

STRENGTHEN LEADING FRANCHISES

GLOBAL BANKING AND
INVESTOR SOLUTIONS

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28.11.2017

THE CURRENT CHALLENGES IN OUR ENVIRONMENT CREATE OPPORTUNITIES FOR GLOBAL BANKING AND INVESTOR SOLUTIONS

5 MAJOR EVOLUTIONS

- 1 Strengthened eurozone
- 2 Changing banking environment
- 3 Evolving B to B client needs
- 4 Demography
- 5 Corporate Social Responsibility

NEED FOR SOLID EURO-BASED CIB PLAYERS

Key success factors

FINANCING
CAPABILITIES



ADVISORY AND
STRUCTURING



RISK
MANAGEMENT

CAPACITIES TO ACCOMPANY CLIENTS GLOBALLY

Global Banking and Investor Solutions model is well positioned to be one of the winners in this environment

STRONG CLIENT BASE

INNOVATION AND
ENGINEERING DNA

AGILITY AND
RESILIENCE

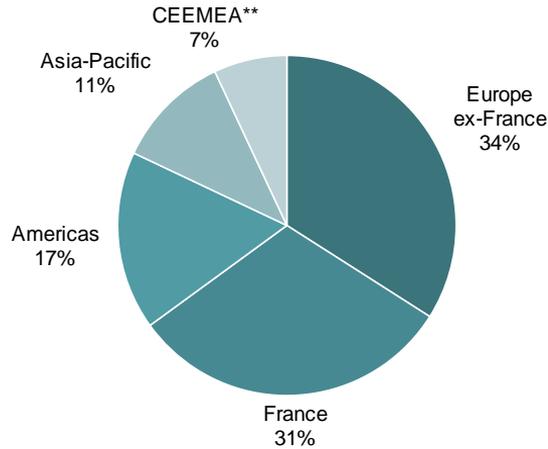
DIGITAL VISION
AND AMBITION

TALENTED PEOPLE AND TEAMS

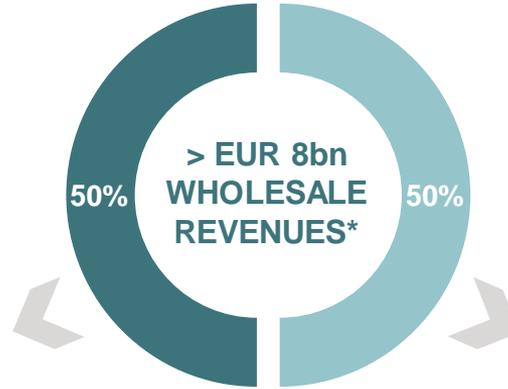
SIGNIFICANT AND BALANCED LARGE CLIENT PORTFOLIO...

Corporate clients

- **550 core clients**
- 30% of revenues generated outside client's domestic country

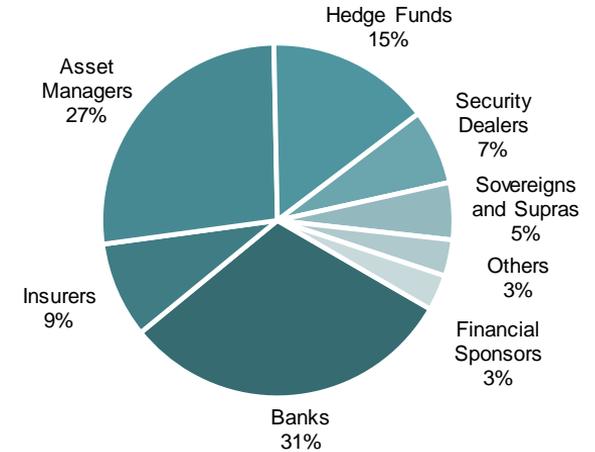


>EUR 4bn revenues split by client group nationality



Financial institutions

- **220 core clients**
- Global "follow the sun" coverage with a strong European footprint
- ~20% of revenues with Banks linked to distribution / Investment Solutions



>EUR 4bn revenues split by client segment

*Perimeter: revenues generated by all large clients of the Group (Global Banking and Investor Solutions and non-Global Banking and Investor Solutions)

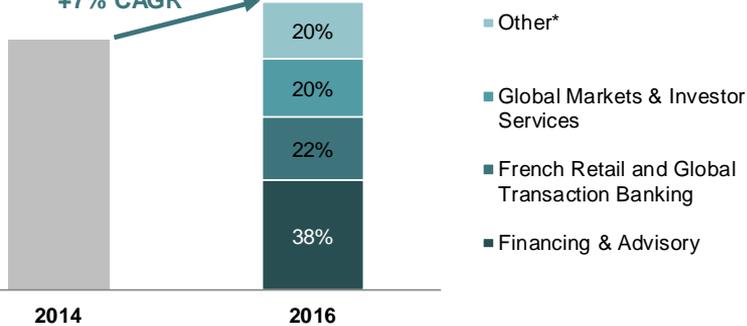
**CEEMEA: Central Eastern Europe, Middle East and Africa

...DELIVERING GROWTH AND DIVERSIFICATION...

Corporate clients

Client revenues evolution

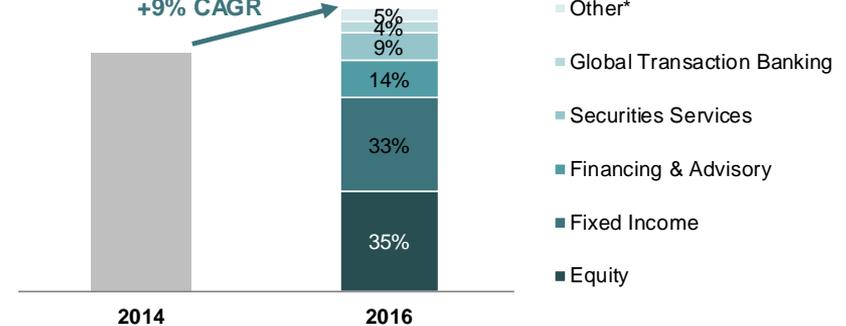
+7% CAGR



Financial institutions

Client revenues evolution

+9% CAGR



1

Equipment rate > 5 products: 77% in 2016, +14pts vs. 2014

3

Partnership clients > EUR 5m: 33% in 2016, +11pts vs. 2014

770 Core Clients

55% of total client revenues

2

> 60% of revenues with clients in at least 3 regions¹ in 2016, +9pts vs. 2014

1. Regions are: Euro, Americas, CEEMEA, Asia-Pacific

4

Substantial improvements in client satisfaction (NPS² measure)

2. Net Promoter Score is a registered trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc

*Mainly including SGEF and ALD

...THANKS TO A SYNERGETIC AND RELEVANT MODEL FOR OUR CLIENTS...



CORPORATE CLIENTS

- Corporate Lending

- Investment Banking
- Global Transaction Banking

FINANCIAL INSTITUTIONS

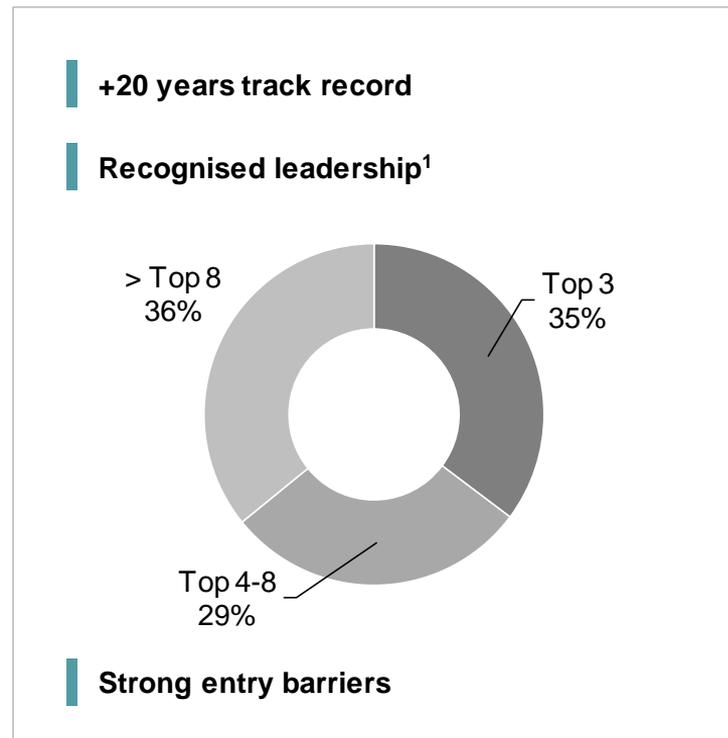
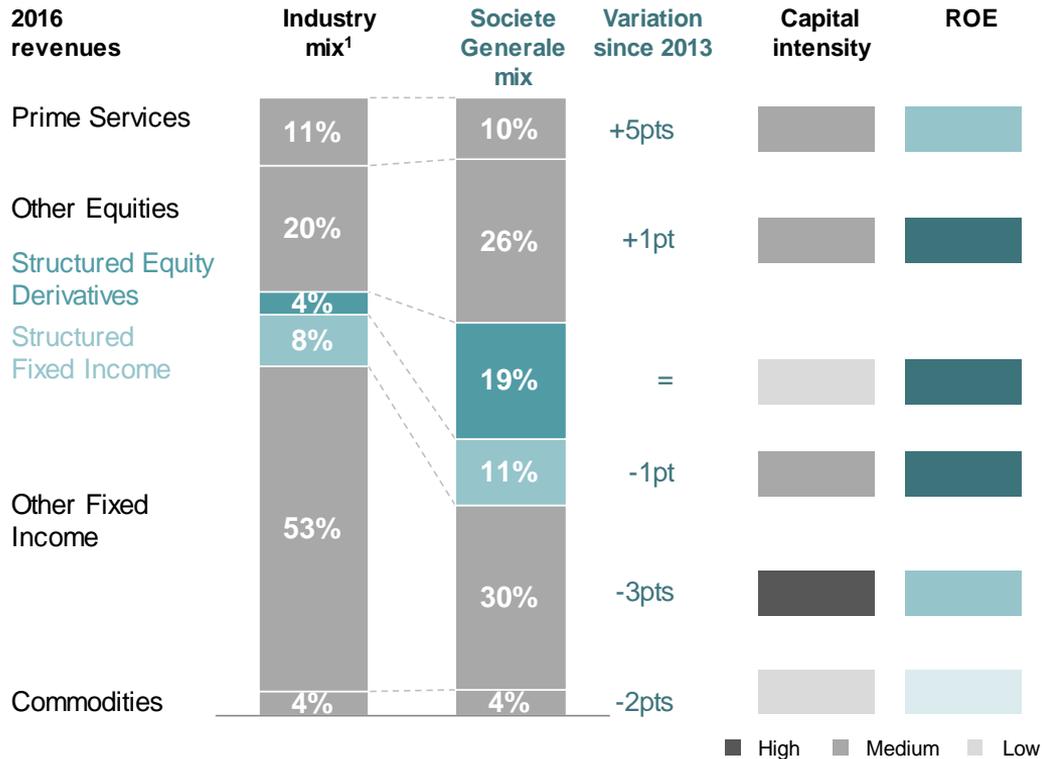
- Prime Brokerage
- Flow derivatives

- Execution
- Investment Solutions
- Securities Services

■ **Structured Products** ■ **Structured Financing**

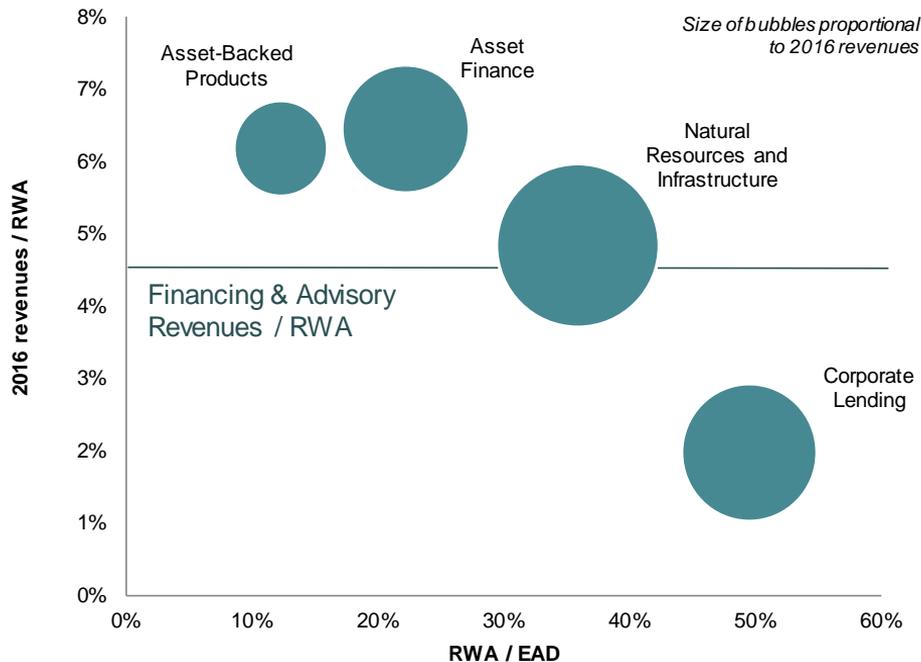
Capital intensity

...AND CORE DIFFERENTIATING STRUCTURING AND ENGINEERING CAPABILITIES - STRUCTURED PRODUCTS -



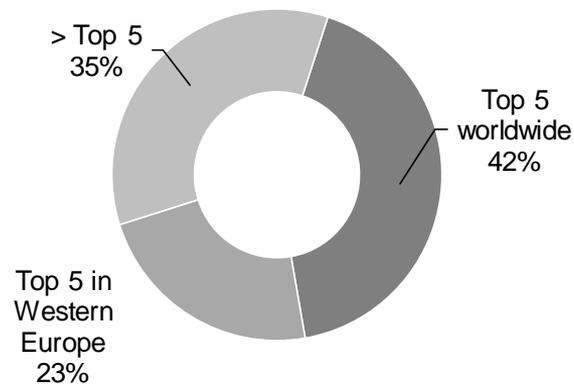
1. Source: Index Banks (BOA, Barc, BNPP, C, CS, DB, GS, HSBC, JPM, MS, UBS), Coalition Competitor Analytics

...AND CORE DIFFERENTIATING STRUCTURING AND ENGINEERING CAPABILITIES - STRUCTURED FINANCING -



+20 years track record

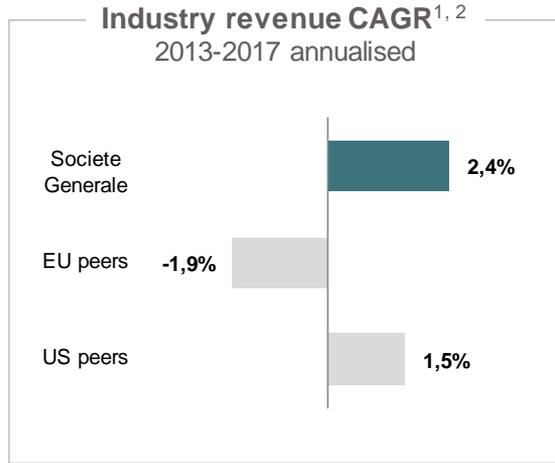
Recognised leadership¹



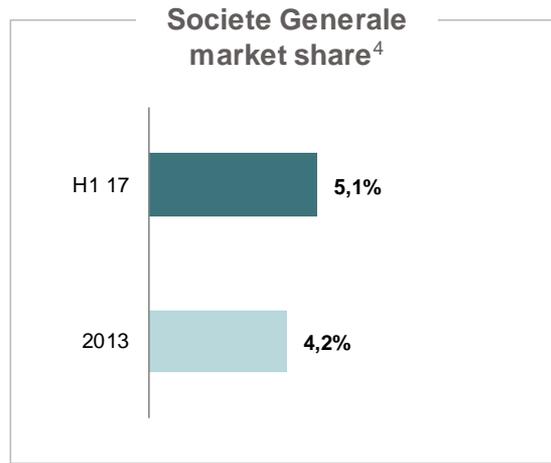
Strong entry barriers

1. Internal management data, all Financing activities

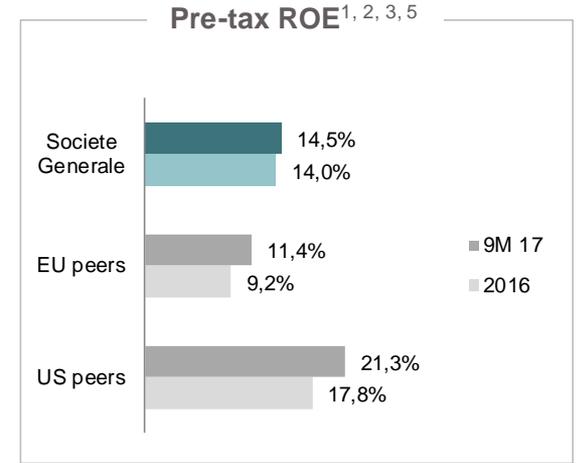
PROVEN TRACK RECORD: MARKET SHARE GAINS AND RESILIENT RETURNS...



Outperformance of the industry revenue trend



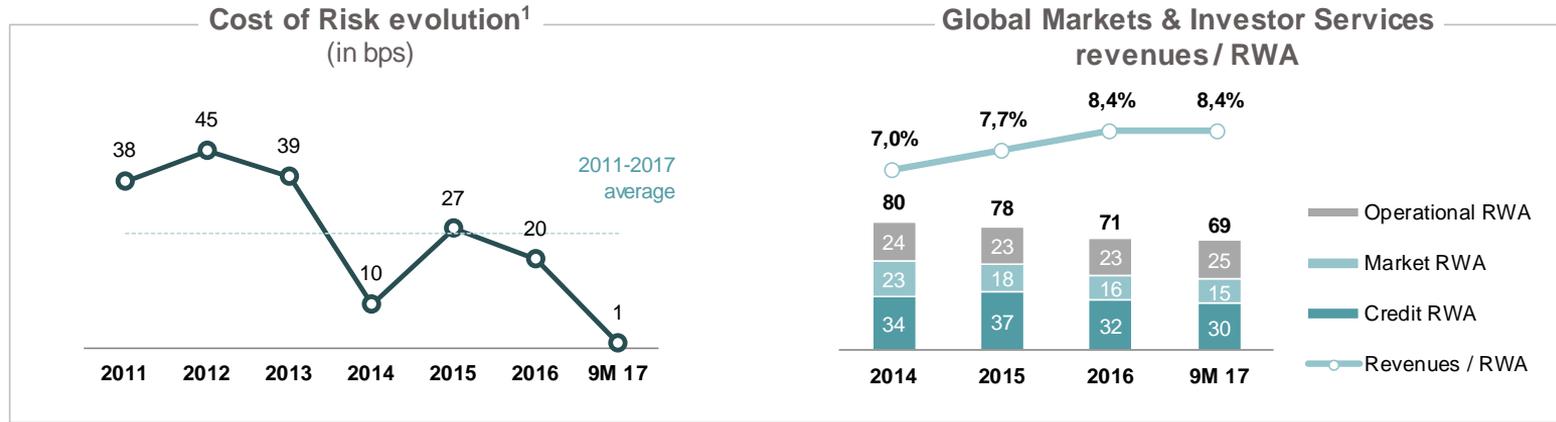
Resulting in increased market share



Delivering returns above European peers

1. Source: Competitors' financial communication at constant exchange rates, scope includes the following businesses: Market activities, Securities Services, Financing & Advisory, Transaction Banking excluded when feasible
2. EU peers include Barc, BNPP, CA, CS, DB, HSBC, RBS and UBS; US peers include BOA, C, GS, JPM and MS
3. EU peers exclude RBS, CS includes Markets and IBCM,
4. Societe Generale market share against Index Banks (BOA, Barc, BNPP, C, CS, DB, GS, HSBC, JPM, MS, UBS), Coalition Competitor Analytics
5. 2016 excluding Euribor refund and RMBS

...WHILE MAINTAINING STRICT CONTROL OF RISKS

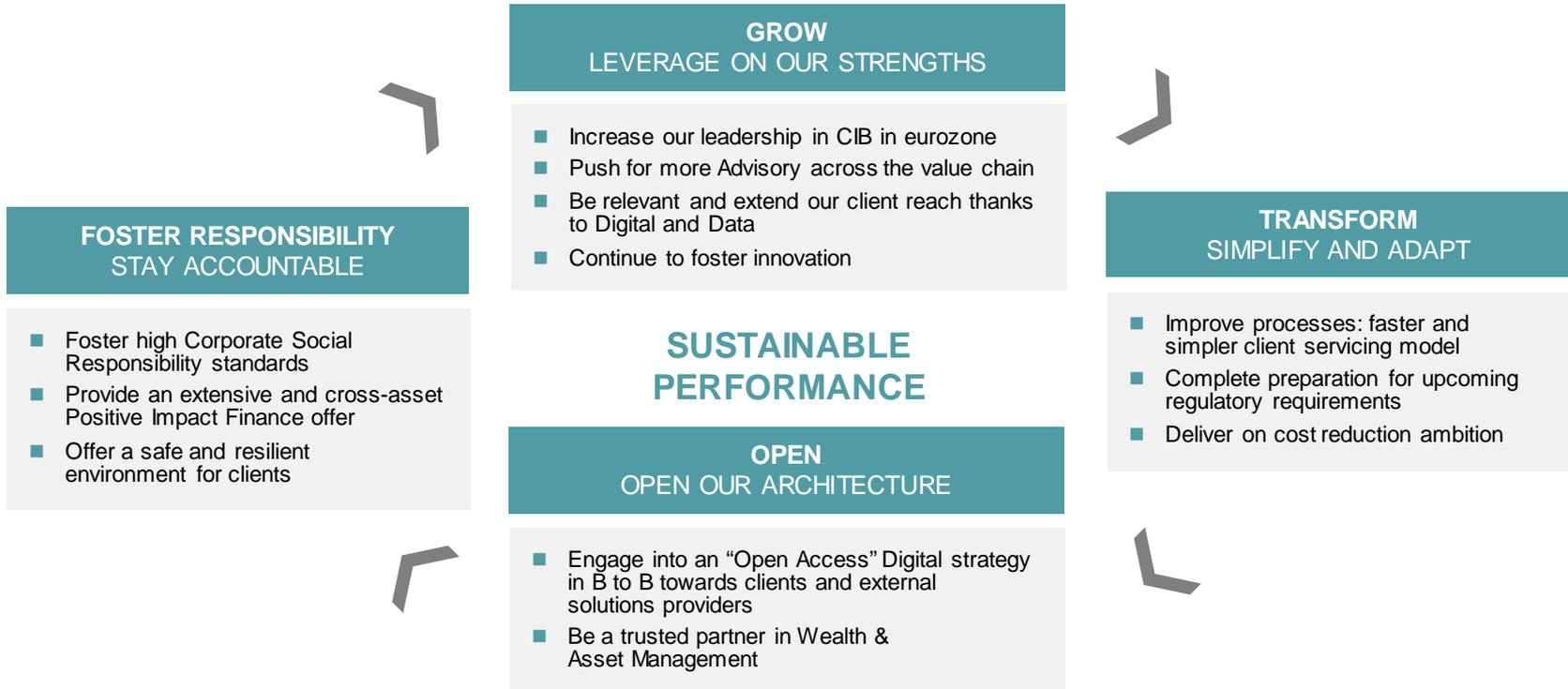


Sound risk profile

Improved returns
Higher revenues
Lower market risk

1. Cost of risk on Global Banking and Investor Solutions scope (Global Markets & Investor Services, Financing & Advisory, Wealth & Asset Management)

GLOBAL BANKING AND INVESTOR SOLUTIONS CAN FURTHER EXTEND ITS LEADERSHIP



OUR GROWTH BUSINESSES AMBITIONS BY 2020

GLOBAL MARKETS & INVESTOR SERVICES

Build a partner bank in Global Markets

- Take advantage of **leadership position** in **derivatives** and grow **prime brokerage**
- Enhance our **top positioning** in **Europe**

Revenues
~+2.5%
(CAGR)

Maintain our leadership in the EMEA Securities Industry

GLOBAL TRANSACTION BANKING

Extend leadership across Western Europe

- **Maintain leadership position** in **France**
- Accelerate to become a **reference bank** in **Europe**

Revenues
~+EUR
350m*

FINANCING & ADVISORY

Drive the momentum

- **Expand existing franchises**, in particular **Asset Finance** and **Asset-Backed Products**
- **Extend our reach** with leadership in **Positive Impact Finance** and **industry expertise**

Revenues
~+3%
(CAGR)

WEALTH & ASSET MANAGEMENT

Be trusted architects

- Leverage on **open architecture culture**
- Bring **institutional expertise** to **High Net Worth Individuals** and **Retail Distributors**

Revenues
~+3%
(CAGR)

Supported by a differentiating B to B platform strategy

* Included in French Retail, International Banking and Financial Services and Global Banking and Investor Solutions revenue CAGR

A UNIQUE, UNRIVALED AND DIFFERENTIATING PLATFORM STRATEGY

CLIENTS ARE LOOKING FOR

THE BEST SERVICES AT A
MINIMUM COST

SINGLE ENTRY POINT

THE BEST CUSTOMER
EXPERIENCE

OUR STRATEGY IS TO OFFER

AN OPEN ACCESS TO A FULL SET
OF BANKING SERVICES

A SEAMLESS OPERATING MODEL
FROM STANDARD TO TAILORED NEEDS

AN AGILE INFORMATION SYSTEM
AND DELIVERY MODEL

TO ALL OUR STAKEHOLDERS

Corporate clients

Small | Medium | Large

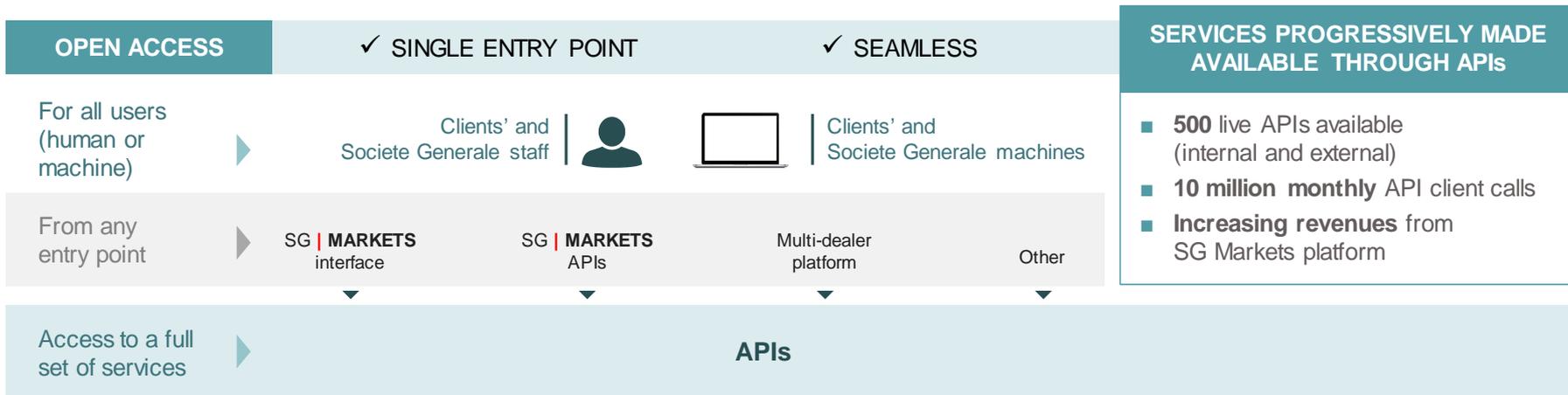
Institutional clients

Asset Managers | Wealth Managers
Insurance | Banks | Hedge Funds | Pension Funds
Retail | Public Institutions

Societe Generale employees

Front Office and
Corporate functions

PROVIDE ACCESS TO THE BEST OF OUR EXPERTISE AND EXTERNAL SERVICES



SERVICES PROGRESSIVELY MADE AVAILABLE THROUGH APIs

- 500 live APIs available (internal and external)
- 10 million monthly API client calls
- Increasing revenues from SG Markets platform

SG | MARKETS services

SG | MARKETS



Pre-trade



Execution



Post-trade



Financing

Full offering across the value chain

External services (example)



"Societe Generale has been among the fastest to onboard our Symphony solution and has been a key player in the development of our platform."

D. Gurle, Symphony, CEO

COMPLEMENTED WITH AN ENHANCED CLIENT JOURNEY



1. Straight Through Processing

SUPPORTED BY AN AMBITIOUS AND INNOVATIVE IT STRATEGY

DIGITAL

✓ TRANSFORMING OUR
IT SERVICES DELIVERY MODEL

✓ AND OUR INFRASTRUCTURE

BY 2020

Platform as a Service
60% of our infrastructure
on Public/Private Cloud

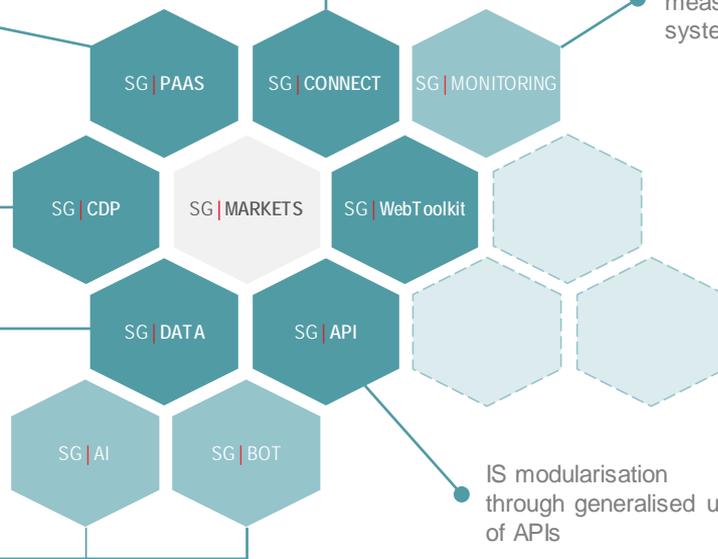
Advanced agile methodology
45% of major software releases
delivered in less than 4 weeks

**A unique
B to B datalake**

Leveraging benefits from
nascent technologies:
AI/ML, Bots, Blockchain

One Security System

Real-time
measure of our
systems' activity



- 80% of our infrastructure on Public/Private Cloud
- 80% of major software releases delivered in less than 4 weeks

Structured
products
Europe Awards
2017

Societe Generale
Bank technology
provider of the year

Building on key digital technical foundations

FOSTER RESPONSIBILITY IN ALL OF OUR ACTIONS



BUSINESS AMBITION

- **Business focus** consistent with risk appetite
- Innovative and pioneering **Positive Impact Finance** offer to capture new growth opportunities (#2 in Europe on Green bonds*)



RISK CONTROL FRAMEWORK

- **Reinforced control functions** :
Dedicated compliance staff increased by almost 50% in less than 2 years
- A **safe and resilient environment**:
IT security, control of all operational risks

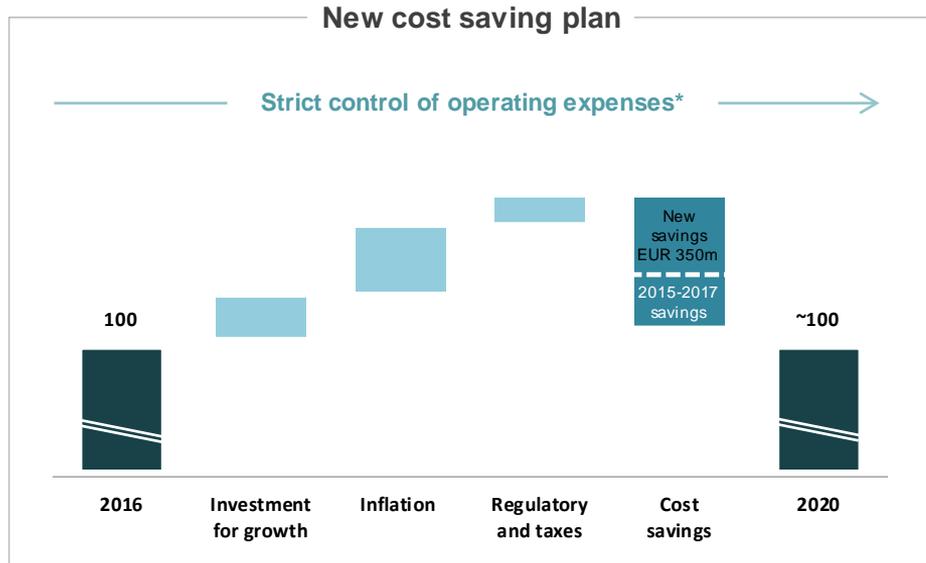


CULTURE & CONDUCT PROGRAMME AND INITIATIVES

- **High ethical standards** with systematic training of staff and strong risk culture
- Staff **engagement** and **commitment**

* Source: All currencies Bloomberg at 11/06/2017

INCREASE EFFICIENCY TO ABSORB TAIL-END REGULATORY IMPACTS AND GROWTH INVESTMENTS



BENEFIT OF GLOBAL BANKING AND INVESTOR SOLUTIONS MODEL TRANSFORMATION



INVESTMENTS TO SUPPORT GROWTH AMBITION



*Global Banking and Investor Solutions expenses excluding bonuses, at constant exchange rates and scope, rebased 100 as of 2016 excl. Euribor and RMBS, assuming constant regulatory framework

KEY TAKEAWAYS

STRENGTHEN OUR LEADERSHIP

GLOBAL MARKETS &
INVESTOR SERVICES

FINANCING &
ADVISORY

GLOBAL
TRANSACTION BANKING

WEALTH & ASSET
MANAGEMENT

Build the **partner bank**
Maintain our **leadership in**
the **EMEA** Securities Industry

Drive the
momentum

Extend **leadership** across
Western Europe

Be **trusted**
architects

DIGITAL TRANSFORMATION

TALENTED PEOPLE AND TEAMS

AND DELIVER HIGHER RETURNS: 2020 RONE ~14%

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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.

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