

NOVEMBER 2018

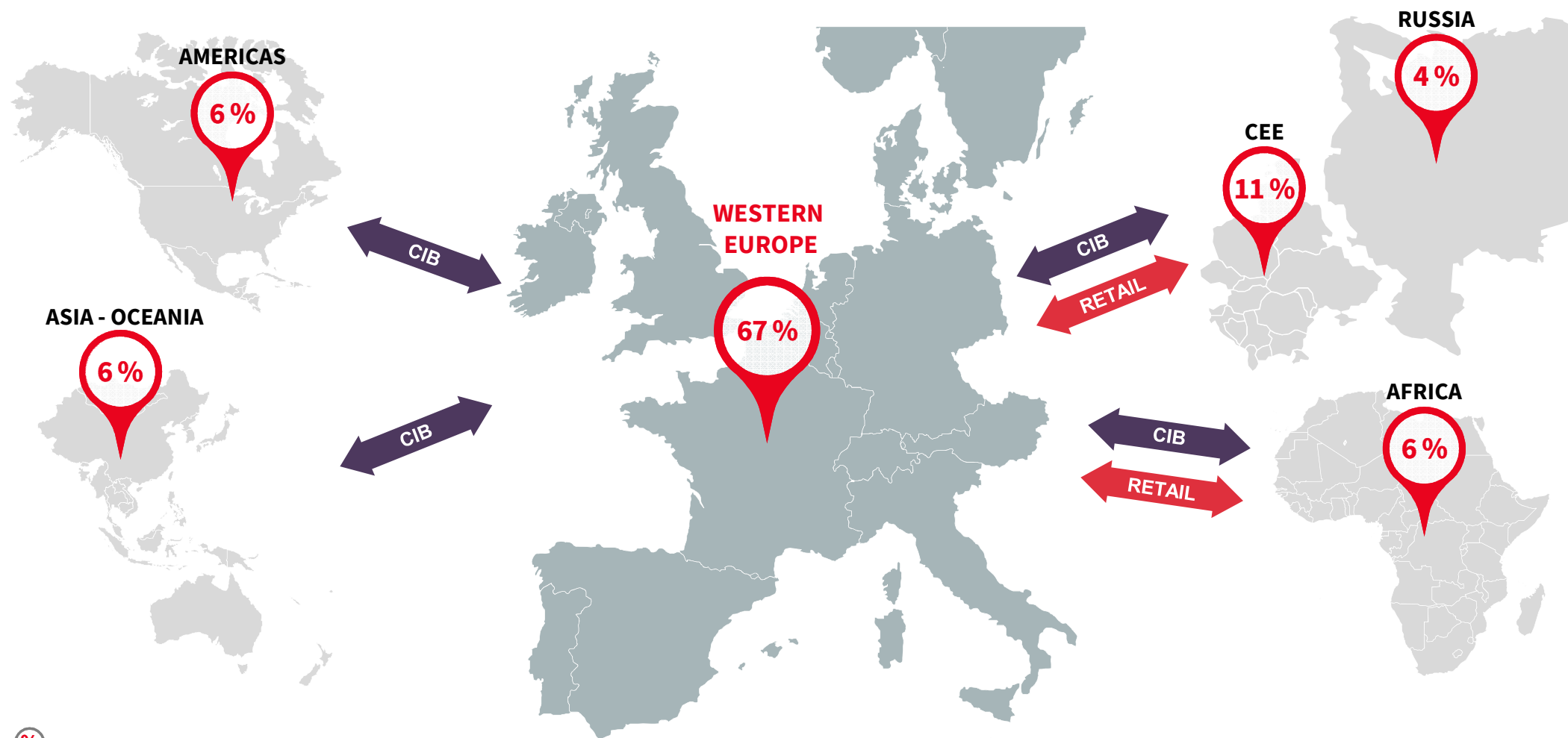
APPROACH TO SUSTAINABILITY

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

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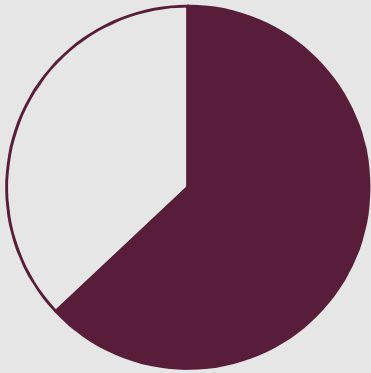
A EUROPEAN LEADER RELYING ON A DIVERSIFIED MODEL AND CONNECTING EUROPE TO THE REST OF THE WORLD



 % of 2017 Group revenues

A MODEL FOCUSED ON HIGH POTENTIAL CLIENTS

_ **B to B and B to B to C** revenues

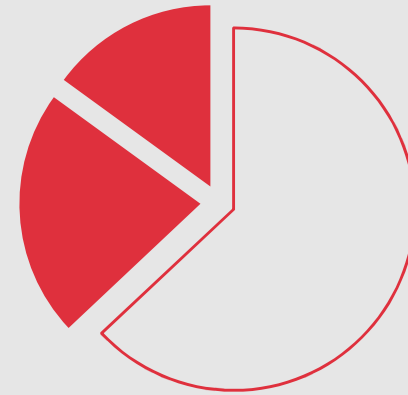


~65%

Higher barriers to entry

Relationship model as a core asset

_ **B to C** revenues



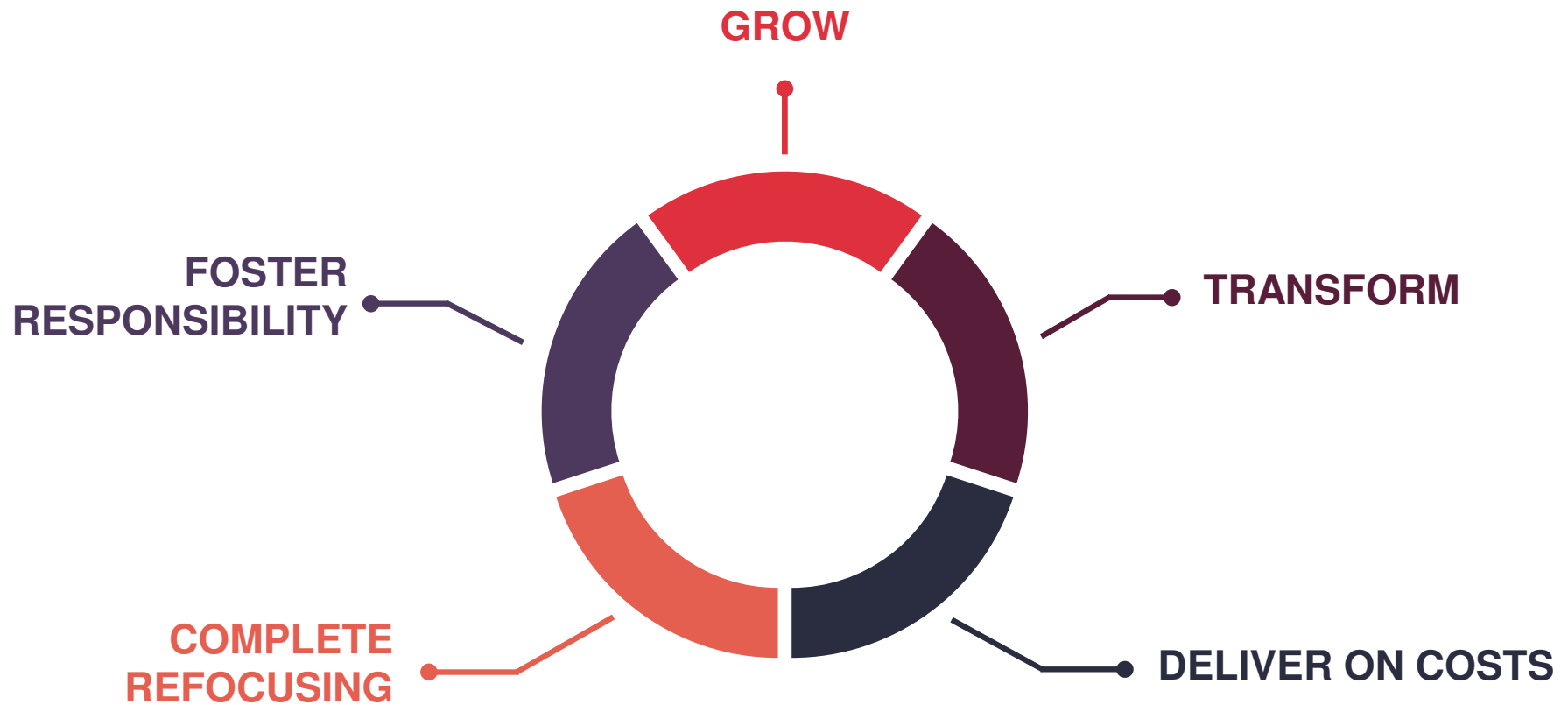
~35%

Wealth management at the core of the relationship

~40% of B to C revenues from professionals, mass affluent and wealthy clients

% of 2017 Group revenues

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 targeted by FY 2018

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

A TRUSTED PARTNER COMMITTED TO OUR CLIENTS

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



Best French Bank
by RobecoSAM



SUSTAINALYTICS

Rated **“Outperformer”**



Rated above **“PRIME”**
threshold



Best French Bank in gender equality
by Equileap



Rated **“A”**

SUSTAINABILITY RECOGNISED IN RATINGS

1

GOVERNANCE



SOCIÉTÉ
GÉNÉRALE

SNAPSHOT OF SG 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 12)

Length of term: 4 years; Average tenure: 4.3 years

Cap on the number of directorships:

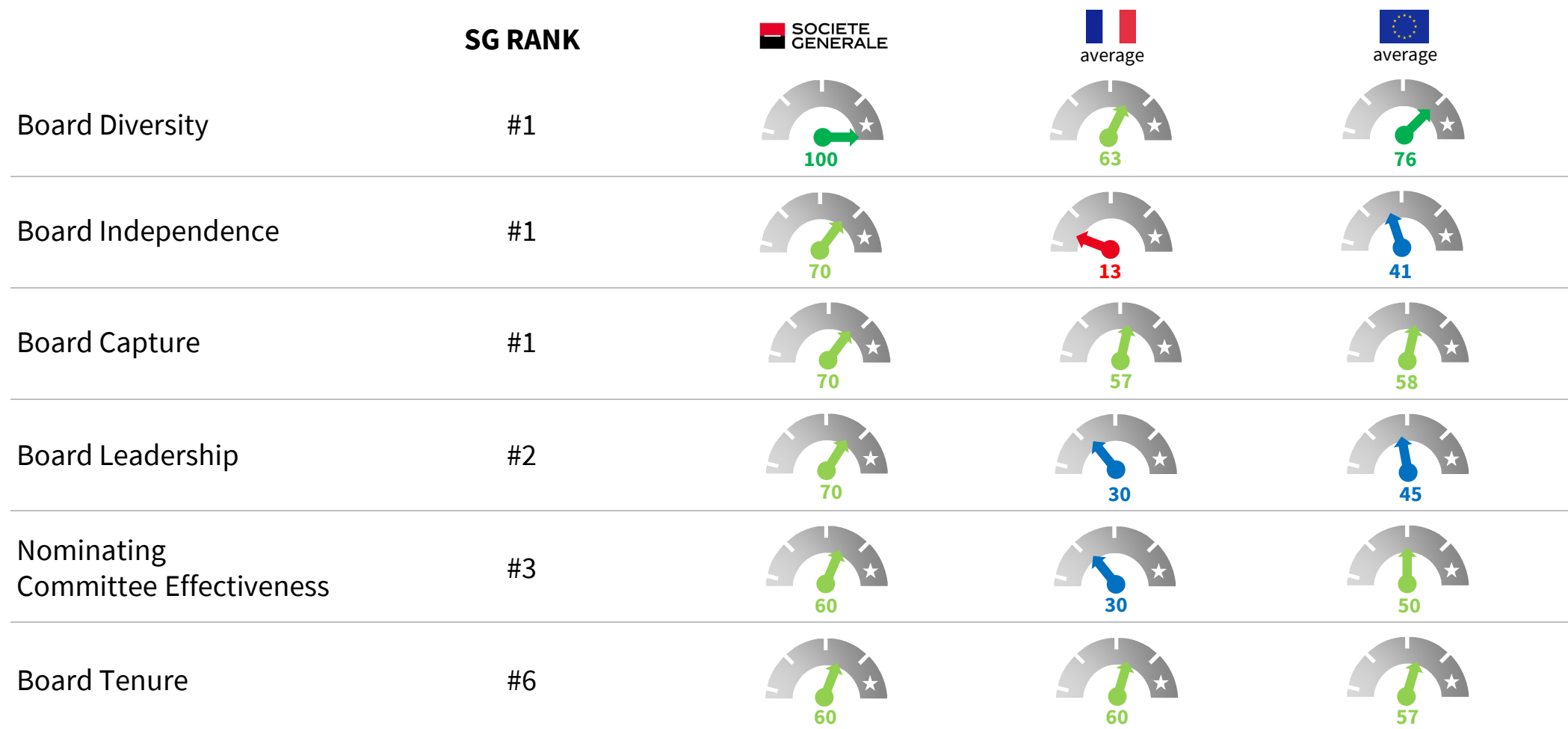
- 1 executive and 2 non-executive; or
- 4 non-executive

Attendance in 2017: 94%

Wide and regular training programme. On-site visits: cyber security...

External 360° assessment every 3 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

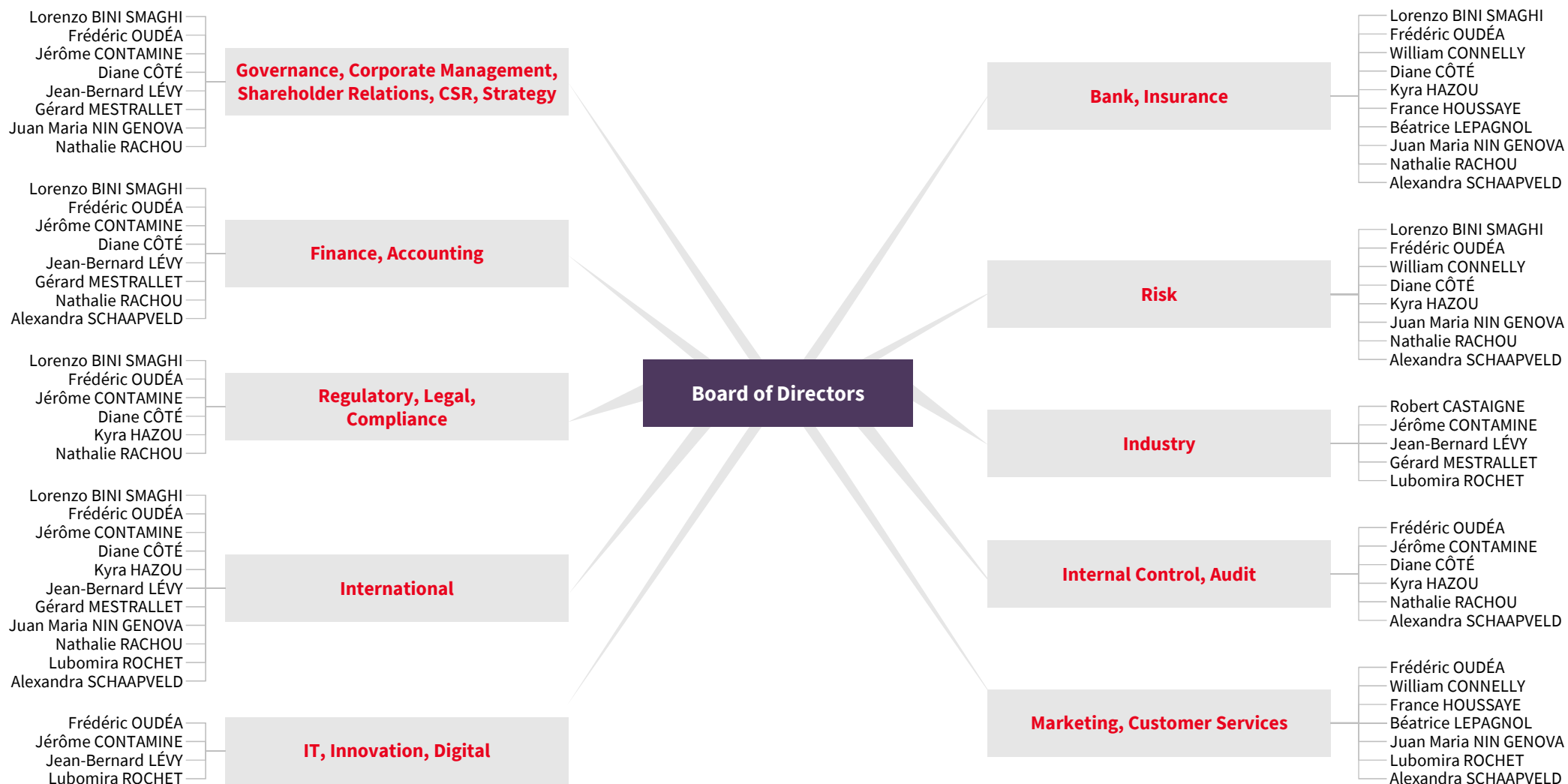
DIRECTOR COMPETENCIES AND EXPERIENCE (1/3)

Directors	Tenure (years)	Summary
 Lorenzo BINI SMAGHI First appointment : 2014 Term : 2022 Italian	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).
 Frédéric OUDEA First appointment : 2009 Term : 2019 French	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.
 William CONNELLY First appointment : 2017 Term : 2021 French	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.
 Jérôme CONTAMINE First appointment : 2018 Term : 2022 French	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).
 Diane CÔTÉ First appointment : 2018 Term : 2022 Canadian	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).
 Kyra HAZOU First appointment : 2011 Term : 2019 US/ British	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
 Jean-Bernard LEVY First appointment : 2009 Term : 2021 French	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).

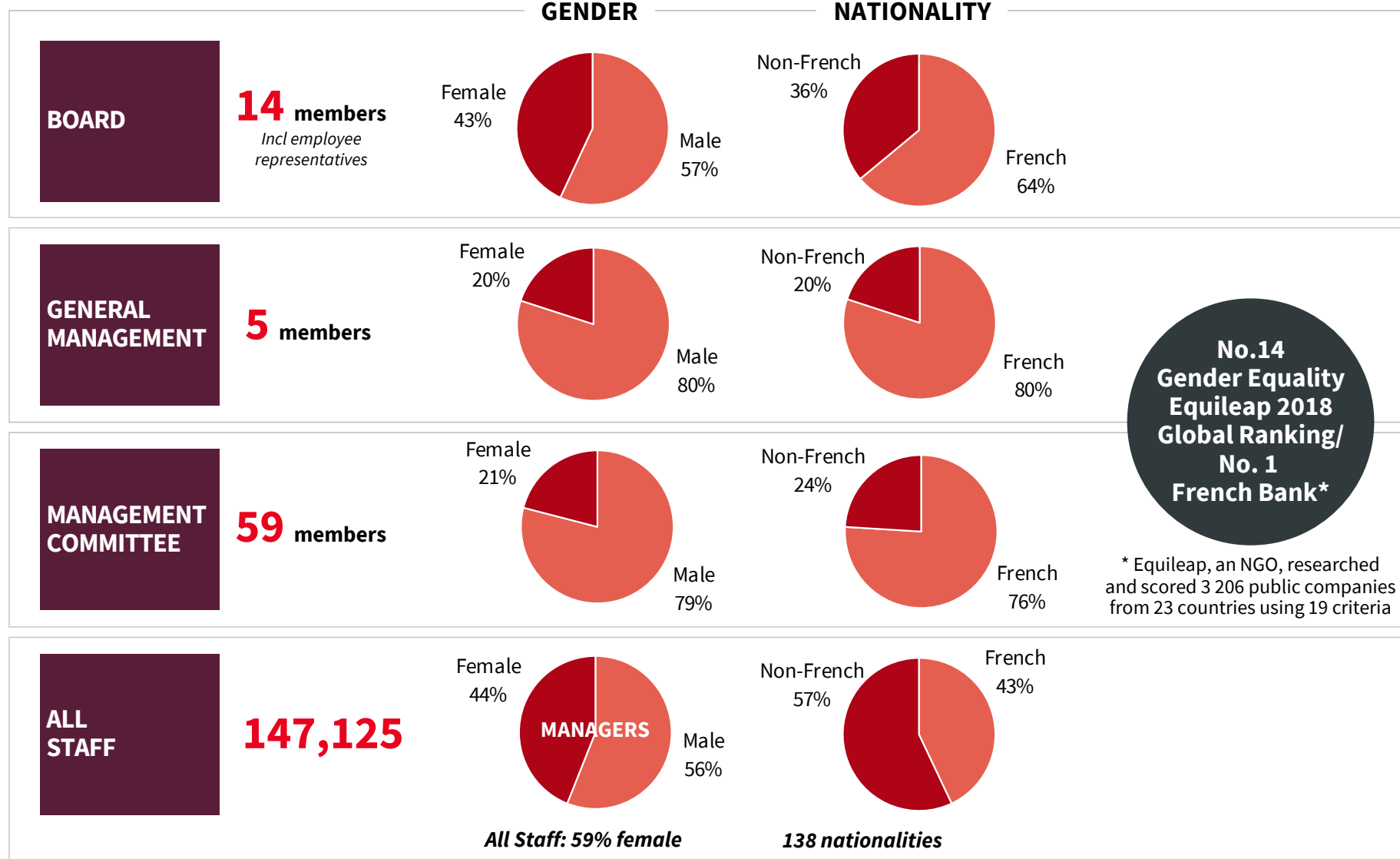
DIRECTOR COMPETENCIES AND EXPERIENCE (2/3)

Directors	Tenure (years)	Summary
 Gérard MESTRALLET First appointment : 2015 Term : 2019 French	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'Energies 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).
 Juan Maria NIN GENOVA First appointment : 2016 Term : 2020 Spanish	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.
 Nathalie RACHOU First appointment : 2008 Term : 2020 French	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)
 Lubomira ROCHET First appointment : 2017 Term : 2021 French	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.
 Alexandra SCHAAPVELD First appointment : 2013 Term : 2021 Dutch	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).
 France HOUSSAYE First appointment : 2009 Term : 2021 French	9	SG employee since 1989
 David LEROUX First appointment : 2018 Term : 2021 French	New	SG employee since 2001

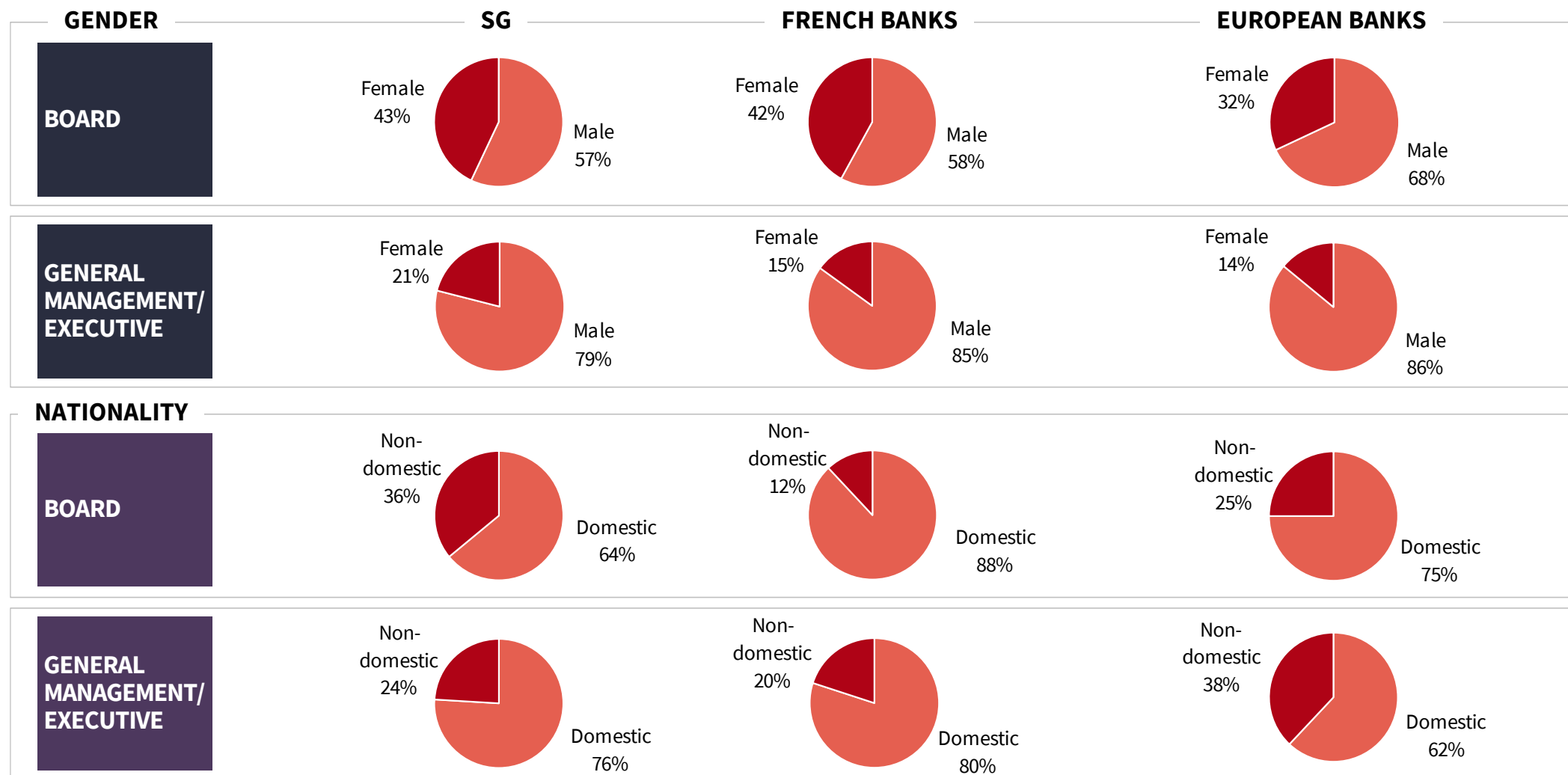
DIRECTOR COMPETENCIES AND EXPERIENCE (3/3)



DIVERSITY AT SOCIETE GENERALE...



...POSITIVELY POSITIONED VS PEERS ON DIVERSITY

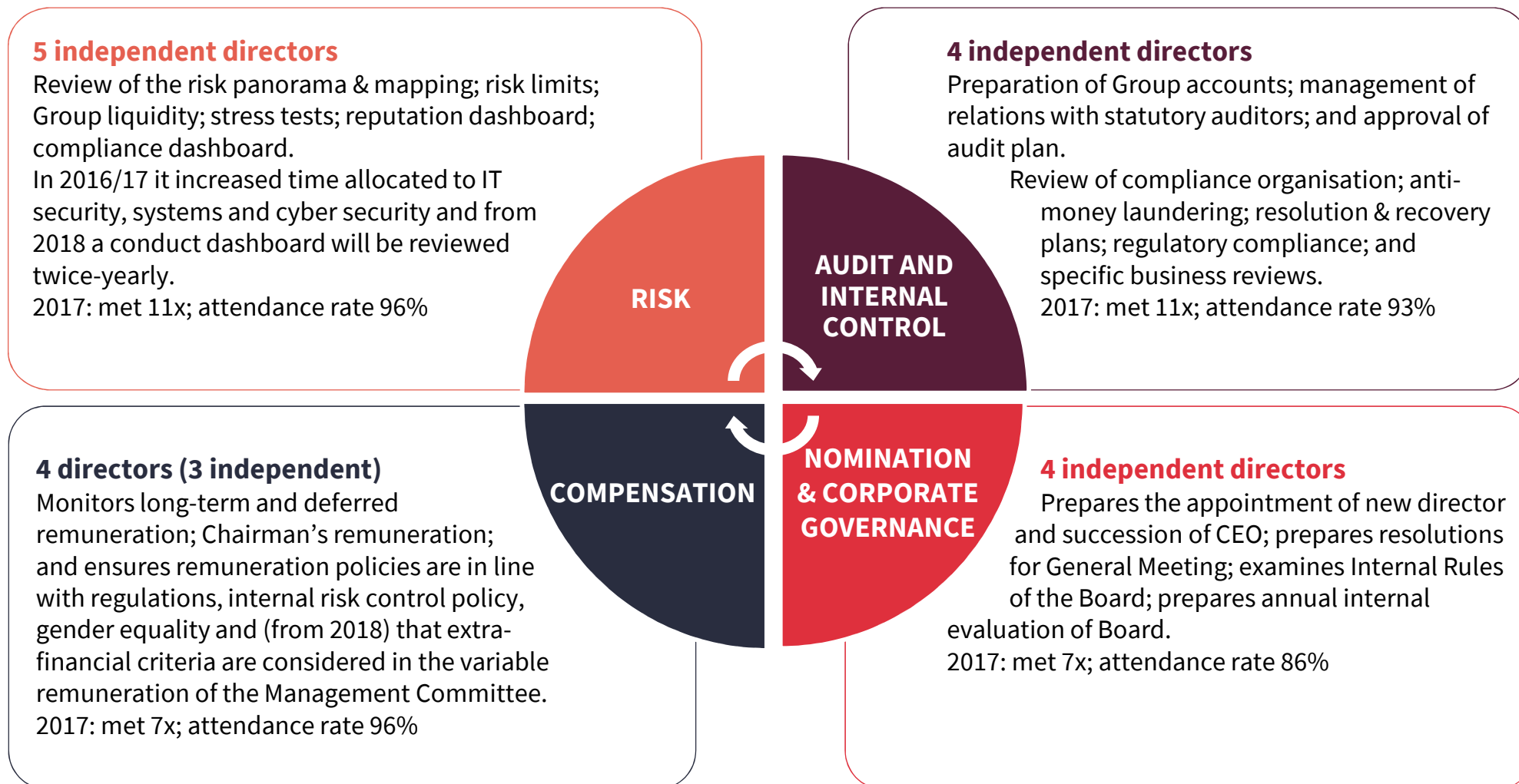


Source : 2017 Annual reports / Corporate websites / like-for-like comparisons taken where possible

French Banks : SG, Credit Agricole, BNP, Natixis

European Banks: Unicredit, Deutsche Bank, ING, Barclays, Santander, Cr dit Suisse, HSBC, SG, Cr dit Agricole, BNP, Natixis

BOARD COMMITTEES



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 SG'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 18)

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**

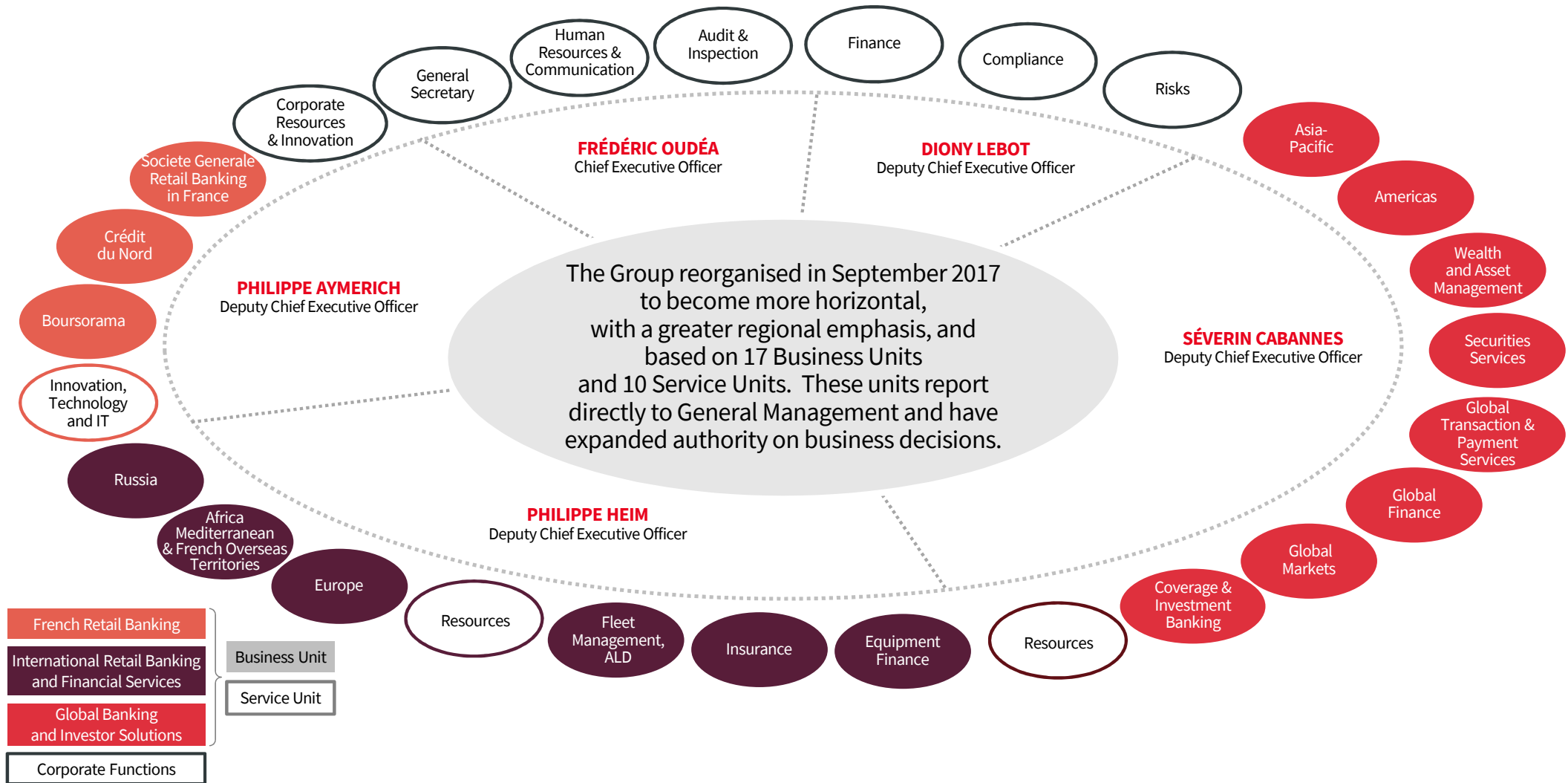
DEPLOYING CULTURE & CONDUCT PROGRAMME

- **Company-wide culture & conduct programme** sponsored by the CEO and reporting to the Board of Directors (see slide 30)
- **New Code of Conduct** deployed worldwide reinforcing commitments towards every stakeholder

MORE ALIGNMENT

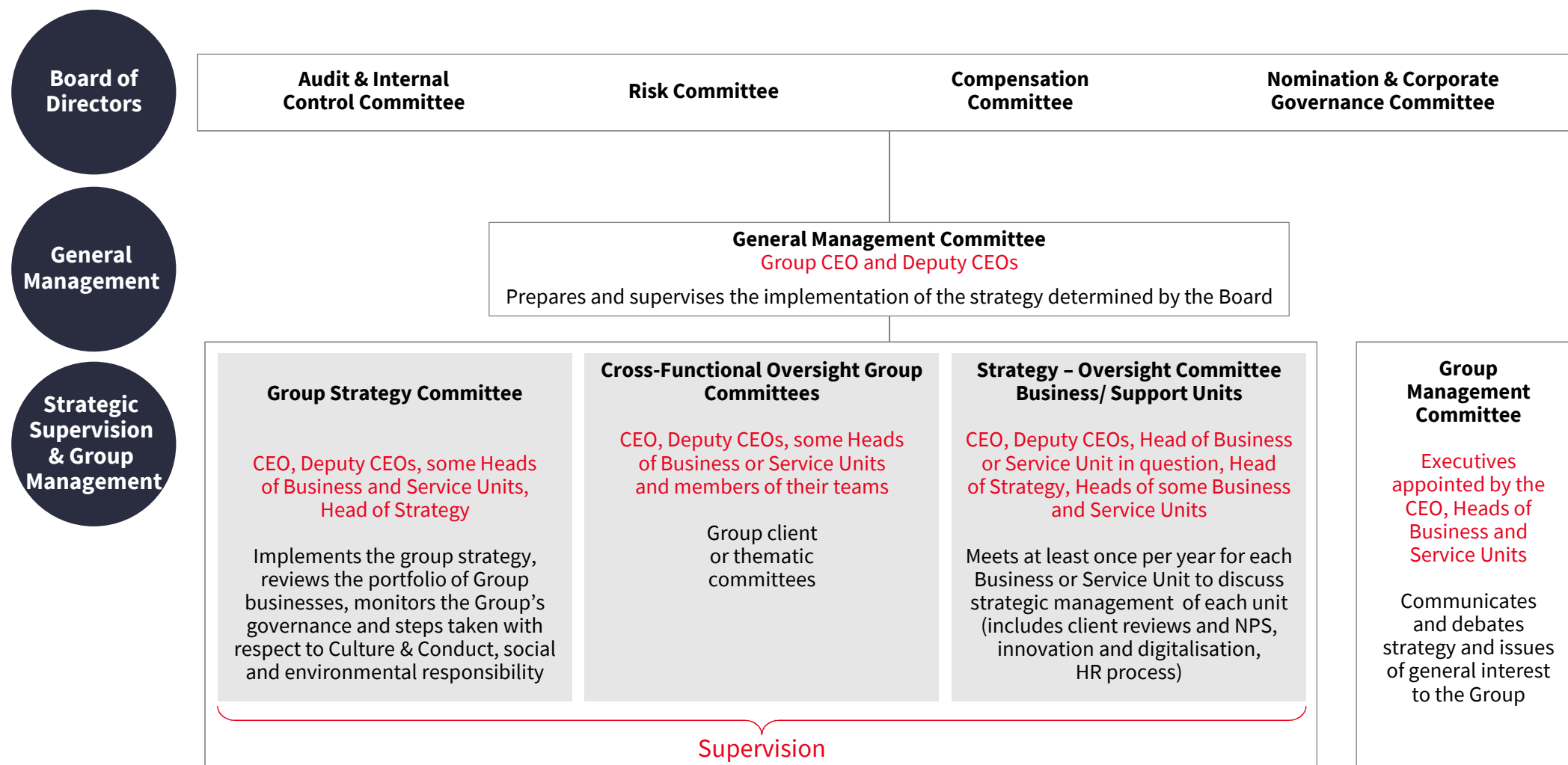
- **Common leadership model, based on 4 shared values**, applying to all staff worldwide (see slide 31)
- **Variable remuneration of Management Committee members significantly aligned with shared Group targets:** Financial targets, Net Promoter Score, global employee commitment rate and Group CSR rating (see slide 21)

... 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

GROUP REMUNERATION – KEY POLICY AND PRINCIPLES

ROLE OF THE BOARD COMPENSATION COMMITTEE:

- To make recommendations to the Board regarding the Group's remuneration principles and policies
- To prepare the decisions of the Board as concerns the remuneration of corporate officers, employee savings plans and performance share awards, which are subject to shareholder approval at the AGM

VARIABLE REMUNERATION:

- General Management : 60% financial targets; 40% qualitative
- Management Committee members: from 2018 variable remuneration aligned with common Group targets:

Financial performance	Global Employee Commitment rate
Client Satisfaction (Net Promoter Score)	External Group CSR Rating

POLICY STRUCTURED ON PRINCIPLES OF LOYALTY AND VALUES:

- Fixed compensation that rewards a position in accordance with level of responsibility, skills and professional experience
- Variable compensation that depends on both collective and individual performance
- Additional incentive mechanisms which involve employees in the Group's long-term development

CONTROL OF THE REMUNERATION POLICY FOR REGULATED STAFF:

- External control by regulators: annual report submitted to the supervisory authorities and published
- Internal control: Compensation Committee, Risk Committee, Board of Directors, Compliance Monitoring Department

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 AFEF/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

For a duration of 6 months, compensated as per fixed remuneration

SEVERANCE PAY

Only in case of **forced departure**
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
(with a performance condition for D-CEOs appointed since 2017)

COMPENSATION – NON-EXECUTIVE CHAIRMAN SAY ON PAY *EX POST* 2017

2017 FIXED COMPENSATION	€ 850,000	Since 2015 the fixed remuneration was set at €850,000. As part of the renewal of M. Bini Smaghi's term of office, shareholders voted in May 2018 in favour of raising his compensation to € 925,000 per year for the duration of the new 4-year term.
ANNUAL VARIABLE REMUNERATION FOR 2017	€ 0	Fixed compensation only, to guarantee complete independence.
LONG-TERM INCENTIVE	€ 0	
BENEFITS IN KIND	€ 53,400	Provision of housing for the purpose of carrying out the duties of this mandate in Paris.
TOTAL	€ 903,400	Total from 2018 following review of salary: € 978,400

M. BINI SMAGHI receives no directors' fees

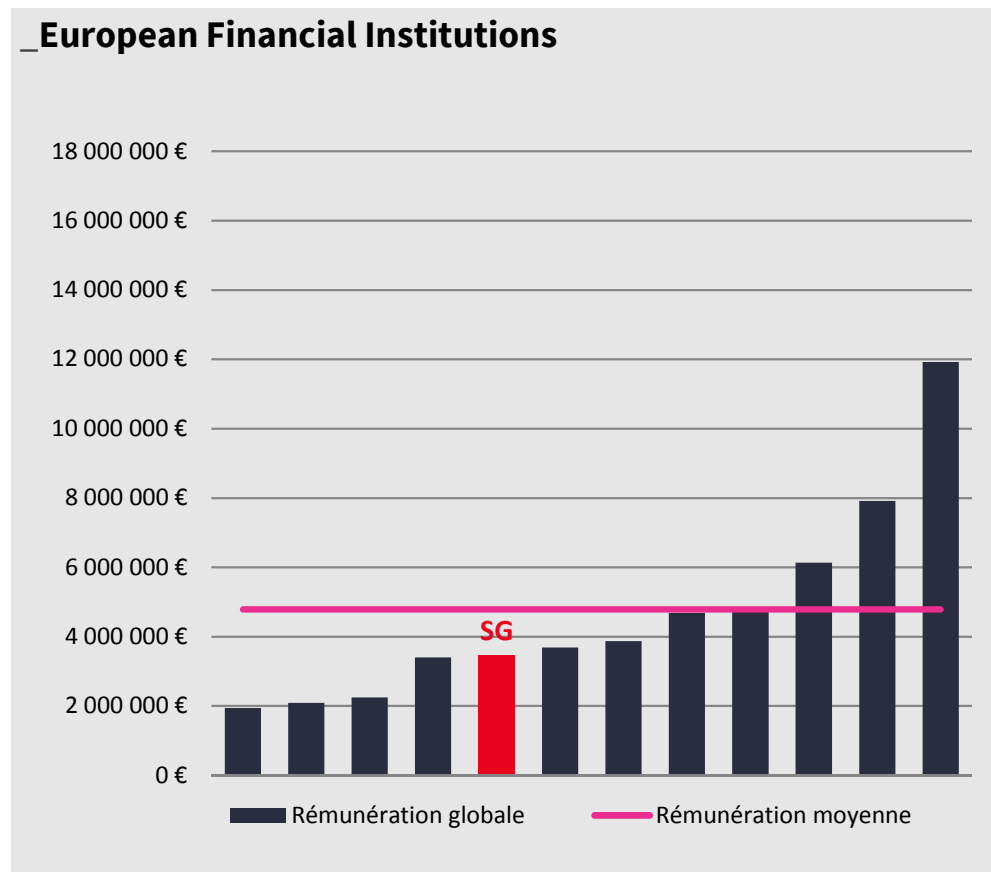
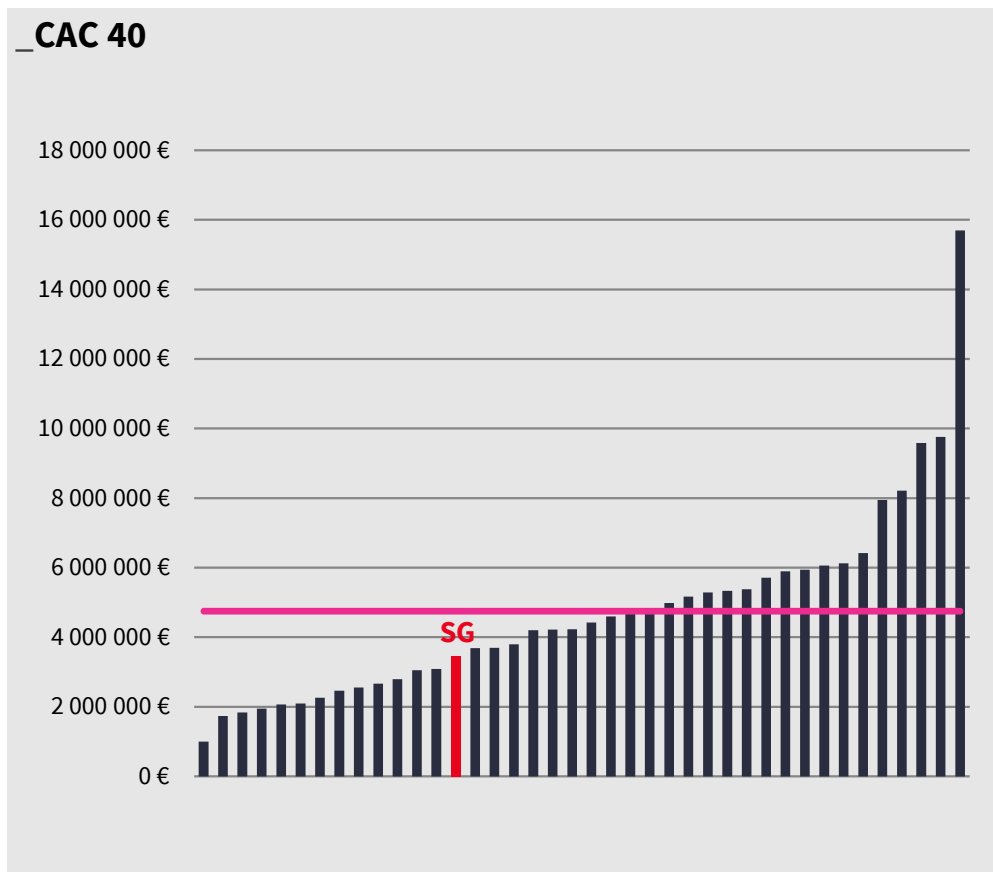
COMPENSATION – CHIEF EXECUTIVE OFFICER SAY ON PAY *EX POST* 2017

2017 FIXED COMPENSATION	€ 1,300,000	
ANNUAL VARIABLE REMUNERATION FOR 2017	€ 1,305,720 (including €261,144 payable in 2018 and the balance deferred for 3 years)	Targets reached giving right to 74.4% of the variable compensation <ul style="list-style-type: none"> • 69% of quantitative objectives reached • 82.5% of qualitative objectives reached
LONG-TERM INCENTIVE	€ 850,000	Shares or equivalents awarded in 2 installments of 4 and 6 years Acquisition subject to Group profitability & growth of profitability for shareholders (TSR)
BENEFITS IN KIND	€ 5,925	Company vehicle
TOTAL	€ 3,461,645	

Mr. OUDÉA receives no directors' fees

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER COMPARISON WITH CAC 40 COMPANIES AND FINANCIAL INSTITUTIONS IN EUROPE

GLOBAL COMPENSATION 2017



Source: SG based on remuneration of CEOs in CAC 40 companies and in our peer group (11 European financial institutions) selected for the TSR performance condition of the LTI

COMPENSATION - DEPUTY CHIEF EXECUTIVE OFFICERS SAY ON PAY *EX POST* 2017

	SÉVERIN CABANNES	BERNARDO SANCHEZ INCERA	DIDIER VALET	
2017 FIXED COMPENSATION	800 000 €	800 000 €	766 667 €	
ANNUAL VARIABLE REMUNERATION FOR 2017	672 998 € <small>(including 134 600€ payable in 2018 and balance deferred for 3 years)</small>	702 438 € <small>(including 140 488 € payable in 2018 and balance deferred for 3 years)</small>	260 544€ <small>(acquired share only- including 130 272 € payable in 2018 and balance payable in March 2019)</small>	Targets reached giving right to variable remuneration: <ul style="list-style-type: none"> • 73.15 % for S. CABANNES • 76.35 % for B. SANCHEZ INCERA • 70.80 % for D. VALET
LONG-TERM INCENTIVE	570 000 €	570 000 €	0 €	<ul style="list-style-type: none"> • Shares or equivalents awarded in 2 installments of 4 and 6 years • Acquisition subject to Group profitability and growth of profitability for shareholders (TSR) compared to our peers
BENEFITS IN KIND	6 411 €	7 179 €	4 571 €	Company vehicle
TOTAL	2 049 409 €	2 079 617 €	1 031 782 €	

Directors' fees included in variable remuneration

COMPENSATION - PROCESS FOR DEPARTURES 2018

In 2018 the Board of Directors has processed the departures of 2 Corporate Officers.

- Didier VALET resigned in March 2018 and the following conditions applied:
 - Absence of any severance pay or non-compete clause relating to his office
 - Acquired portion of the annual variable remuneration for 2017 maintained
 - No payment of long-term incentive for financial year 2017
- Bernardo SANCHEZ INCERA resigned in May 2018 under conditions that the Board of Directors qualified as being a forced departure and the following conditions applied:
 - Severance pay
 - Indemnity in consideration of the non-compete clause
 - Full annual variable remuneration for financial year 2017 and for the previous years maintained
 - Long-term incentive maintained

Neither Didier VALET nor Bernardo SANCHEZ INCERA will receive any variable remuneration for financial year 2018. They also lose the supplementary retirement benefit.

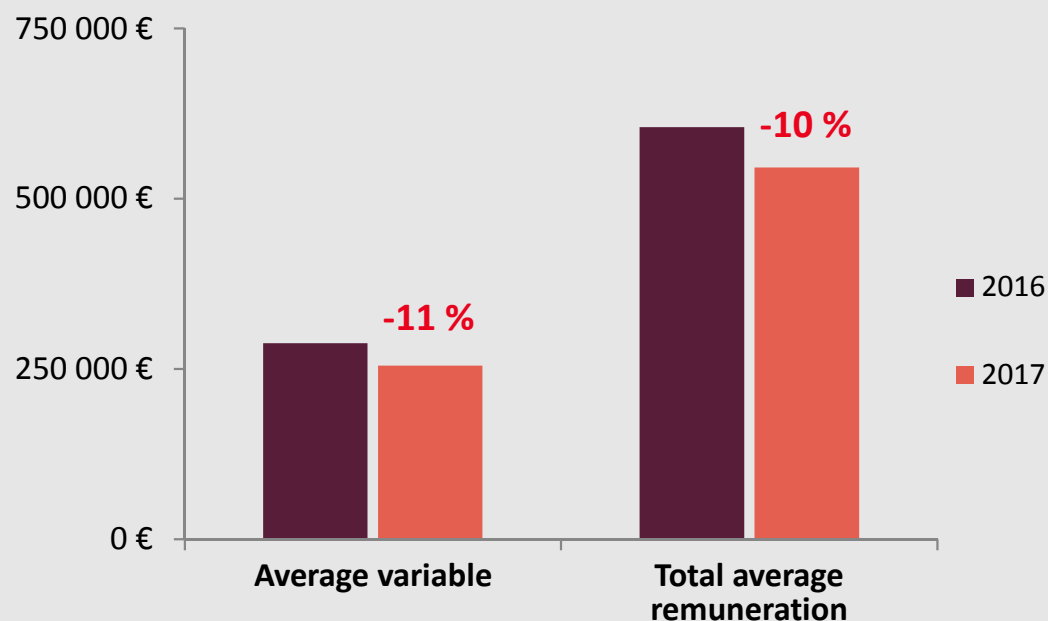
REMUNERATION OF REGULATED EMPLOYEES

The “regulated” category of staff includes 810 individuals (including Corporate Officers)

Employees identified because their activities may have a significant influence on the Company’s risk profile

The average remuneration for regulated staff continues to decrease each year (excluding Corporate Officers, at constant exchange rates)

Change in average remuneration of regulated staff between 2016 and 2017

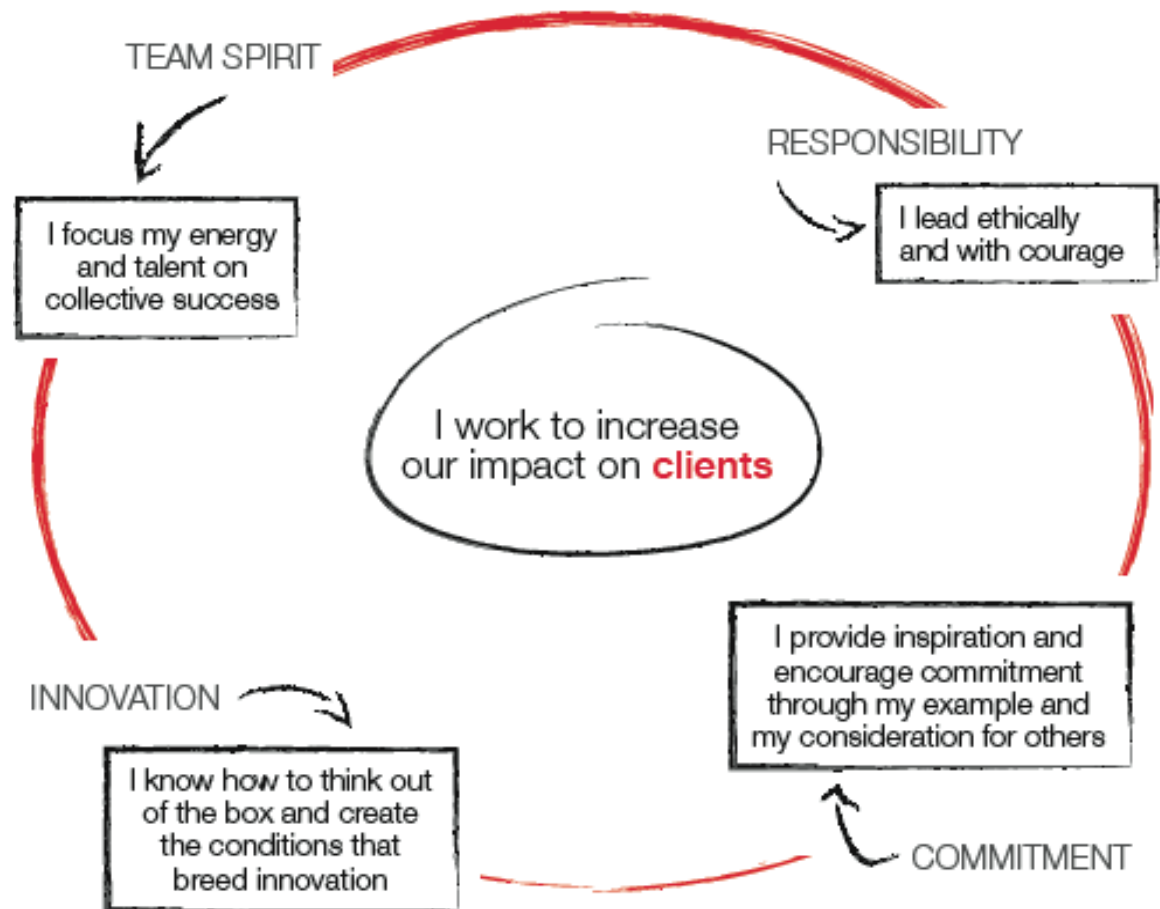


3

CULTURE & CONDUCT

A SHARED 'LEADERSHIP MODEL' BASED ON FOUR VALUES

- A culture based on four values: Responsibility, Commitment, Innovation and Team Spirit
- Which together form the basis of the Group's *Leadership Model*
- And are applied throughout the organisation for performance evaluation, promotion and talent development
- And applicable to all staff, worldwide



ACCELERATING CULTURAL TRANSFORMATION (1/2)

AN AMBITIOUS CULTURE AND CONDUCT PROGRAMME

A 3 year programme, launched in January 2017, designed to accelerate cultural transformation with 2 clear objectives:

- Reach the highest standards of service, integrity and behaviour, at the heart of commercial practice
- Make our culture a true differentiating factor: integrity and ethics, creating performance and competitive advantage

SUPPORTED BY A STRONG TONE FROM THE TOP

Board

The Board discusses the Culture and Conduct programme, its implementation and progress twice a year

The Board formally endorsed the Code of Conduct in 2016; Anti-Corruption Code in 2017

General Management

The Group Head of Culture and Conduct reports directly to the CEO

General Management have overall responsibility for the programme and receive quarterly reports and an annual dashboard of indicators covering:

- regulatory training
- compliance dysfunctions and operational losses resulting from misconduct
- sanctions and compensation reviews
- results of Employee Barometers integrating culture elements

Management

Meanwhile, top management have championed the programme, by:

- placing it directly under their responsibility,
- being active members of the Programme Steering Committee, and
- participating in significant communication and awareness actions across the whole Group

DEPLOYED TO ALL STAFF, WORLDWIDE

- Global roll-out of the mandatory Code of Conduct Workshops to all active staff
- Additional appropriation tests through annual mandatory all-staff quizzes

ACCELERATING CULTURAL TRANSFORMATION (2/2)

WITH A CLEAR ROADMAP FOR TRANSFORMING OUR CULTURE

- **Reinforcing our commitments** to stakeholders and business principles through an updated Code of Conduct, translated into 22 languages, with Groupwide deployment and training to ensure appropriation by all staff worldwide.
- **Embedding an extensive definition of Conduct risk into our Group risk management framework**, so that we can better identify and assess these risks across our Group, strengthening further our strong culture of risk.
- **Making our standards of conduct sustainable** through deep and long-term cultural change:
 - Align HR processes, including performance reviews, compensation and talent development, with both the expectations of our stakeholders and our programme objectives;
 - Engage in an assessment to better understand and transform our culture, using an external internationally recognised methodology;
 - Strengthen the whistleblowing framework and encourage a speak-up culture: develop tools to support ethical reasoning.
- **Building on high-level communication strategies**, working to embed culture and conduct topics into the daily lives of our staff through communication and awareness initiatives.

4

CSR VISION

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 Risk Committee, chaired by General Management

LONGSTANDING ADHERENCE TO INTERNATIONAL INITIATIVES



the
Wolfsberg
Group

2000



FINANCE
UNEP INITIATIVE

2001



2003



EQUATOR
PRINCIPLES

2007

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

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” 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

- **Positive Impact Finance** projects: EUR 5bio since 2016, of which 2.7bio in 2017
- **Renewable energy projects**: EUR 8.3bio (consulting and financing) in 2017
- **Green Bonds**: #2 in Europe and #6 worldwide (Bloomberg, 2017, all currencies). Lead managed a total of 25 green, social and sustainability bonds.
- **SRI Research** top 3 for the past 10 years (Extel)
- **Lyxor ETFs matching 4 Sustainable Development Goals**: Water, Renewable energy, Climate change and Gender equality
- In 2017 Lyxor launched the **first Green Bond ETF** in the world
- Around EUR 2bn AUM on **ESG indices** (started in 2006)
- **Positive Impact Notes**: over EUR 350m issued since early 2017. In 2018 launch of Positive Impact Structured Notes supporting SME financing

EMBEDDING ENVIRONMENTAL RESPONSIBILITY IN CLIENT ACTIVITY

ENERGY TRANSITION

- €100 billion commitment to financing the energy transition between 2016 and 2020 : 58% completed as of Sept 2018
- Among the global leaders for renewable energy financing; one of the pioneer banks in 2007 in offshore windfarms

COAL

- No new financing of coal-powered electric plants (from January 2017), coal mining (from 2015) or associated infrastructure
- A cap on the coal portion of the financed energy mix: limited to 19% by end-2020 (20.4% at end-2017)

OIL

- No new financing of oil from oil sands anywhere in the world (December 2017)
- No longer finance the production of Arctic oil (December 2017)

SHIPPING

- The European Investment Bank (EIB), Societe Generale and Brittany Ferries signed the first green maritime financing in December 2017 under the EIB's €750 million Green Shipping Guarantee (GSG) programme put in place in 2016 by the EIB and Societe Generale

RISK MANAGEMENT

- E&S risk management framework which extends beyond the regulatory requirements of the Duty of Care Bill
- 12 cross-sector and sector-specific E&S policies

CLIENT SUPPORT

- Advising clients on anticipating the changes associated with a low-carbon economy and assisting them with the transition

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT OF AFRICA

LOCAL PRESENCE

- Societe Generale has been operating in Africa **for over 100 years** and is a market leader in many key markets : the group has a unique position with strong expertise in structured finance, capital markets and international trade, as well as a local and regional banking network.
- More than **3.5m clients**, including 150,000 businesses
- **EUR 16bio** loan outstandings in 2017

PARTNERSHIPS

- **Building relationships** with institutional partners (including AFD, Bpifrance, EBRD, SFI), local players and international clients, Societe Generale supports the growth of Africa through:
 - Financing projects (energy resources, water, sustainable cities and mobility)
 - Financing SMEs
 - Offering innovative financing solutions in agri-business and renewable energies

FINANCIAL INCLUSION

- **Launch of YUP mobile money offer** to address the poorly and unbanked population of Africa, representing 80% of the population
 - Introduced in Cote d'Ivoire, Senegal and Burkina Faso with more than 250 000 clients at 3Q18
 - Objective to **reach 1 million clients by 2020** and to roll out to 4 additional countries



TALENT DEVELOPMENT

- PanAfricanValley: **network of 135 African managers** in the form of a thinktank
- Unique collective intelligence platform, SAFARI, to help co-construct Societe Generale's long-term strategy

INNOVATION

- Capitalising on capacity for innovation and interaction with African landscape
- **Three innovation labs** in Dakar, Tunis and Casablanca, positioned at the heart of the start-up ecosystem

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).



SG 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.



SG 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.



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

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HUMAN CAPITAL



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STRATEGIC PRIORITIES OF HUMAN RESOURCES

TRANSFORM TO GROW

- Support the Group's changing businesses by developing the skills that its 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 Leadership Model
 - Commitment to diversity (see slide 43)
 - Highest standards of conduct and ethics
- 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

SHAPING THE WORKFORCE



Workforce

59% women

138 nationalities

57% non-French

17% >50 years

23% <30 years



Retention management

7.7% voluntary turnover

3.5% voluntary turnover in France

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

57% 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 **Strategic Talent approach** built around the values of the *Leadership Model*
 - **3%** of the Group's workforce
 - **40%** women; 43% non-French
- Corporate University responsible for developing the Strategic Talent of the Group's most senior managers and executives, offering behavioural skills development modules
 - **755 talents** attended programmes in 2017
 - (**39%** women; **23%** non-French)
- Succession planning for the next generation of managers:
 - **300 Key Group positions**
 - **1,500 Strategic Group positions**
- Targeted development programmes:
 - **Expert** fields, including IT, Compliance, Data, Cyber Security
 - **Junior** programmes
 - **PanAfricanValley** regional talent programme

GENDER DIVERSITY

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 end of 2018
- **Juniors and female pipeline:** gender active recruitment campaigns; IT4GIRLS
- **Mid-careers:** focus on women returning from maternity leave

- **Gender pay gap actions:** EUR14.4m from 2008 to 2017 allocated to correcting 8300 pay gap differences in France. A further 1.7m allocated for 2018.
- **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 Strategic Talents** were women in 2017

GENDER DIVERSITY PROGRAMMES:



WOMEN IN MARK



Global Compact Network LAE

THE CIRCLE

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CYBER SECURITY



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GOVERNANCE OF CYBER SECURITY

CONTEXT

- 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 (Loi de Programmation Militaire)

TONE FROM THE TOP

- Cyber security is monitored by the Board of Directors’ Risk Committee:
 - Monthly dashboard of all Group risks
 - Quarterly, more detailed, dashboard including cyber and IT risks; reputation risk and compliance risk
 - The Group Risk Committee monitors quarterly the progress of the cybersecurity strategy
- The Group Security Department was created early 2018 to maximise efficiency of our protection of people and assets and ensure business continuity
- The Chief Information Security Officer sets strategy and policy
- The Computer Emergency Response Team “CERT” (the first of its kind to be registered by a French company in 2009) coordinates response to security incidents and reports on security incidents to the European Central Bank, together with SG Compliance

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
- 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.

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Figures in this presentation are unaudited.