PRESS RELEASE

Paris, 4 June 2018

Societe Generale reaches agreements with the DOJ, the CFTC and the PNF to resolve their pending IBOR and Libya-related investigations

- Societe Generale has reached agreements with the U.S. Department of Justice ("DOJ") and the U.S. Commodity Futures Trading Commission ("CFTC") to resolve their investigations relating to Societe Generale's IBOR submissions, and with the DOJ and the French *Parquet National Financier* ("PNF") to resolve their investigations relating to certain transactions involving Libyan counterparties.The PNF and DOJ agreements have been submitted for approval to the competent French and U.S. courts for hearings on 4th June and 5th June, respectively. The Bank has been actively cooperating with the authorities to resolve these investigations.

- Societe Generale has agreed to pay penalties totaling approximately $1.3 billion to the DOJ, the CFTC and the PNF. These payments are fully covered by the provision allocated to the IBOR and Libyan matters and booked in Societe Generale's accounts. As a result, they will have no impact on Societe Generale's results.

- The Bank has agreed to enter into a three-year deferred prosecution agreement in the IBOR and Libyan matters with the DOJ. The charges against Societe Generale will be dismissed if the Bank abides by the terms of the agreement, to which the Bank is fully committed. No independent compliance monitor has been imposed in connection with these settlements.

- Societe Generale has already taken extensive steps in recent years to strengthen its overall compliance and control framework, which is intended to meet the highest industry standards of compliance and ethics. As part of these resolutions, the Bank has committed to ensure that its internal policies, procedures and controls are designed to prevent and detect violations of the relevant anti-corruption, bribery, and market manipulation laws.

- These settlements are not expected to have any impact on services or activities offered by the bank to supporting its clients.

Societe Generale has reached agreements with the DOJ and the CFTC to resolve, as part of their industry-wide investigations on interbank offered rates benchmarks, the matter of Societe Generale's submissions from 2005–2012 for setting certain London Interbank Offered Rates and the Euro Interbank Offered Rate ("IBOR matter").

These agreements also resolve the DOJ's investigations regarding violations of the U.S. Foreign Corrupt Practices Act (FCPA) in connection with historical conduct involving Libyan counterparties, including the Libyan Investment Authority, as well as the investigation opened by the PNF regarding violations of French anti-corruption laws in connection with the same conduct ("Libyan matter").

As part of these settlements, Societe Generale has agreed to pay penalties totaling approximately $1.3 billion to the DOJ, CFTC, and PNF. These penalties include $275 million to the DOJ and $475 million to the CFTC in relation to the IBOR matter, and $292.8 million to the DOJ and €250.15 million ($292.8 million) to the PNF in relation to the Libyan matter.

The payment of these penalties is fully covered by the provision allocated to the IBOR and Libyan matters and booked in Societe Generale's accounts. As a result, they will have no impact on Societe Generale's results. Following these payments, the provision for litigation will amount to approximately 1.2 billion euro equivalent.

As part of these resolutions, the Bank has committed, beyond the measures it has already taken, to further ensure that its internal policies, procedures and controls are designed to prevent and detect violations of the relevant anti-corruption, bribery, and market manipulation laws.

As part of the settlements, the Bank has agreed to enter into a three-year deferred prosecution agreement with the DOJ on the IBOR and Libyan matters. The charges against Societe Generale will be dismissed if the Bank abides by the terms of the agreement, to which the Bank is fully committed. No independent compliance monitor has been imposed in connection with these settlements. Additionally, SGA Societe Generale Acceptance, N.V. ("SGA"), a Group subsidiary dedicated to the issuance of investment products, has agreed to plead guilty in the United States in connection with the Libyan matter. Such a guilty plea will have no impact on SGA's ability to perform its obligations as an issuer, and Societe Generale will continue to guarantee these obligations.

In the agreement with the PNF ("*Convention Judiciaire d'Intérêt Public,*" created by the Sapin II law in France), which does not involve a recognition of criminal liability, Societe Generale also committed to have the French Anti-corruption Agency (AFA) assess the quality and effectiveness of the anti-corruption measures it implemented for a two-year period.

Societe Generale received significant credit from the authorities for its cooperation with their investigations, and the Bank has agreed to continue to cooperate with them in accord with the settlement agreements.

The settlements with the PNF and DOJ, which have been submitted to French and U.S. courts for hearings on 4th and 5th June, respectively, are intended to conclude their investigations in these two matters. The agreement with the CFTC is intended to conclude its investigations in the IBOR matter. In connection with the IBOR matter, the Bank continues to defend civil proceedings in the United States, and to respond to information requests received from other authorities, including the New York Department of Financial Services.

Frédéric Oudéa, Chief Executive Officer of Societe Generale, commented: "*We regret these past misconducts, which are contrary to our values and ethical standards that led to these settlements. We are pleased to have resolved these matters in cooperation with the relevant authorities and we believe it is an important step for the Bank. Over the past years, we have already taken extensive steps, at our own initiative, to strengthen our global compliance and control framework to meet the highest standards of compliance and ethics. Anchoring a culture of responsibility, shared by all our staff members, is a priority at the heart of our strategic plan Transform to Grow. Societe Generale's teams are fully committed to delivering on all the key objectives of the plan and act every day to serve our clients and deserve the trust of our all stakeholders*".

Societe Generale has reinforced over many years its overall framework for ethics and compliance and has already undertaken remedial measures directly related to the two matters. The Bank has in particular:

- Developed since 2012 a series of policies and procedures designed to ensure the integrity of the IBOR contribution process, in line with the best practices across the industry.
- Reinforced since 2011 its internal instructions related to the fight against corruption and launched a comprehensive review of the framework, putting in place a team dedicated to the fight against

corruption, implementing a detailed risk assessment and rolling out a new version of the Code of Conduct worldwide with a "zero-tolerance approach" and extended whistleblowing procedures. More recently, a new Anti-Corruption and Anti-Influence Peddling Code has been published taking into account the more stringent regulatory requirements, notably related to the law in France known as the "Sapin 2" law.

- Continuously reinforced its compliance setup with a significant increase in dedicated human and financial resources, the creation of a dedicated department in 2010, followed by the centralisation of all Compliance teams within this division and the establishment of a direct reporting line to one of the Bank's Deputy CEOs. The Bank has also launched a wide-ranging, multiyear compliance transformation programme to upgrade and strengthen the Bank's compliance capabilities worldwide which encompasses reinforced risk management, including data-driven risk assessments, strengthening controls, reviewing operations involving key risk areas, specific roadmap for each business, training and communication initiatives to foster an enhanced compliance-oriented staff culture.
- Deployed a large worldwide Culture and Conduct programme designed to ensure staff respect and act in accordance with the Bank's values.

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Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformations of society and the economy.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 147,000 members of staff in 67 countries and supports on a daily basis 31 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking**, which encompasses the SocieteGenerale, Crédit du Nord and Boursorama brands. Eachoffers a full range of financial services with omnichannelproducts at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central **andEastern Europe and specialised businesses that are leaders intheir markets;**
- **Global Banking and Investor Solutions**, which offersrecognised expertise, key international locations andintegrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

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