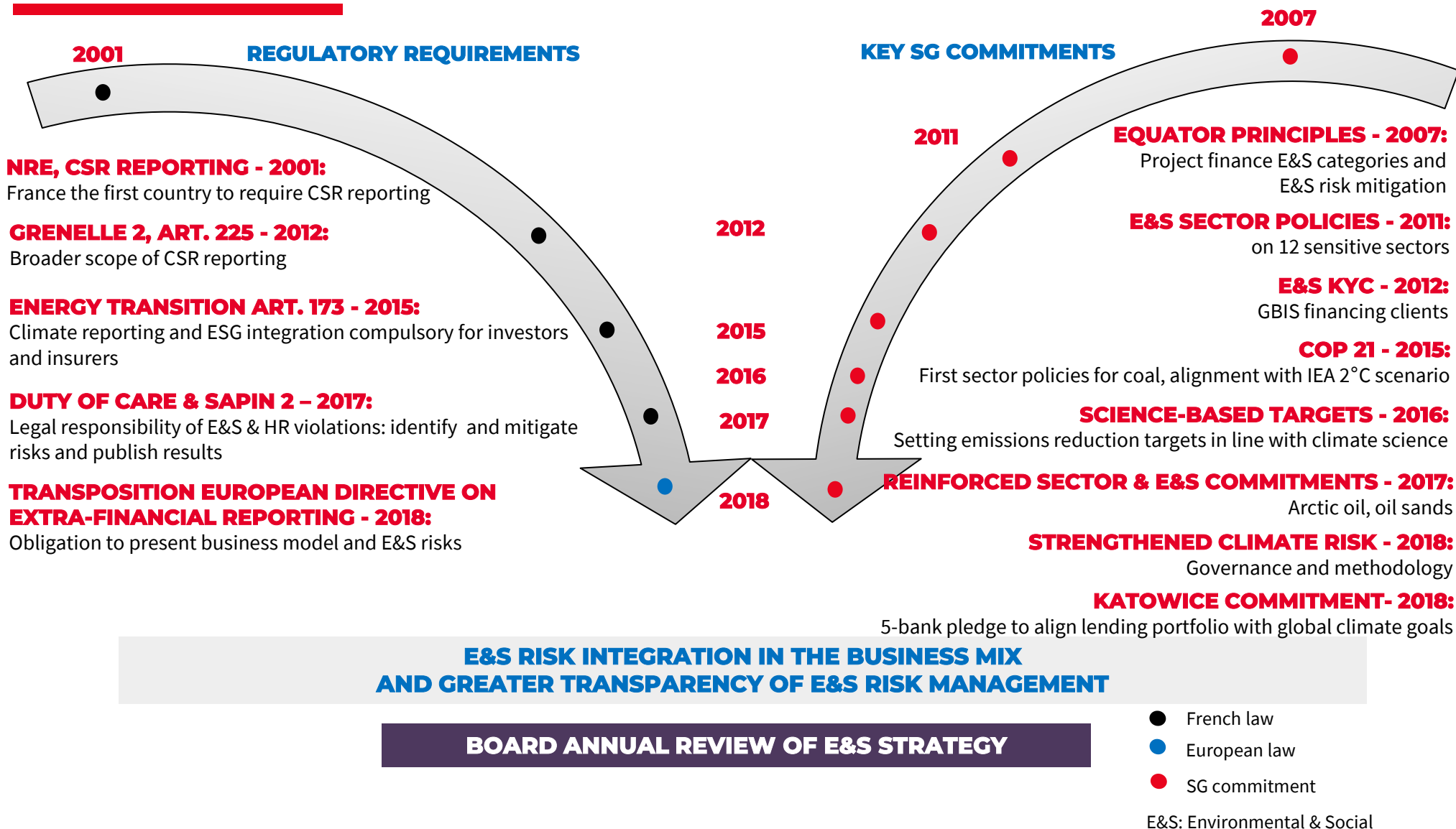
- Societe Generale is a **founding member of the UNEP “Positive Impact Finance Initiative”**, since 2001, and a core member of the UNEP-FI working group defining “Banking Principles”
- Consolidated « Sustainable and Positive Impact Finance » proposition, whose objective is to develop and diversify a range of products and services by introducing more structuring expertise and advice on impact analysis and measurement, whilst incorporating the UN’s 17 Sustainable Development Goals



FROM FINANCING TO INVESTING: EXAMPLES OF THE RANGE OF EXPERTISE AND SOLUTIONS

- Total amount of **Sustainable & Positive Impact Finance EUR 11.9bio**
 - Of which **Positive Impact Finance** (as defined by UNEP-FI) **EUR 5.1bio**
 - Of which **‘green’ financing EUR 6.5bio**
 - Of which **‘social/ societal’ financing EUR 5.4bio**
- **Green Bond issues arranged:** EUR 47.6bio nominal since 2016
- **Renewable energy projects:** EUR 21.4bio (advisory and / or financing) since 2016
- **ESG Research** top 5 for the past 10 years (Extel)
- **Lyxor ETFs matching 4 UN Sustainable Development Goals:**
 - Water (the largest one in Europe with EUR485m AUM), Renewable energy, Climate action and Gender equality
- In 2017 Lyxor launched the **first Green Bond ETF** in the world
- Structuring of **ESG stock baskets and indices** since 2007
- **Positive Impact Notes:** In 2018 launch of Positive Impact Structured Notes supporting SME financing
- **Socially Responsible Deposits:** for corporate clients wanting their cash investments to support socially responsible businesses: more than EUR 900m collected
- Launch in 2018 of the **first structured product with a charity dimension** by SG Private Banking

E&S RISK MANAGEMENT: REGULATORY AND VOLUNTARY



WORKING WITH REGULATION TO SHAPE STRATEGY

FRANCE CONTINUES TO ENHANCE ITS SUSTAINABLE AND CLIMATE-RELATED REGULATION, STRENGTHENING THE PIONEERING ROLE OF THE PARIS MARKETPLACE IN GREEN FINANCE

Law on Energy Transition for Green Growth - Article 173

In August 2015 France became the first country to introduce mandatory climate change-related reporting.

Article 173 makes it compulsory for investors to explain how they take climate risks and ESG criteria in their investment decisions, in line with the voluntary recommendations of the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD).



Societe Generale is an active member of the UNEP FI working group on the TCFD disclosure and committed to align to these recommendations

Grenelle 2 Law - Article 225 / EU Non Financial Directive

In 2012, it became compulsory for French companies to report on the Environmental and Social impacts of their business and to have this information audited.

From 2018, the EU Non-Financial Information Directive will reinforce the article 225, and require companies to focus on their major E&S risks and on the management of the adverse impacts of their worldwide activities.



Societe Generale is fully supportive of these French and EU regulations, having reported on E&S impacts since 2003

Duty of Care Bill

In March 2017, following the UK Modern Slavery Act, France made it compulsory for companies with over 5,000 employees to implement a vigilance plan whose objective is to map, measure and mitigate human rights and environmental risks, on a worldwide basis.




Societe Generale sees this as an opportunity to strengthen its existing E&S practices and published its Duty of Care Plan in February 2018

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT OF AFRICA


SUPPORT FOR AFRICAN SMEs


- Creation of “SME Centres” in each SG Africa subsidiary, bringing together different stakeholders to work together for business development (public bodies, multilaterals, development agencies, private sector, funds etc)

 Increase outstanding loans to African SMEs by 60% over the next 5 years (+ EUR 4bn)

INFRASTRUCTURE FINANCING

- A key aspect of development in Africa in which the bank is already strongly involved. Four areas of focus: energy, transport, water and waste management and sustainable cities

 Double Africa workforce dedicated to structured finance by 2019


 Increase financial commitments related to structured finance in Africa by 20% over the next 3 years

GROW WITH AFRICA

LEVERAGING OPERATIONS IN 19 COUNTRIES AND HISTORICAL PRESENCE OVER A CENTURY


INNOVATIVE FINANCING

- Improve support of agriculture industries, through a more collaborative approach with farmers, cooperatives and SMEs
- Support energy inclusion and promote renewable energy sources

 Provide access to range of banking and non-banking services (healthcare, education, advisory) to one million farmers over the next 5 years, via YUP platform

FINANCIAL INCLUSION

- Launch of YUP mobile money in 2017 to address the poorly and unbanked population of Africa. Introduced in Cote d'Ivoire, Senegal and Burkina Faso with more than 300 000 clients at Nov.18
- Continue to grow microfinance business

 Reach 1 million clients with YUP by 2020 and roll out to 4 additional countries

 Double outstanding loans to microfinance organisations by 2022

 Targets

5

CYBER SECURITY

GOVERNANCE OF CYBER SECURITY

CONTEXT and COLLABORATION

- The EU regulatory framework for cyber and data security is evolving:
 - the **Network and Information Security (“NIS”) Directive** was adopted in August 2016 and currently being implemented across member states: it provides legal measures to increase the level of cyber security in the EU, facilitating cross-border exchanges of information and cooperation.
 - the **EU General Data Protection Regulation (“GDPR”)** was introduced in May 2018 and improves data governance and protection.
- The French State acts with the finance sector in the event of a global attack having a national impact (Loi de Programmation Militaire). The European Directive NIS is currently being implemented across Europe to offer support at a European level.
- Societe Generale works on collective initiatives with the industry to share cyber experience and strengthen procedures. Societe Generale’s Group CISO chairs the Federation Bancaire Française working group. CERT teams across France and internationally meet on a regular basis.

TONE FROM THE TOP

- Cyber security is monitored by the Board of Directors’ Risk Committee and receives a quarterly IT and cyber dashboard
- The Group Risk Committee monitors quarterly the progress of the cyber security strategy
- Additional quarterly reporting to the ECB and local regulators
- Group CSO (Chief Security Officer), in charge of the Group Security Department created early 2018
- Group CISO sets the Information Systems Security strategy, ensuring policies are observed across the Bank
- Computer Emergency Response Team “CERT” (the first of its kind to be registered by a French company in 2009) centralizes and coordinates response to security incidents
- Security policies aligned with international standards and compliant with regulation
- EUR 650m investment in security over 3 years 2017-20

CERT | SOCIETE GENERALE

PROTECTION OF ASSETS AND DIGITAL TRUST IS A STRATEGIC ISSUE

Customers

- Build leading digital solutions for customers
- Eg. Cryptodynamic Visa card; biometric voice password; biometric facial recognition

Detection and Reaction

- Strengthen detection tools
- Reinforce ability to respond to a crisis

Skills and Cyber Culture

- Build cyber skillsets across the Group
- Attract and retain talent



Security of key assets

- Protect data and prevent leakage
- Identify and enhance protection of sensitive assets
- Reinforce security of data and applications

Trust and Agility

- Extend our security expectations to external partners
- Chairing industry working groups to share experience and test resilience
- Build internal exchanges and controls to create a forum of trust

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, 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 Registration Document filed with the French Autorité des Marchés Financiers.

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

Figures in this presentation are unaudited.