

PREMIUM REVIEW

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05.12.2019

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

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.

BE A LEADER IN VALUE ADDED SEGMENTS

EXPERTISE & INNOVATION FOR OUR HIGH POTENTIAL CLIENTS



EXPERTISE

Advisory for our clients key projects
Structured and Asset Based Finance
Investment Solutions



DIGITAL & INNOVATION

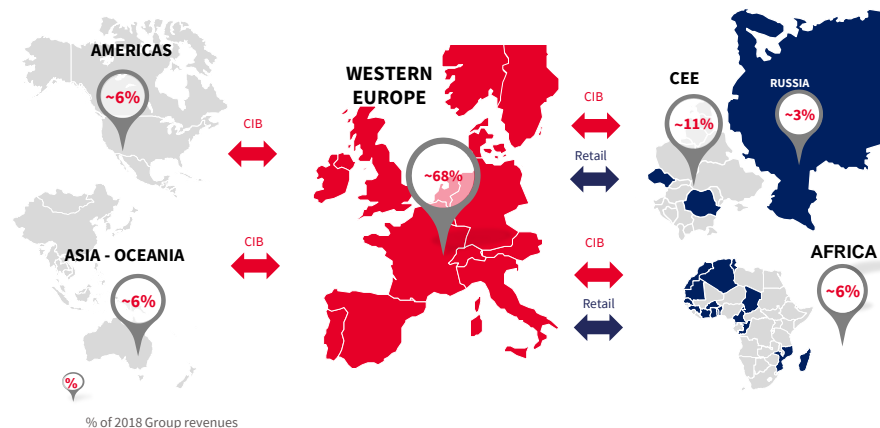
Boursorama, ALD, cross asset
approach, renewable energies
financing

B2B
and
B2B2C



B2C

SELECTED GEOGRAPHICAL PRESENCE

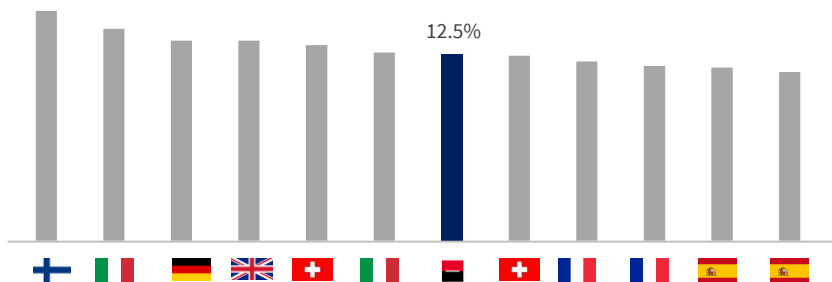


HIGHLY SYNERGETIC MODEL, ca. 1/3 of Group revenues from synergies

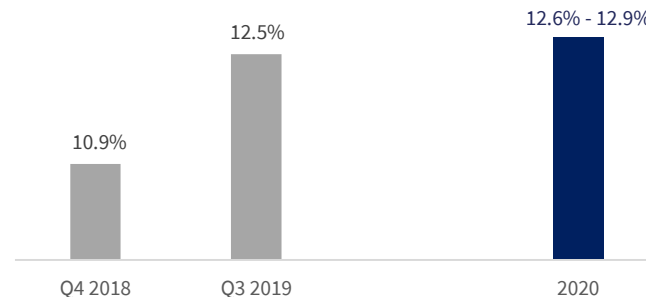
FOCUS ON PRIORITIES: CAPITAL

Q3 19 CET 1 AT 12.5%

Q3 19 CET 1 RATIO IN LINE WITH LISTED PEERS⁽¹⁾



CURRENT CET1 TRAJECTORY LANDING AT 12.6%-12.9%



ca. +150bp CET 1 IN 9M 19

ca. 250bp ABOVE MDA

TLAC AND MREL COMPLIANT

⁽¹⁾Based on published reported information – sample of listed banks used in the Universal Registration Document

FOCUS ON PRIORITIES: PROFITABILITY

9M 19 ROTE AT 8.1%

DEVELOPING REVENUE
INITIATIVES

WORKING ON COSTS

ALLOCATING CAPITAL TO MOST
PROFITABLE FRANCHISES



FRENCH RETAIL
BANKING

9M 19 RONE⁽¹⁾
11.7%



INTERNATIONAL
RETAIL BANKING

9M 19 RONE⁽¹⁾
16.4%



INSURANCE AND
FINANCIAL SERVICES
TO CORPORATES

9M 19 RONE⁽¹⁾
20.9%



GLOBAL BANKING
AND INVESTOR
SOLUTIONS

9M 19 RONE⁽¹⁾
7.7%

DELIVERING IN LINE WITH TARGET

**RESTRUCTURING
WELL ON TRACK**

(1) Underlying data: adjusted for exceptional items, IFRIC 21 linearization and PEL/CEL provision for French retail banking

FRENCH RETAIL BANKING

A PROFITABLE FRANCHISE

LEVERAGING VALUE ADDED FRANCHISES

>80% of revenues from corporate, professional, wealthy /
mass affluent clients

>2m clients in Boursorama, **#1 ONLINE BANK**

WORKING ON FEE GENERATION

PROTECTING NET INTEREST MARGIN thanks to
selective origination strategy

2019 REVENUES EXPECTED BETWEEN 0% AND -1% VS. 2018
SIMILAR TREND EXPECTED IN 2020

WORKING ON COSTS WHILE INVESTING IN BOURSORAMA

TRANSFORMATION COSTS fully supported by the
business

Delivering **COST SAVINGS**

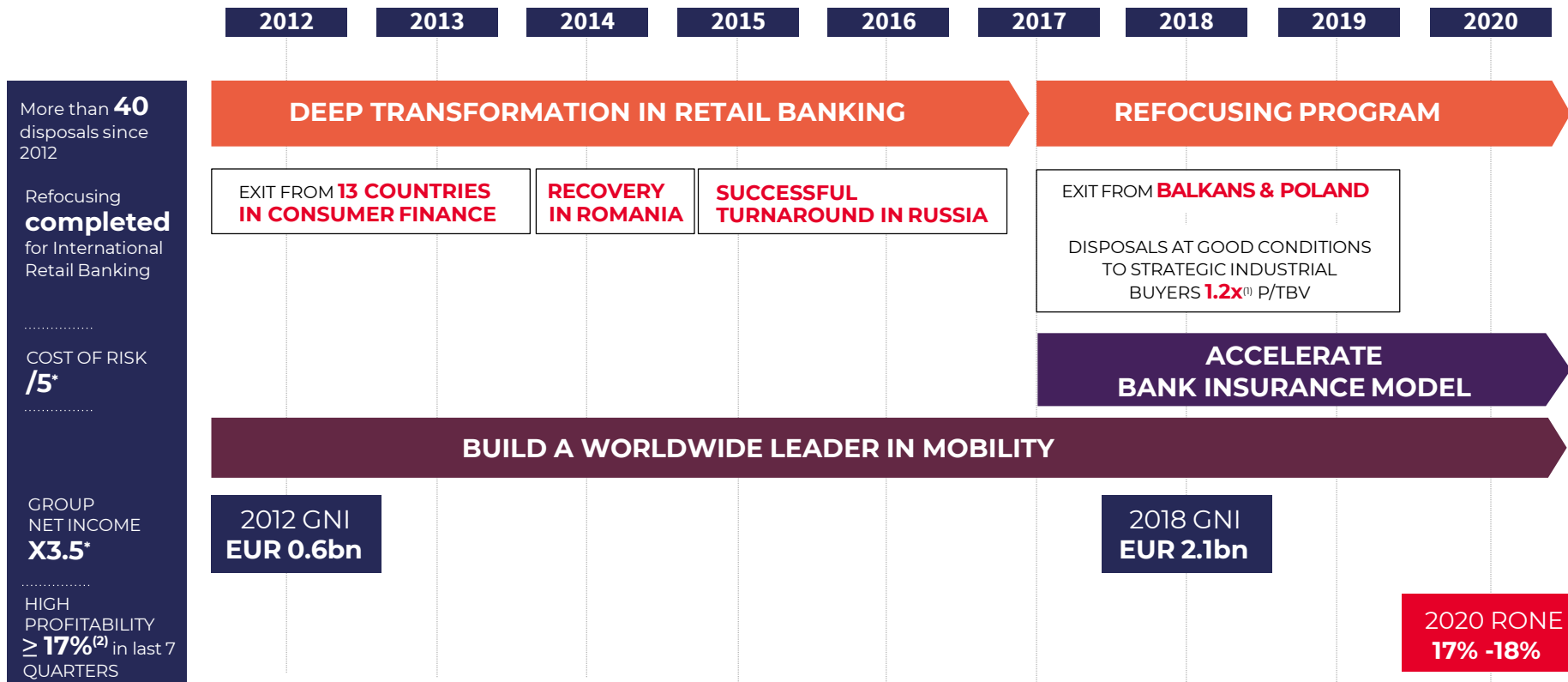
TRANSFORMATION ON TRACK (72% of 2020 target
of SG branches closures achieved)

Investing in **BOURSORAMA** growth, improved
profitability post acquisition phase

2019 COSTS: +1% TO +2% VS. 2018 (including restructuring costs)
COST BASE DECREASE EXPECTED IN 2020 VS. 2019

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

IN-DEPTH ADAPTATION OF OUR BUSINESSES SINCE 2012



More than **40** disposals since 2012

Refocusing **completed** for International Retail Banking

COST OF RISK **/5***

GROUP NET INCOME **X3.5***

HIGH PROFITABILITY **≥ 17%⁽²⁾** in last 7 QUARTERS

* Between 2012 and 2018 / (1) Weighted average of tangible book value / (2) Adjusted for IFRIC linearisation

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES RELEVANT AND DIFFERENTIATED BUSINESS MODEL

INTERNATIONAL RETAIL BANKING

Top 3 Diversified Bank

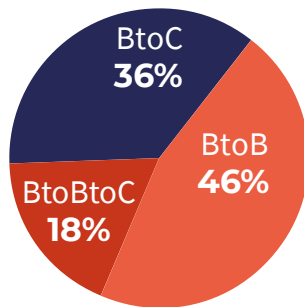
Three **high growth** retail regions



Consumer Finance leader
in the 3 largest economies of the Eurozone

 **Leverage on Group
Value-added franchises**

2018 RONE: **17%**



~65% of 2018 IBFS revenues
are **BtoB** and **BtoBtoC**

CROSS-FERTILIZATION

47% of 2018 Group revenues **synergies**
generated by **IBFS**

INSURANCE & FINANCIAL SERVICES

Bank insurance model
across our retail networks

Global leaders in
mobility & leasing



**Leverage on partnerships
and open architecture**

2018 RONE: **20%**

HIGHLY PROFITABLE BUSINESSES WHICH ARE IMMUNE FROM LOW INTEREST RATES

GLOBAL BANKING AND INVESTOR SOLUTIONS

2019: A TRANSITION YEAR - REFOCUSING ON CORE FRANCHISES

RESTRUCTURING ON TRACK

DELEVERAGING COMPLETED

EUR 10bn 2020 RWA reduction **target met** in 2019

Ongoing closure of OTC commodities principal business,
Descartes Trading in run off

COST SAVINGS PROGRAM ON TRACK

-4.2% in operating expenses in Q3-19 vs Q3-18

~15% of EUR 500m GBIS cost savings program
completed, consistent with the 30% target for 2019

~80% of voluntary departures already completed⁽¹⁾

On track to deliver **EUR 6.8bn** target cost base in 2020

FOCUSED ON LEADING FRANCHISES

~7%

Market share in Equities⁽²⁾

A leader in **EQUITIES**

+7%

In Structured finance &
Transaction banking
revenues in Q3 19

Strong momentum in
**STRUCTURED FINANCE &
TRANSACTION BANKING**

#1

ECM house in France⁽³⁾

Leading franchises in

#3

All Euro Bonds⁽³⁾

INVESTMENT BANKING

+EUR 1.1bn

net inflows in Q3 19

Sustained inflows in **FRENCH
PRIVATE BANKING**

(1) As of end-November 2019

(2) Source: Coalition 1H2019 Index Analysis - Coalition Index tracks the performance of the 12 largest Investment Banks globally. The Index comprises: BoAML, BARC, BNPP, CITI, CS, DB, GS, HSBC, JPM, MS, SG, UBS.

SG share calculated based on SG internal revenues and Coalition 1H2019 Index for Equities. Results are analysed according to SG's taxonomy.

(3) Source Dealogic (1/1/19 - 30/9/19)

STRONG RISK PROFILE AND CULTURE



WELL MANAGED CREDIT RISK

HIGH ORIGATION AND PORTFOLIO QUALITY

WELL-ESTABLISHED TRACK RECORD OF LOW COST OF RISK

ca. 25 bps since 2016*, **24 bps** in 9M-19

KEEPING NPL AT A LOW LEVEL: **NPL ratio at 3.4%** in September 19

**Average data*

***Quarterly Average of 1-Day, 99% Trading VaR*

Based on published data



CONTAINED MARKET RISK

MARKET RISK

~5% of total RWA since 2016*

HIGHLY DISCIPLINED APPROACH TO RISK APPETITE

VaR < EUR 35m** since 2013



A STRICT FOCUS ON OPERATIONAL RISK

CONTINUOUS INVESTMENT IN **COMPLIANCE**

TRANSVERSAL **CULTURE & CONDUCT** PROGRAMME

RESPONSIBLE REMUNERATION SCHEME FOR MANAGEMENT TEAMS

2019 COST OF RISK EXPECTED BETWEEN 25bp AND 30bp

A LEADER IN CLIMATE ACTION



SUPPORTING THE ENERGY TRANSITION

No.1 bank worldwide in Environment and No.6 bank in Europe across all ESG criteria (RobecoSAM 2019)

New commitment of **EUR 120bn** to support the energy transition 2019-2023 and scheduled **exit from thermal coal**

More than doubled funding towards **renewable energy** in 2 years to **EUR 23.1bn**

Applying the highest environmental standards to **decarbonizing the shipping industry**, through **Poseidon Principles** and **Getting to Zero Coalition**



APPLYING INNOVATION TO DEFINE NEW MARKET STANDARDS

Re-allocating capital for Positive Impact projects: USD 3.4bn impact investment risk transfer transaction with Mariner

Sole swap counterparty in **world's first Sustainable Development Goal (SDG)-linked cross currency swap**, and joint bookrunner on Enel's first global bond issue of USD 1.5bn linked to SDGs

Systematic **integration of ESG analysis in all equity research**, alongside financial analysis



FOSTERING RESPONSIBILITY

Founding signatory to the Principles for Responsible Banking aligning business strategies to the UN SDGs and climate goals of the Paris Agreement

Joined the Collective Commitment on Climate aligning our loan portfolios to a low carbon and climate-resilient society within 3 years

Lyxor new **Climate Policy** placing climate issues at the core of its responsible investment strategy

INVESTOR RELATIONS TEAM

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