SOCIETE GENERALE

A French corporation with share capital of EUR 1,009,897,137.75
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FIRST UPDATE

TO THE

2018 REGISTRATION DOCUMENT

Registration Document filed with the AMF (French Financial Markets Authority) on 8 March 2018 under No. D.18-0112.

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The AMF has conducted no verification of the content of this document. Only the French version of the Registration Document ("Document de référence") has been controlled by the AMF.
This update to the Registration Document was filed with the AMF (French Financial Markets Authority) on 7 May 2018, under the number D.18-0112-A01, in accordance with Article 212-13 of its general regulation. It may be used to support a financial transaction if accompanied by a prospectus duly approved by the AMF. This document was produced by the issuer and is binding upon its signatory.

CONTENTS

UPDATE OF THE 2018 REGISTRATION DOCUMENT BY CHAPTER

1.1 Recent press releases and events subsequent to the submission of the 2018 Registration Document

Press release dated 4 May, 2018: First quarter 2018 results – Update of the 2018 Registration Document, pages 30 - 49

Paris, May 4th, 2018

Q1 18: DYNAMIC PERFORMANCE IN RETAIL BANKING,
LOWER REVENUES IN MARKET ACTIVITIES
Q1 18 UNDERLYING ROTE: 10.9%

HIGHLIGHTS

Dynamic commercial performance in Retail Banking

- French Retail Banking revenues still impacted by the low interest rate environment, but expected to stabilise in 2018
- Revenue growth in International Retail Banking & Financial Services

Lower revenues in Global Banking & Investor Solutions, impacted in particular by a weaker dollar

- Lower revenues in market activities versus a high Q1 17 comparison base
- Stable* performance by Financing & Advisory

Cost base under control (underlying operating expenses excluding increase in the SRF up 0.5%)

- Acceleration in the transformation in French Retail Banking
- Positive jaws effect in International Retail Banking & Financial Services
- Stable cost base in Global Banking & Investor Solutions

Still very low cost of risk (18bp vs. 24bp in Q1 17)

Underlying ROTE of 10.9%

KEY FINANCIAL DATA

- Revenues(1): EUR 6,294m (-2.5% vs. Q1 17)
- Operating expenses(1): EUR -4,223m (+1.0% vs. Q1 17)
- Underlying net income(1): EUR 1,204m (-13.5% vs. Q1 17)
- Book net income: EUR 850m (+13.8% vs. Q1 17)
- CET1 ratio: 11.2%

Fréderic Oudéa, the Group's Chief Executive Officer, commented:

"The results posted by the Societe Generale Group for Q1 2018 and at the start of the implementation of the 2018-2020 "Transform to Grow" strategic plan are generally in line with our strategic ambitions. Commercial performances are solid for the majority of our businesses, particularly in retail banking, and despite the mixed trend in the different market activities, the Group generated very encouraging underlying profitability. With a renewed General Management team, the Group is more confident than ever of its ability to successfully implement all the current transformation projects and meet its strategic and financial objectives."

*The footnote * in this document is specified below:*
* *When adjusted for changes in Group structure and at constant exchange rates.*
(1) Underlying data. See methodology note 5 for the transition from accounting data to underlying data.

1. GROUP CONSOLIDATED RESULTS

In EUR m	Q1 18	Q1 17	Change
Net banking income	**6,294**	**6,474**	***-2.8%***
Underlying net banking income(1)	*6,294*	*6,452*	*-2.5%*
Operating expenses	(4,729)	(4,644)	*+1.8%*
Underlying operating expenses(1)	*(4,223)*	*(4,183)*	*+1.0%*
Gross operating income	**1,565**	**1,830**	***-14.5%***
Underlyning gross operating income(1)	*2,071*	*2,269*	*-8,7%*
Net cost of risk	(208)	(627)	*-66,8%*
Operating income	**1,357**	**1,203**	***+12.8%***
Underlying operating income(1)	*1,863*	*1,992*	*-6.5%*
Net profits or losses from other assets	1	37	*-97.3%*
Income tax	(370)	(389)	*-4.9%*
Reported Group net income	**850**	**747**	***+13.8%***
Underlying group net income(1)	*1,204*	*1,392*	*-13.5%*
ROTE	**7.4%**	**6.0%**	
Underlying ROTE(1)	**10.9%**	**12.1%**	

(1) Adjusted for non-economic and exceptional items and linearisation of IFRIC 21.

Results for Q1 2018

Societe Generale's Board of Directors, which met on May 3rd, 2018 under the chairmanship of Lorenzo Bini Smaghi, examined the results for Q1 2018 of the Societe Generale Group.

Net banking income: EUR 6,294m (-2.8% vs. Q1 17)

Underlying net banking income totalled EUR 6,294 million (-2.5% vs. Q1 17).

- Slightly lower French Retail Banking revenues (-0.7% and -1.6% excluding PEL/CEL provisions) in an environment of persistently low rates and high renegotiation and prepayment volumes at the beginning of 2017.
- Continued revenue growth in International Retail Banking & Financial Services (+2.5%, +3.9%*), with an excellent performance in the majority of regions where International Retail Banking is located as well as in Insurance.
- Lower revenues in Global Banking & Investor Solutions (-13.4%, -8.9%*), against the backdrop of a weaker dollar and in relation to a high comparison base on rate products in Q1 2017, despite a resilient commercial performance.

In accordance with IFRS 9, the variation in the revaluation of the Group's own financial liabilities is no longer recognised in profit or loss. As from 2018, the Group will no longer restate its earnings for non-economic items. In Q1 17, the accounting impact of the revaluation of the Group's own financial liabilities was EUR +25 million. The DVA impact was EUR -3 million.

Operating expenses (EUR -4,729m, +1.8% vs. Q1 17)

Underlying operating expenses amounted to EUR -4,223 million (+1.0% vs. Q1 17) after linearisation of the IFRIC 21 effect.

The rise in operating expenses can be attributed primarily to the acceleration in the transformation of our businesses and the increase in regulatory costs, through the increased contribution to the various resolution funds (EUR +80 million). The operating expenses momentum of the different businesses observed during previous quarters continued in Q1 18:

- Continued transformation investments in French Retail Banking;
- Supporting growth in International Retail Banking & Financial Services;
- Rigorous cost control in Global Banking & Investor Solutions despite the increase in regulatory costs.

Gross operating income (EUR 1,565m, -14.5% vs. Q1 17)

The Group's underlying gross operating income totalled EUR 2,071 million in Q1 18 (-8.7% vs. Q1 17).

Cost of risk(1)

The Group's net cost of risk remained at a low level of EUR -208 million vs. EUR -277 million in Q1 17 (excluding variation in the provision for disputes).

The commercial cost of risk (expressed as a fraction of outstanding loans) amounted to 18 basis points in Q1 18, a decline vs. Q1 17 (24 basis points).

- In French Retail Banking, the commercial cost of risk was stable at 29 basis points (29 basis points in Q1 17), against the backdrop of an improvement in the economic environment in France;
- International Retail Banking & Financial Services' cost of risk was stable at a low level of 28 basis points (35 basis points in Q1 17). It was particularly low in Europe and Russia;
- Global Banking & Investor Solutions' cost of risk amounted to -7 basis points (9 basis points in Q1 17), with a write-back over the last three quarters.

The gross doubtful outstandings ratio was lower, at 4.2% at end-March 2018 (vs. 4.4% at end-December 2017). The Group's gross coverage ratio for doubtful outstandings stood at 55%(2) at end-March 2018 (vs. 54%(2) at end-December 2017).

Operating income (EUR 1,357m, +12.8% vs. Q1 17)

Underlying operating income amounted to EUR 1,863 million in Q1 18 (-6.5% vs. Q1 17).

Net income

In EUR m	Q1 18	Q1 17
Reported Group net income	**850**	**747**
Underlying Group net income(3)	**1,204**	**1,392**

	Q1 18	Q1 17
ROTE (reported)	**7.4%**	**6.0%**
Underlying ROTE(3)	**10.9%**	**12.1%**

Earnings per share amounts to EUR 0.93 (EUR 0.77 in Q1 17)(4).

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(1) Q1 18 figures in accordance with IFRS9, 2017 figures in accordance with IAS 39, figures restated for the transfer of Global Transaction and Payment Services from French Retail Banking to Global Banking and Investor Solutions.

(2) Ratio between specific provisions on doubtful outstandings and the amount of these same outstandings.

(3) Adjusted for non-economic and exceptional items and effect of the linearisation of IFRIC 21

(4) EPS excluding non-economic items of EUR 0.76 in Q1 17

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 58.9 billion at March 31st, 2018 (EUR 59.4 billion at December 31st, 2017). Net asset value per share was EUR 62.68 and tangible net asset value per share was EUR 53.75.

The **consolidated balance sheet** totalled EUR 1,272 billion at March 31st, 2018 (EUR 1,275 billion at December 31st, 2017). The net amount of customer loan outstandings, including lease financing, was EUR 398 billion at March 31st, 2018 (EUR 404 billion at December 31st, 2017) – excluding assets and securities sold under repurchase agreements. At the same time, customer deposits amounted to EUR 390 billion, vs. EUR 394 billion at December 31st, 2017 (excluding assets and securities sold under repurchase agreements).

At March 31st, 2018, Societe Generale SA had issued EUR 12.7 billion of medium/long-term debt, having an average maturity of 4.9 years and an average spread of 15 basis points (vs. the 6-month mid-swap, excluding subordinated debt). The subsidiaries had issued EUR 1.7 billion. At March 31st, 2018, the Group had issued a total of EUR 14.4 billion of medium/long-term debt. The LCR was well above regulatory requirements at 125% vs. 140%[11] at end-December 2017.

The Group's **risk-weighted assets** (RWA) amounted to EUR 355.7 billion at March 31st, 2018 (vs. EUR 353.3 billion at end-December 2017) according to CRR/CRD4 rules. Risk-weighted assets in respect of credit risk represent 81.6% of the total, at EUR 290.1 billion, up +0.2% vs. December 31st, 2017.

At March 31st, 2018, the Group's fully-loaded **Common Equity Tier 1** ratio stood at 11.2%[2] (11.4% at end-December 2017), down 20 basis points vs. end-December 2017. The Tier 1 ratio stood at 13.6% at end-March 2018 (13.8% at end-December 2017) and the total capital ratio amounted to 16.8%. This quarter, the trend in the ratio was primarily impacted by the implementation of IFRS 9 (impact of -14 basis points) and the inclusion of SRF guarantees (impact of -8 basis points).

With a level of 21.8% of RWA and 6.6% of leveraged exposure at end-March 2018, the Group's TLAC ratio is already above the FSB's requirements for 2019.

The **leverage ratio** stood at 4.1% at March 31st, 2018 (4.3% at end-December 2017).

The Group is rated by five rating agencies: (i) DBRS - long-term rating (senior preferred debt) "A (high)", short-term rating "R-1(middle)"; (ii) FitchRatings - long-term rating "A", senior preferred debt rating "A+", short-term rating "F1"; (iii) Moody's – long-term rating (senior preferred debt) raised to "A1" on April 11th, 2018, short-term rating "P-1"; (iv) R&I - long-term rating (senior preferred debt) "A"; and (v) Standard & Poor's - long-term rating (senior preferred debt) "A", short-term rating "A-1".

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(1) Adjusted Q4 17 figure, LCR previously at 116%.

(2) The phased-in ratio, including earnings for the current financial year amounts to 11.3% at end-March 2018 vs. 11.6% at end-December 2017 and 11.7% at end-March 2017. The phased-in ratio excluding earnings for the current year amounts to 11.1% at end-March 2018 vs. 11.6% at end-March 2017.

3. FRENCH RETAIL BANKING

In EUR m	Q1 18	Q1 17	Change
Net banking income	**2,008**	**2,023**	***-0,7%***
Net banking income excl. PEL/CEL	*1,992*	*2,025*	*-1,6%*
Operating expenses	(1,480)	(1,420)	***+4,2%***
Gross operating income	**528**	**603**	***-12,4%***
Gross operating income excl. PEL/CEL	*512*	*605*	*-15,4%*
Net cost of risk	(134)	(129)	*+3,9%*
Operating income	394	474	*-16,9%*
Reported Group net income	**270**	**331**	*-18,4%*
RONE	**9.5%**	**12.3%**	
Adjusted RONE (1)	**10.8%**	**14.1%**	

(1) Adjusted for IFRIC 21 and PEL/CEL provision

Q1 2018 continued in the same vein as 2017, with a persistently low interest rate environment and the ongoing transformation of the French networks. Against this backdrop, French Retail Banking delivered a solid commercial performance with resilient profitability.

Activity and net banking income

French Retail Banking's three brands, Societe Generale, Crédit du Nord and Boursorama, continued their commercial expansion, especially for growth drivers.

In particular, Boursorama once again demonstrated the strength of its client onboarding process, with the acquisition of 126,000 clients in Q1 18, a record quarter, up 57% vs. Q1 17. At end-March 2018, Boursorama had a total of 1.4 million clients, strengthening its leadership position in online banking in France.

At the same time, the Societe Generale and Crédit du Nord networks expanded their mass affluent and wealthy clients base (5.4% increase in the number of clients in Q1 18).

In Q1 18, French Retail Banking saw its Business customers grow by 2.5% vs. Q1 17 and its Professional customers by 1.6%, reflecting the resourcefulness of its teams. Continuing with the rollout of its new "Pro Corners" ("*Espaces Pro*") model nationwide, Societe Generale opened 26 "Pro Corner" centres in branches in Q1 18 in order to offer its professional customers greater proximity and more expertise. At the same time, Crédit du Nord, which enjoys a high level of satisfaction among professional customers, continued with the specialisation of its advisers by market segment, equipping them with innovative mobile solutions.

In a low interest rate environment, the Group decided to be selective in terms of origination in order to protect the level of margins and its risk appetite.

Housing loan production totalled EUR 4.8 billion in Q1 18, down 19% vs. Q1 17 which represented a high comparison base. The increase was 4.7% vs. Q4 17. As a result, home loan outstandings rose +2.8% in Q1 18 vs. Q1 17.

At EUR 3.2 billion, corporate investment loan production was up 10% in Q1 18, reflecting a buoyant economic environment and resulting in an increase in average investment loan outstandings of +3.3% vs. Q1 17.

Overall, average loan outstandings increased by +2.5% vs. Q1 17 to EUR 183.0 billion. Average outstanding balance sheet deposits came to EUR 195.5 billion in Q1 18. They were up +2.6%, driven by sight deposits (+9.8%), particularly in the Business segment. As a result, the average loan/deposit ratio stood at 94% in Q1 18 (stable vs. Q1 17).

Within Retail Banking's growth drivers, Private Banking in France enjoyed a promising start to the year with net inflow of EUR 1.1 billion and a 1.7% increase in outstandings to EUR 61.9 billion in Q1 18 . Life insurance outstandings were also healthy, up 1.8% vs. Q1 17 at EUR 93 billion.

French Retail Banking posted net banking income (after neutralising the impact of PEL/CEL provisions) of EUR 1,992 million in Q1 18, down 1.6%, reflecting primarily the contraction in net interest income. The deceleration in revenue erosion looks set to continue over the next few quarters in line with the expected stabilisation for 2018.

Net interest income was down -4.3% in Q1 18, adversely affected by the low interest rate environment on the re-investment of deposits and the wave of mortgage renegotiations which resulted in high amounts of prepayment indemnities and renegotiation fees in Q1 17. With the normalisation of the pace of renegotiations, this effect is expected to diminish over the next few quarters.

Commissions were slightly lower (-0.9% vs. Q1 17), due to the disposal of Boursorama's German subsidiary On Vista in Q2 17, and an unfavourable base effect in Crédit du Nord. When restated for these two items, commissions rose +0.6%, reflecting a promising start to the quarter in Private Banking but a somewhat lacklustre start to the quarter for business customers.

Operating expenses

French Retail Banking's operating expenses totalled EUR -1,480 million, up 4.2%. They reflect the acceleration of digital transformation investments and the development of growth drivers, including Boursorama, Private Banking and Insurance. As part of its transformation plan, the Group notably closed 21 branches in France in Q1 18. The cost to income ratio stood at 70.2% in Q1 18 after linearisation of the IFRIC 21 charge.

The Group expects operating expenses to increase by less than 3% in 2018.

Operating income

The net cost of risk was slightly higher (+3.9%) in Q1 18 than in Q1 17. Operating income totalled EUR 394 million in Q1 18 (EUR 474 million in Q1 17).

Contribution to Group net income

French Retail Banking's contribution to Group net income amounted to EUR 270 million in Q1 18 (EUR 331 million in Q1 17). RONE stood at 10.8% after linearisation of the IFRIC 21 charge and restatement of the PEL/CEL provision (vs. 14.1%).

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

In EUR m	Q1 18	Q1 17	Change	
Net banking income	**1,989**	**1,940**	***+2.5%***	***+3.9%****
Operating expenses	(1,179)	(1,177)	*+0.2%*	*+3.2%**
Gross operating income	**810**	**763**	***+6.2%***	***+5.1%****
Net cost of risk	(91)	(111)	*-18.0%*	*+9.8%**
Operating income	719	652	*+10.3%*	*+4.5%**
Net profits or losses from other assets	4	35	*-88.6%*	*-89.3%**
Reported Group net income	**429**	**428**	***+0.2%***	***+0.7%****
RONE	15.1%	15.3%		
Underlying RONE(1)	**17.0%**	**17.7%**		

(1) Adjusted for IFRIC 21 implementation

Net banking income totalled EUR 1,989 million in Q1 18, up +2.5% (+3.9%*) vs. Q1 17, driven by an excellent commercial momentum. Operating expenses remained under control (+0.2%) and amounted to

EUR 1,179 million over the same period, resulting in a cost to income ratio of 59.3%, an improvement of one point vs. Q1 17. Gross operating income totalled EUR 810 million in Q1 18 (+6.2% vs. Q1 17). The net cost of risk remains low at EUR 91 million (-18.0% vs. Q1 17), due to risk management efforts, and also benefited from an insurance payout received in respect of Romania in Q1 18. The contribution to Group net income totalled EUR 429 million in Q1 18, stable (+0.2%) vs. Q1 17, which included a number of non-recurring items, amounting to EUR 49 million (in particular the disposal of the historic headquarters in the Czech Republic).

Underlying RONE stood at 17.0% in Q1 18, vs. 17.7% in Q1 17.

International Retail Banking

At end-March 2018, International Retail Banking's outstanding loans totalled EUR 88.9 billion. They rose +4.0% (+8.2%*) vs. Q1 17, providing further evidence of the healthy momentum in Europe, especially on consumer credit in Western Europe, as well as robust activity in Africa in a buoyant economic environment. Deposit inflow remained high: outstanding deposits rose +3.4% (+7.7%*) vs. Q1 17, to EUR 80.6 billion.

International Retail Banking revenues were up +3.6% (+8.3%*) higher than in Q1 17 at EUR 1,328 million, while operating expenses remained under control (-1.2%, +3.9%*) compared to Q1 17. Gross operating income came to EUR 481 million, up +13.2% vs. Q1 17 (+17.1%*). International Retail Banking's contribution to Group net income amounted to EUR 229 million in Q1 18 (+18.7% vs. Q1 17).

In Western Europe, outstanding loans were up +12.4% vs. Q1 17, at EUR 18.5 billion; car financing remained particularly buoyant in the region. Revenues totalled EUR 196 million and gross operating income EUR 96 million in Q1 18, up +11.6% vs. Q1 17. The net cost of risk amounted to EUR 35 million in Q1 18 and remained at a low level despite increasing by EUR 8 million vs. Q1 17. The contribution to Group net income came to EUR 46 million, stable vs. Q1 17.

In the Czech Republic, the Group delivered a solid commercial performance. Outstanding loans rose +11.4% (+4.8%*) vs. Q1 17 to EUR 24.4 billion, driven by loans to individual customers. Outstanding deposits climbed +11.4% (+4.8%*) year-on-year to EUR 31.4 billion. This positive volume effect offset the decline in revenues on financial transactions, which were particularly high in H1 2017, in connection with the volatility in the EUR/CZK exchange rate. As a result, revenues were up +5.5% in Q1 18 at EUR 269 million and were very slightly lower at constant exchange rates (-1.0%*). Operating expenses remained under control at EUR 166 million (+3.1%), with the -3.2%* decline when adjusted for changes in Group structure and at constant exchange rates attributable to a non-recurring impairment in Q1 17. The contribution to Group net income amounted to EUR 53 million, down -20.9% vs. Q1 17, which benefited from a capital gain on a property disposal following the sale of the historic headquarters.

In Romania, in a favourable economic environment, outstanding loans were +3.2% (+5.6%*) higher than in Q1 17 at EUR 6.5 billion, with strong growth in the individual customer segment. Outstanding deposits were up +4.4% (+6.8%*) year-on-year at EUR 9.5 billion. In this context, net banking income rose +9.4% (+12.7%*) to EUR 139 million in Q1 18. Operating expenses were slightly lower (-2.2% at current exchange rates, +0.7%*) and amounted to EUR 90 million, benefiting from a lower contribution to deposit guarantee and resolution funds. The net cost of risk experienced a EUR 33 million write-back in Q1 18, mainly on account of insurance payouts received over the period. As a result, the BRD group's contribution to Group net income was EUR 39 million, up +30.0% vs. Q1 17.

In other European countries, outstanding loans were down -10.7% and deposits were down -16.3% vs. Q1 17, due to the disposal of Splitska Banka. When adjusted for changes in Group structure and at constant exchange rates, outstanding loans and outstanding deposits were up +8.3%* and +6.7%* respectively. In Q1 18, revenues increased by +9.4%* when adjusted for changes in Group structure and at constant exchange rates (-8.5% in absolute terms), while operating expenses rose +6.9%* (-12.2% in absolute terms). The net cost of risk amounted to EUR 12 million, down -36.2%* vs. Q1 17 in a favourable economic environment. The contribution to Group net income came to EUR 30 million, with the increase in the contribution to Group net income when adjusted for changes in Group structure and at constant exchange rates amounting to +58.5%*.

In Russia, inflation remained at a low level and interest rates declined to 7.25% in Q1 18. Against this backdrop, outstanding loans were up +7.4%* at constant exchange rates (-8.4% at current exchange rates), driven primarily by loans to individual customers (+10.7%*). Outstanding deposits were substantially higher (+24.3%*, +6.4%), both for individual and business customers. Net banking income for SG Russia[1] increased +8.6%* year-on-year (-3.1% at current exchange rates given the depreciation of the rouble). Operating expenses were up +6.9%* (-4.5% at current exchange rates) and the net cost of risk amounted to EUR 16 million, vs. EUR 21 million in Q1 17. Overall, SG Russia made a positive contribution to Group net income of EUR 18 million; it was EUR 14 million in Q1 17.

In Africa, Mediterranean Basin and French Overseas Territories, in a buoyant economic environment, outstanding loans were up +4.3% (+10.1%* vs. Q1 17) at EUR 19.9 billion, with a healthy commercial momentum in numerous African operations. Outstanding deposits were up +2.1% (+7.9%*). Net banking income came to EUR 392 million in Q1 18, an increase vs. Q1 17 (+6.5%, +13.2%*). Over the same period, operating expenses rose +1.7% (+7.2%*), in conjunction with the Group's commercial development. The contribution to Group net income came to EUR 49 million in Q1 18, up +22.5% vs. Q1 17.

Insurance

The life insurance savings business saw outstandings increase by +1.6%* in Q1 18 vs. Q1 17 (excluding Antarius acquisition). The business also benefited from a stronger trend towards unit-linked products, with the share of unit-linked products in outstandings up +2 points vs. Q1 17 at 27%.

There was further growth in Personal Protection insurance (premiums up +5.8%* vs. Q1 17). Likewise, Property/Casualty insurance continued to grow (premiums up +8.8%* vs. Q1 17), with substantial growth internationally and in home insurance.

The Insurance business turned in a good financial performance in Q1 18, with net banking income up +14.1% vs. Q1 17, at EUR 226 million (+6.1%* when adjusted for changes in Group structure and at constant exchange rates, adjusted in particular for the Antarius acquisition on April 1st, 2017). The cost to income ratio remained at a low level (43.8% in Q1 18). The business' contribution to Group net income increased by +18.3% vs. Q1 17 to EUR 84 million.

Financial Services to Corporates

Financial Services to Corporates maintained its commercial momentum in Q1 18.

Operational Vehicle Leasing and Fleet Management experienced a substantial increase in its vehicle fleet (+9.3% vs. the end of Q1 17), mainly through organic growth.

Equipment Finance's outstanding loans were up +4.7% (+7.1%*) vs. Q1 17, at EUR 17.2 billion (excluding factoring), driven by healthy new business in Europe.

Financial Services to Corporates' net banking income fell -5.4% in Q1 18 vs. Q1 17 to EUR 435 million (-8.9%*), due to a positive technical effect in Q1 17, neutral at Group level, related to asset/liability management. Operating expenses were slightly higher (+1.3%) than in Q1 17, at EUR 233 million (-0.2%*). The contribution to Group net income was EUR 116 million, down -29.3% vs. Q1 17, reflecting primarily the consolidation of ALD for around 80% of ALD through its stock market flotation and the technical effect mentioned above.

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(1) SG Russia encompasses the entities Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD Automotive and their consolidated subsidiaries

5. GLOBAL BANKING & INVESTOR SOLUTIONS

In EUR m	Q1 18	Q1 17	Change	
Net banking income	**2,215**	**2,559**	***-13.4%***	***-8.9%****
Operating expenses	(2 024)	(2 009)	*+0.7%*	*+4.7%**
Gross operating income	**191**	**550**	***-65.3%***	***-61.7%****
Net cost of risk	27	(37)	*n/s*	*n/s*
Operating income	218	513	*-57.5%*	*-52.7%**
Reported Group net income	**166**	**385**	***-56.9%***	***-51.7%****
RONE	4.5%	10.0%		
Underlying RONE(2)	**10.2%**	**14.8%**		

(1) Adjusted for IFRIC 21 implementation

Global Banking & Investor Solutions posted revenues of EUR 2,215 million in Q1 18, down -13.4% vs. Q1 17 (-8.9%*), reflecting a decline in Global Markets during the quarter.

Global Markets & Investor Services

Global Markets & Investor Services' net banking income amounted to EUR 1,372 million in Q1 18, down-18.2% vs. Q1 17 (-13.1%*). After a buoyant start to the quarter, characterised by robust activity in conjunction with increased volatility, the return to volatility levels close to those of 2017 reduced commercial activity.

At EUR 535 million, the revenues of **Fixed Income, Currencies & Commodities** were down -31.1% (-27%*) vs. Q1 17 which was a record quarter since 2012. Flow activities were hit by a slight decline in new business on all products and less favourable market conditions, with an extremely low level of volatility in Europe. Credit and Financing activities were also lower than last year, in a less buoyant environment. The continued healthy momentum on structured products failed to offset this downward trend.

The revenues of **Equities and Prime Services** were down -10.7% in Q1 18 vs. Q1 17 (-5%*) at EUR 659 million. In an environment of rising volatility, revenues from flow products benefited from a rebound in client activity, posting a substantial increase. As a result, the Prime Services franchise recorded revenues at their historic high. This good performance was more than offset by the decline in structured product revenues, adversely affected by less dynamic commercial activity in Europe and by increased carry and hedging costs, in a European market where volatility returned to levels close to those of 2017. This lower performance in relation to the industry can be attributed to our business mix, which is more geared towards structured products, and our geographical mix, which is more focused on Europe.

Securities Services' assets under custody amounted to EUR 4,013 billion, up +2.8% vs. end-2017. Over the same period, assets under administration were slightly lower (-0.7%) at EUR 646 billion. Securities Services' revenues were up +9.2% in Q1 18 vs. Q1 17 at EUR 178 million, on the back of the healthy commercial momentum.

Financing & Advisory

Financing & Advisory's revenues totalled EUR 600 million, down -4.6% vs. Q1 17 (-1.0%*). Commercial activity was buoyant for growth drivers and, more generally, for all financing activities in Q1 18. As a result, commissions were substantially higher in Asset Financing, notably for Export Financing and Real Estate, Natural Resources Financing, Corporate Lending and Cash Management. Securitisation revenues were higher for the 9th consecutive quarter, reaching a historic high. As a result, Societe Generale enjoys a leadership position on EMEA syndicated loan volumes and on securitisation volumes in euros. However, these good performances were more than offset by lower Investment Banking activity in a sluggish market, and by still challenging market conditions for commodity derivatives and unfavourable market conditions for corporate hedging.

Asset and Wealth Management

The revenues of the **Asset and Wealth Management** business line totalled EUR 243 million in Q1 18, down -3.6% vs. Q1 17.

Private Banking's assets under management amounted to EUR 117 billion at end-March 2018, stable (-0.5%) vs. end-2017. Despite healthy transactional activity and robust inflow in France, Private Banking revenues were impacted by a decline in international activities. Net banking income was down -7.5% vs. Q1 17, at EUR 185 million, while the margin came to 95 basis points vs. 101 basis points in Q1 17.

Despite negative market and currency effects, **Lyxor's** assets under management came to EUR 117 billion, up +4.2% vs. Q4 17, on the back of strong inflow of EUR 7.4 billion. This total represents a new high for the business. Lyxor's revenues totalled EUR 52 million in Q1 18, up +13.0% vs. Q1 17, with an increase in commissions received.

Operating expenses

Global Banking & Investor Solutions' operating expenses were slightly higher (+0.7%) in Q1 18 than in Q1 17. The increase includes a sharp rise in the contribution to the Single Resolution Fund and higher regulatory costs, offset by a favourable currency effect. The full effect of the transformation plans implemented since 2015 helps offset transformation costs related to the new 2018-2020 plan, as well as investments in growing the businesses, notably in Global Transaction Banking and the new client hedging platform. On this basis, and by linearising the impact of the IFRIC 21 standard, the cost to income ratio stood at 78.1% in Q1 18.

Operating income

Gross operating income came to EUR 191 million, down -65.3% vs. Q1 17, mainly due to the decline in the contribution of Global Markets in Q1 18.

In a still favourable economic environment, there was a further write-back in the net cost of risk in Q1 18 (EUR +27 million), compared with a charge of EUR 37 million in Q1 17, reflecting the division's good risk management.

Global Banking & Investor Solutions' operating income totalled EUR 218 million in Q1 18, down -57.5% vs. Q1 17.

Net income

The division's contribution to Group net income came to EUR 166 million in Q1 18, down -56.9%. When restated for the effect of the IFRIC 21 standard, the division's RONE amounted to 10.2%.

6. CORPORATE CENTRE

In EUR m	**Q1 18**	**Q1 17**
Net banking income	**82**	**(48)**
Net banking income (1)	*82*	*(73)*
Operating expenses	(46)	(38)
Gross operating income	36	(86)
Gross operating income (1)	*36*	*(111)*
Net cost of risk	(10)	(350)
Net profits or losses from other assets	(4)	(3)
Reported Group net income	**(15)**	**(397)**
Group net income (1)	*(15)*	*(414)*

(1) Adjusted for revaluation of own financial liabilities in Q1 17

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects and certain costs incurred by the Group and not re-invoiced to the businesses.

The revaluation of the Group's own financial liabilities is no longer recognised in profit or loss for the period due to the implementation of IFRS 9 as from January 1st, 2018. Consequently, earnings are no longer restated for this non-economic item.

The Corporate Centre's net banking income totalled EUR 82 million in Q1 18 vs. EUR -73(1) million in Q1 17.

Gross operating income was EUR 36 million in Q1 18 vs. EUR -111(1) million in Q1 17.

The net cost of risk amounted to EUR -10 million in Q1 18 vs. EUR -350 million in Q1 17, which was impacted by the recognition of an allocation (EUR -350 million) to the provision for disputes in respect of the settlement of the dispute with the Libyan Investment Authority.

A final agreement with the relevant authorities on IBOR and Lybian matters is expected to be reached within the coming days or weeks. The monetary penalties are further expected to be in line with the provision allocated to these two cases.

The Corporate Centre's contribution to Group net income was EUR -15 million in Q1 18 (EUR -414(1) million in Q1 17).

7. CONCLUSION

Societe Generale generated Group net income of EUR 850 million in Q1 2018. The Group's underlying net income of EUR 1,204 million and underlying ROTE of 10.9% reflect the Group's solid commercial performance in Retail Banking and lower performance in market activities.

Against a backdrop of still low interest rates and the acceleration in the transformation of its businesses, French Retail Banking's commercial performance remained dynamic, particularly for its core customers. The Group expects stablisaiton fo revenues in 2018, in a year that will see the materialisation of key stages in its transformation, with costs expected to be up less than 3.0% over the year.

International Retail Banking & Financial Services remains a strong growth driver for the Group, driven primarily by International Retail Banking and Insurance, which this quarter again experienced positive jaws effects. The Group expects a strong net income growth in 2018.

Against the backdrop of a weaker dollar, Global Banking & Investor Solutions saw a decline in revenues. In an uncertain environment, core franchises remain robust, as demonstrated by the market share gains in 2017, and the Group intends to deliver a higher return than European peers in 2018.

In line with the "Transform to Grow" plan announced to the market in November 2017, the Group has confirmed its strategic trajectory around 5 key pillars enabling it to deliver superior, profitable and sustainable growth:

- Growing, with clear objectives for each of its businesses in 2018
- Transforming, with major milestones in 2018
- Maintaining rigorous cost discipline
- Completing the refocusing, with several processes in progress in order to deliver the objective of refocusing 5% of risk-weighted assets by 2020. Material announcements are expected by year-end.
- Establishing, at all levels, a responsibility culture, by endeavouring to pursue best Culture and Conduct standards, and through specific initiatives such as the objective of EUR 100 billion of energy transition financing by 2020, with around 50% in 2018.

8. 2018 FINANCIAL CALENDAR

2018 Financial communication calendar

May 23rd, 2018	General Meeting of Shareholders
May 30th, 2018	Detachment of the dividend
June 1st, 2018	Payment of the dividend
August 2nd, 2018	Second quarter and first half 2018 results
November 8th, 2018	Third quarter 2018 results
February 7th, 2019	Fourth quarter and FY 2018 results

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, IFRIC 21 adjustment, (commercial) cost of risk in basis points, ROE, ROTE, RONE, net assets, tangible net assets, and the amounts serving as a basis for the different restatements carried out (in particular the transition from published data to underlying data) are presented in the methodology notes, as are the principles for the presentation of prudential ratios.

This document 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.

9. APPENDIX 1: FINANCIAL DATA

CONSOLIDATED INCOME STATEMENT

In M EUR	Q1 18	Q1 17	Change	
Net banking income	6,294	6,474	-2.8%	-0.4%*
Operating expenses	(4,729)	(4,644)	+1.8%	+4.3%*
Gross operating income	**1,565**	**1,830**	**-14.5%**	**-12.6%***
Net cost of risk	(208)	(627)	-66.8%	-65.2%*
Operating income	**1,357**	**1,203**	**+12.8%**	**+15.0%***
Net profits or losses from other assets	1	37	-97,3%	-97,5%*
Net income from companies accounted for by the equity method	16	37	-56.8%	+4.7%*
Impairment losses on goodwill		1	n/s	n/s
Income tax	(370)	(389)	-4.9%	-3.7%*
Net income	**1,004**	**889**	**+12.9%**	**+17.7%***
O.w. non-controlling interests	154	142	+8.5%	-8.7%*
Group net income	**850**	**747**	**+13.8%**	**+23.2%***
Tier 1 ratio at the end of period	13.6%	14.4%		

* *When adjusted for changes in Group structure and at constant exchange rates*

GROUP NET INCOME AFTER TAX BY CORE BUSINESS

In M EUR	Q1 18	Q1 17	Change
French Retail Banking	270	331	-18.4%
International Retail Banking and Financial Services	429	428	+0.2%
Global Banking and Investor Solutions	166	385	-56.9%
Core Businesses	865	1,144	-24.4%
Corporate Centre	(15)	(397)	n/s
Group	850	747	+13.8%

CONSOLIDATED BALANCE SHEET

Assets – in EUR bn	31.03.2018	01.01.2018*
Cash, due from banks	92,5	114,4
Financial assets at fair value through profit or loss	367,6	369,1
Hedging derivatives	12,0	12,7
Financial assets at fair value through other comprehensive income	54,2	50,5
Securities at amortised cost	11,2	11,6
Due from banks at amortised cost	63,4	53,7
Customer loans at amortised cost	423,3	417,4
Revaluation differences on portfilios hedged against interest rate risk	0,6	0,7
Investment of insurance activities	147,8	147,6
Tax assets	6,1	6,3
Other assets	62,7	60,5
Non-current assets held for sale	0,1	0,0
Investments accounted for using the equity method	0,7	0,7
Tangible and intangible fixed assets	24,7	24,2
Goodwill	5,0	5,0
Total	**1 271,9**	**1 274,2**

Liabilities – in EUR bn	31.03.2018	01.01.2018*
Due to central bank	5,7	5,6
Financial liabilities at fair value through profit or loss	357,0	368,6
Hedging derivatives	5,2	6,1
Due to banks	90,8	88,6
Customer deposits	409,4	410,6
Debt securities issued	104,3	103,2
Revaluation differences on portfolios hedged against interest rate risk	5,7	6,0
Tax liabilities	1,4	1,6
Other liabilities	77,4	69,1
Non-current liabilities held for sale	0,5	0,0
Liabilities related to insurance activities contracts	130,9	131,7
Provisions	6,3	6,3
Subordinated debt	13,8	13,6
Shareholder’s Equity, Group share	58,9	58,4
Non-controlling interests	4,6	4,5
Total	**1 271,9**	**1 274,2**

NB. Customer loans include lease financing.
(*) Balances as at 1st January 2018 after IFRS 9 first time application, except for Insurance subsidiaries.

METHODOLOGY

1 – The Group's consolidated results as at March 31st, 2018 were examined by the Board of Directors on May 3rd, 2018.

The financial information presented in respect of the first quarter has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited.

2 – Net banking income

The pillars' net banking income is defined on page 44 of Societe Generale's 2018 Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

3 – Operating expenses

Operating expenses correspond to the "Operating Expenses" as presented in notes 5 and 8.2 to the Group's consolidated financial statements as at December 31st, 2017 (pages 390 et seq. and page 410 of Societe Generale's 2018 Registration Document). The term "costs" is also used to refer to Operating Expenses.

The **Cost/Income Ratio** is defined on page 44 of Societe Generale's 2018 Registration Document.

4 – IFRIC 21 adjustment

The IFRIC 21 adjustment corrects the result of the charges recognised in the accounts in their entirety when they are due (generating event) so as to recognise only the portion relating to the current quarter, i.e. a quarter of the total. It consists in smoothing the charge recognised accordingly over the financial year in order to provide a more economic idea of the costs actually attributable to the activity over the period analysed.

5 – Restatements and other significant items for the period – Transition from accounting data to underlying data

Non-economic items correspond to the revaluation of the Group's own financial liabilities and the debt value adjustment on derivative instruments (DVA). These two factors constitute the restated non-economic items in the analyses of the Group's results. They lead to the recognition of self-generated earnings reflecting the market's evaluation of the counterparty risk related to the Group. They are also restated in respect of the Group's earnings for prudential ratio calculations. **In accordance with IFRS 9, the variation in the revaluation of the Group's own financial liabilities is no longer recognised in earnings for the period but in shareholders' equity. Consequently, the Group will no longer present published information restated for non-economic items.**

Moreover, the Group restates the revenues and earnings of the French Retail Banking pillar for **PEL/CEL provision allocations or write-backs**. This adjustment makes it easier to identify the revenues and earnings relating to the pillar's activity, by excluding the volatile component related to commitments specific to regulated savings.

Details of these items, as well as the other items that are the subject of a one-off or recurring restatement (exceptional items), are provided below, given that, in the table below, the items marked with one asterisk (*) are the non-economic items and the items marked with two asterisks (**) are the exceptional items.

The reconciliation enabling the transfer from accounting data to underlying data is set out below.

1.

In EUR m	Q1 18	Q1 17	Change
Net Banking Income	**6 294**	**6 474**	**-2,8%**
*Reevaluation of own financial liabilities**	*-*	*25*	
*DVA**	*-*	*(3)*	
Underlying Net Banking Income	**6 294**	**6 452**	**-2,4%**
Operating expenses	**(4 729)**	**(4 644)**	**+1,8%**
IFRIC 21 linearisation	*506*	461	
Underlying Operating expenses	**(4 223)**	**(4 183)**	**+1,0%**
Net cost of risk	**(208)**	**(627)**	***-66,8%***
*LIA settlement***		*350*	
Underlying Net cost of risk	**(208)**	**(277)**	***-24,9%***
Group net income	**850**	**747**	***+13,8%***
Effect in Group net income of above restatements	(354)	(645)	
Underlying Group net income	**1 204**	**1 392**	***-13,5%***

* Non economic items

** Exceptional items

6 – Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk or commercial cost of risk is defined on pages 46 and 564 of Societe Generale's 2018 Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

	(In EUR M)	**Q1 18**	**Q1 17**
	Net Cost of Risk	134	133
French Retail Banking	Gross loan outstandings	185 209	180 913
	Cost of Risk in bp	29	29
	Net Cost of Risk	91	110
International Retail Banking	Gross loan outstandings	131 630	124 703
	Cost of Risk in bp	28	35
	Net Cost of Risk	-27	37
Global Banking and Investor Solutions	Gross loan outstandings	147 714	161 691
	Cost of Risk in bp	-7	9
	Net Cost of Risk	208	280
Societe Generale Group	Gross loan outstandings	471 637	474 553
	Cost of Risk in bp	18	24

The **gross coverage ratio for doubtful outstandings** is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default (“doubtful”).

7 – ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on page 47 of Societe Generale’s 2018 Registration Document. This measure makes it possible to assess Societe Generale’s return on equity and return on tangible equity.

RONE (Return on Normative Equity) determines the return on average normative equity allocated to the Group’s businesses, according to the principles presented on page 47 of Societe Generale’s Registration Document.

Group net income used for the ratio numerator is book Group net income adjusted for “interest, net of tax payable to holders of deeply subordinated notes and undated subordinated notes, interest paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations” and “unrealised gains/losses booked under shareholders’ equity, excluding conversion reserves” (see methodology note No. 9). For ROTE, income is also restated for goodwill impairment.

Details of the corrections made to book equity in order to calculate ROE and ROTE for the period are given in the table below:

Fin de période	**T1-18**	**2017**	**2016**
Shareholders' equity Group share	**58,925**	**59,373**	**61,953**
Deeply subordinated notes	(8,362)	(8,520)	(10,663)
Undated subordinated notes	(263)	(269)	(297)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(218)	(165)	(171)
Unrealised gains/losses booked under shareholders' equity, excluding conversion reserves	(525)	(1,031)	(1,273)
Dividend provision	(2,136)	(1,762)	(1,759)
ROE equity	**47,421**	**47,626**	**47,790**
Average ROE equity	**47,523**	**48,087**	**46,530**
Averagge goodwill	(5,158)	(4,924)	(4,693)
Average intangible assets	(1,966)	(1,831)	(1,630)
Average ROTE Equity	**40,399**	**41,332**	**40,207**

RONE calculation: Average capital allocated to Core Businesses (in EURm)

	Q1 18	Q1 17
French Retail Banking	**11,387**	10,759
International Retail Banking and Financial Services	**11,400**	11,158
Global Banking and Investor Solutions	**14,742**	15,335

8 – Net assets and tangible net assets are defined in the methodology, page 49 of the Group's 2018 Registration Document. The items used to calculate them are presented below.

End of period	T1-18	2017	2016
Shareholders' equity Group share	**58,925**	**59,373**	**61,953**
Deeply subordinated notes	(8,362)	(8,520)	(10,663)
Undated subordinated notes	(263)	(269)	(297)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(218)	(165)	(171)
Bookvalue of own shares in trading portfolio	174	223	75
Net Asset Value	**50,256**	**50,642**	**50,897**
Goodwill	(5,163)	(5,154)	(4,709)
Intangible Assets	(1,993)	(1,940)	(1,717)
Net Tangible Asset Value	**43,100**	**43,547**	**44,471**
Number of shares used to calculate NAPS**	801,830	801,067	799,462
NAPS (in EUR)**	**62.7**	**63.2**	**63.7**
Net Tangible Asset Value per share (EUR)	**53.8**	**54.4**	**55.6**

*** The number of shares considered is the number of ordinary shares outstanding as at March 31st, 2017, excluding treasury shares and buybacks, but including the trading shares held by the Group.*

In accordance with IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transaction.

9 – Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 48 of Societe Generale's 2018 Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE. As specified on page 48 of Societe Generale's 2018 Registration Document, the Group also publishes EPS adjusted for the impact of non-economic and exceptional items presented in methodology note No. 5 (underlying EPS).

The number of shares used for the calculation is as follows:

Average number of shares (thousands)	T1-18	2017	2016
Existing shares	**807,918**	**807,754**	**807,293**
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	4,704	4,961	4,294
Other own shares and treasury shares	1,765	2,198	4,232
Number of shares used to calculate EPS	**801,449**	**800,596**	**798,768**
Group net income	**850**	**2,806**	**3,874**
Interest, net of tax on deeply subordinated notes and undated subordinated notes	(102)	(466)	(472)
Capital gain net of tax on partial buybacks	0	0	0
Adjusted Group net income	**748**	**2,340**	**3,402**
EPS (in EUR)	**0.93**	**2.92**	**4.26**
Underlying EPS* (in EUR)	**1.38**	**5.03**	**4.60**

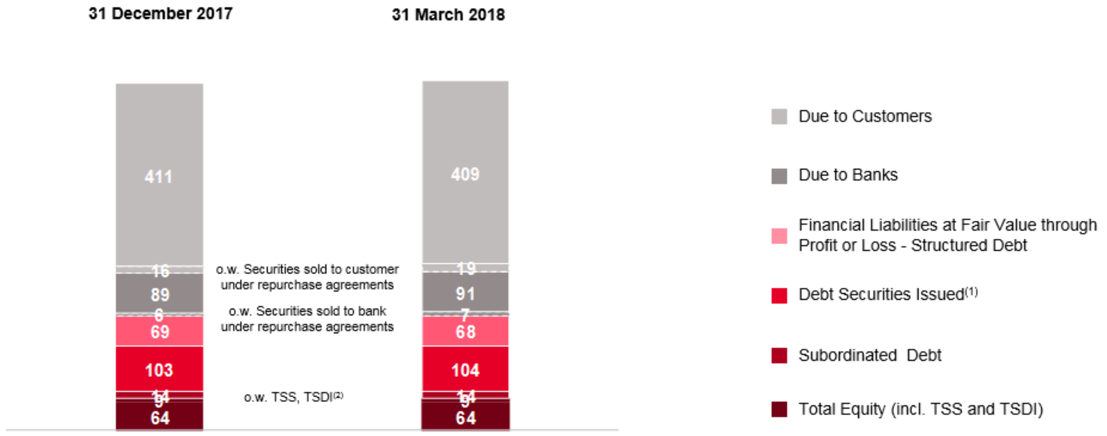
** Excluding non-economic and exceptional items and including linearisation of the IFRIC 21 effect (for Q1 18).*

10 – The Societe Generale Group's **Common Equity Tier 1 capital** is calculated in accordance with applicable CRR/CRD4 rules. The fully-loaded **solvency ratios** are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. When there is reference to phased-in ratios, these do not include the earnings for the current financial year, unless specified otherwise. The leverage ratio is calculated according to applicable CRR/CRD4 rules including the provisions of the delegated act of October 2014.

1.2 Financial policy

Group debt policy – update of the 2018 Registration Document, page 64 and 65

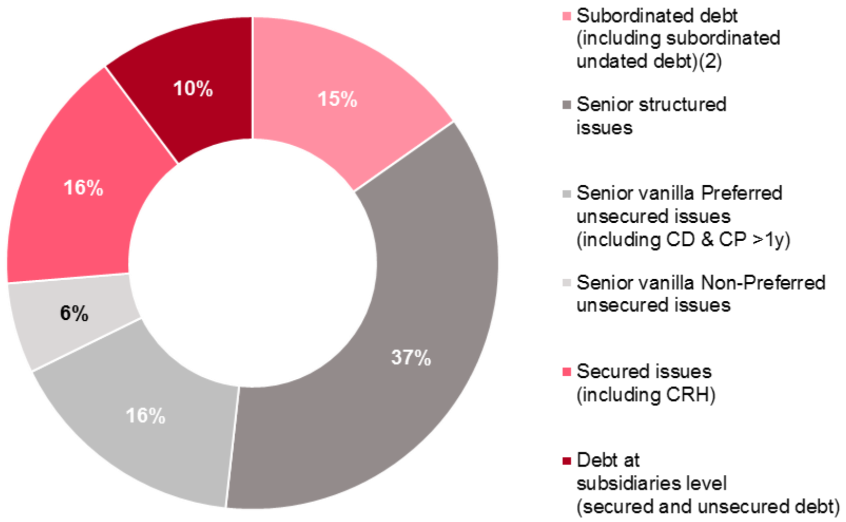
GROUP FUNDING STRUCTURE



(1) o.w. SGSCF: (EUR 7.1bn), SGSFH: (EUR 11.1bn), CRH: (EUR 6.0bn), securitisation and other secured issuances: (EUR 3.7bn), conduits: (EUR 9bn) at end-March 2018 (and SGSCF: EUR 7.1bn, SGSFH: EUR 10.3bn, CRH: EUR 6bn, securitisation and other secured issuances: EUR 3.5bn, conduits: EUR 9.5bn at end-December 2017).

(2) TSS: Deeply Subordinated Notes, TSDI: Undated Subordinated notes. Notional amount excluding notably fx differences, original issue premiums/discounts, and accrued interest

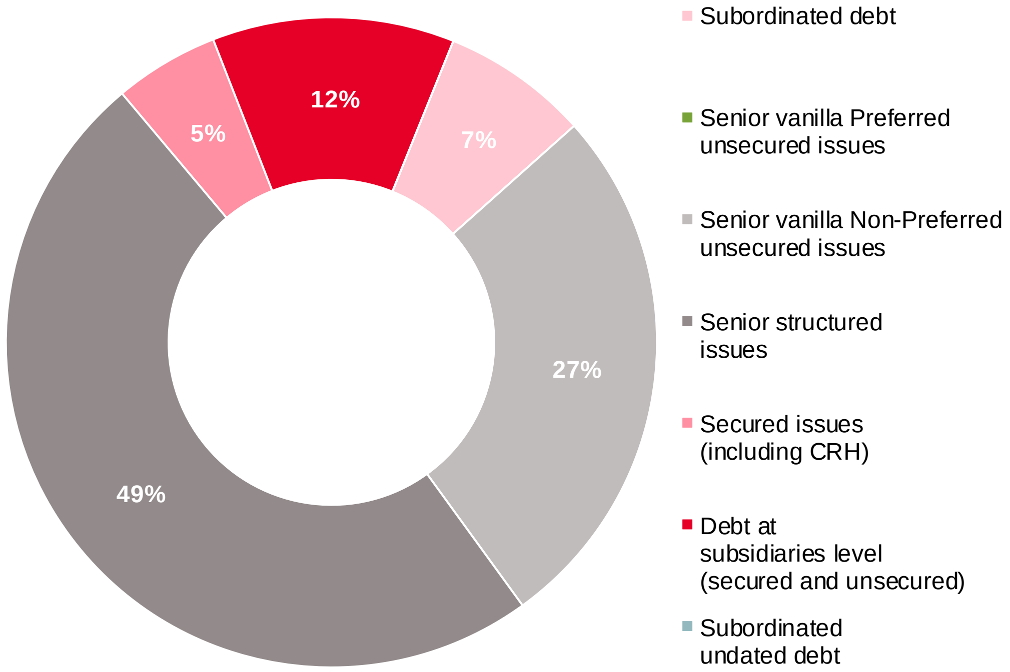
GROUP LONG-TERM SECURITIES DEBT at 31.03.2018[(1)] : EUR 150.2bn



(1) Group short-term securities outstanding totaled EUR 45.1bn as of 31 March 2018, of which EUR 9.0 bn issued by conduits

(2) Of which EUR 8.7bn accounted as "other equity instruments"

COMPLETION OF THE FINANCING PROGRAMME AT END-MARCH 2018 : EUR 14.4bn



2.1 Board of Directors

2.1.1 Elections of the Directors representing the employees

On 20th March 2018, were elected for 3 years as Directors representing the employees:

- Mrs France Houssaye:
  - branch manager of Bois Guillaume, DEC of Rouen;
  - Societe Generale employee since 1989;
  - elected for the first time in 2009.

- Mr David Leroux:
  - account officer of General Meetings within the Securities Services;
  - Societe General employee since 2001.

2.1.2 Proposed renewal and appointments of Directors

Based on a proposal from the Nomination and Corporate Governance Committee, the Board of Directors submit to the vote of the Combined General Meeting of shareholders of 23 May 2018 one renewal and two appointments of Directors.

The Board of Directors proposes to renew, for a four-year term, the Director's term of office of Mr Lorenzo Bini Smaghi, independent Director of Societe Generale since 2014 and Chairman of the Board of Directors since 19 May 2015.

In the event of renewal, the Nomination and Corporate Governance Committee will propose to the Board of Directors that he continues to serve as Chairman based on the very positive assessments as to the operation of the Board of Directors conducted each year since 2015.

Mr Bini Smaghi holds two other terms of office in Italy, Chairman of the Board of Directors of the listed company Italgas and Director of the unlisted company Tages Holding.

The appointments are to replace Robert Castaigne, Director since 2009 who did not wish to have his term of office renewed, and Ana Maria Llopis Rivas who wishes to terminate her term of office during this General Meeting for personal reasons.

The Board of Directors proposes to appoint Mr Jérôme Contamine as independent Director, for a four-year term. Aged 60 and of French nationality, Jérôme Contamine, a graduate of the *Ecole Polytechnique*, ENSAE and ENA, is chief financial officer of SANOFI since 2009. He previously (2000-2009) served as chief financial officer of Véolia Environnement (formerly Vivendi Environnement). Prior to that he held various operational positions at Total.

Mr Jérôme Contamine, who was an independent Director of Valéo (French listed company) since 2006, does not hold any other term of office.

The Board of Directors also proposes to appoint Mrs Diane Côté as independent Director, for a four-year term. Aged 54 and of Canadian nationality, Diane Côté, a graduate of the University of Ottawa, has a finance and accounting background. She is head of risk of the London Stock Exchange Group since 2012. From 1992 to 2012, she held high-level positions in audit, risk and finance areas in various insurance companies (Prudential, Standard Life, Aviva) in Canada and Great Britain. Prior to that, she worked as an auditor in Canada.

Mrs Diane Côté, who was a Director of English and American companies, does not hold any other term of office.

If these resolutions are adopted, the Board of Directors will be composed of 14 members, including two Directors representing the employees elected by the employees in March 2018 for a three-year term. It will comprise five women elected by the Meeting, i.e. 41.6% of its members elected by the shareholders, and five foreigners. Its composition will be balanced in terms of skills. The proportion of independent Directors will be above 91.6% (11/12) according to the method of calculation defined in the AFEP-MEDEF Code, which excludes the employees.

2.2 General Management

2.2.1 Changes within the General Management of the Group

Extract from the press release dated 14 March 2018

Societe Generale announces that Didier Valet, Deputy Chief Executive Officer, is leaving the Group.

Following a divergence of approaches regarding the management of a specific legal matter, which predates his appointment as Deputy CEO, Didier Valet resigned in order to preserve the bank's general interests.

Acknowledging his resignation today, the Board of Directors, and the General Management wish to warmly thank Didier Valet for the quality of his commitment and his career within the Group. Didier Valet succeeded in transforming the corporate and investment banking activities, building a profitable and sustainable model. The Board of Directors and General Management wish him all the best for his future endeavors.

Press release dated 3 May 2018

The Board of Directors today decided, following recommendations by the Appointments Committee and as proposed by CEO Frédéric Oudéa, to renew the Group's General Management team, thereby further developing the diversity of its talents.

The Board resolved to propose that Frédéric Oudéa be reappointed as Chief Executive Officer for a further four-year term at the Shareholders' Meeting to be held in May 2019.

Frédéric Oudéa will be supported by four Deputy CEOs with banking expertise and complementary career experience:

- **Diony Lebot**, currently Group Chief Risk Officer, is appointed Deputy CEO, in charge of the control functions (Risk, Finance and Compliance).
- **Philippe Aymerich**, currently CEO of Crédit du Nord, is appointed Deputy CEO, in charge of French Retail Banking activities and their Innovation, Technology & IT department, as well as Group resources (IT, Real Estate and Sourcing).
- **Séverin Cabannes**, currently Deputy CEO in charge of control functions and Group resources takes over supervision of the Global Baking and Investor Solutions activities.
- **Philippe Heim**, currently Chief Financial Officer, is appointed Deputy CEO, in charge of International Retail Banking activities, Financial Services and Insurance.

Bernardo Sanchez Incera, Deputy Chief Executive Officer in charge of Retail Banking, who launched the transformation of French Retail Banking and turned around the International Retail Banking business, has decided to continue his career outside of the Group.

Following the constitution of the new General Management team, the Group also announced the following appointments:

- **Sylvie Rémond**, currently co-Head of Coverage and Investment Banking is appointed Group Chief Risk Officer;
- **William Kadouch-Chassaing**, currently head of Group Strategy, is appointed Group Chief Financial Officer;
- **Françoise Mercadal-Delasalles**, currently Deputy CEO of Crédit du Nord is appointed today by the Board of Crédit du Nord as CEO.
- **Jean-Louis Klein**, currently Head of Corporate Accounts for Societe Generale Retail Banking in France is appointed Deputy CEO of Crédit du Nord.

These appointments will be **effective as of 14th May 2018.**

Lorenzo Bini Smaghi, Chairman, said: *"The Board of Directors' decisions show the Bank's capacity to renew the management team around Frédéric Oudéa based on the talents within the Group. The selection procedure was implemented efficiently and in accordance with succession plans. We are delighted to announce the renewed appointment of Frédéric Oudéa and the appointment of his new team. This team has the experience, determination and energy to successfully carry through the transformations set out in the Group's strategic plan at the end of 2017."*

Frédéric Oudéa, CEO: "*To promote the Group's talents and support the best execution of our strategic plan I wanted to train a first-rank team to stand alongside me, comprised of leaders with complementary and diverse experience and profiles, with proven track records of expertise and leadership. I must also extend my warmest thanks to Bernardo Sanchez Incera for his key contribution the transformation of our retail banking business and wish him every success in his future projects. With this new management team, we have given ourselves every chance to successfully complete our strategic plan and build our Group's future together*."

2.2.2 Remuneration of Group senior management

Information made available online under the AFEP-MEDEF Code: Decision of the Board of Directors dated 14 March 2018

At its meeting on 14 March 2018, the Board of Directors, upon proposal of the Nomination and Corporate Governance Committee, examined the consequences to be drawn from Didier Valet's resignation from his position as Deputy Chief Executive Officer on the related-party agreements binding him to the company.

With regard to his resignation from the position of Deputy Chief Executive Officer, the Board of Directors considered that none of the agreements authorised by the Board of Directors on 8 February 2017 were applicable. Didier Valet will not receive a severance payment and will not be entitled to any amount in respect of the non-compete clause for renouncing his term of office.

Furthermore, the remuneration of Didier Valet for 2017 and for 2018 will be submitted to the General Meeting of shareholders. The Board of Directors reminds that the unvested part of the variable remuneration for 2017 and the long-term incentive are subject to a presence condition. As regards his remuneration for 2018, it will therefore be limited to the fixed part for the period from 1 January 2018 to the expiry of his term of office.

Lastly, the Board of Directors reminds that, under the AFEP-MEDEF Code, any compensation due as part of the termination of an employment contract which was suspended will be capped at twice the amount of fixed and variable remuneration.

Information made available online under the AFEP-MEDEF Code: change within the General Management - Departure of Bernardo Sanchez Incera - Decision of the Board of Directors dated 3 May 2018

At its meeting on 3 May 2018, the Board of Directors acknowledged the resignation of Bernardo Sanchez Incera from his position as Deputy Chief Executive Officer. After consulting the Nomination and Corporate Governance Committee and upon proposal of the Compensation Committee, it examined the consequences to be drawn from this resignation on the relatedparty agreements binding him to the company.

The Board of Directors considered that his resignation was non-voluntary. As a result, the related-party agreements and commitments, non-compete clause(1) (6 months of fixed salary) and severance pay(2) (2 years of fixed salary), authorised by the Board of Directors dated 8 February 2017 will be applicable.

The Board reminds that in no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code, i.e. two years of fixed salary and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract (especially as stipulated under a collective agreement).

The annual variable remuneration of Bernardo Sanchez Incera for 2017 will be submitted to the General Meeting of shareholders. The Board of Directors, considering that the termination of the term of office is justified by a strategic divergence on the conditions of supervision of the Group retail banking, decided to wave the condition of presence applicable to the vesting of the deferred annual variable remuneration for 2017.

The long-term incentives for 2017 are also part of the remuneration submitted to the General Meeting of shareholders. The Board of Directors considered that the departure of the Group being justified by reasons related to a change in the organisation of the General Management, the shares may be awarded or payments made based on the performance observed and assessed by the Board of Directors.

For the same reasons, the Board of Directors has also decided to wave the condition of presence for the vesting of the deferred variable remunerations and long-term incentives for the years prior to 2017, the other conditions remaining applicable.

As regards his remuneration for 2018, the fixed part will be paid for the period from 1 January 2018 to the expiry of his term of office on 14 May 2018.

Since the supplementary pension allocation is conditional on being employed by the company upon claiming the pension, Bernardo Sanchez Incera will lose its benefit.

Information made available online pursuant to the AFEP-MEDEF code: change within the General Management - Decision of the Board of Directors dated 3 May 2018 on the remuneration of Mrs. Diony Lebot, Mr. Philippe Aymerich and Mr. Philippe Heim, Deputy Chief Executive Officers

At its meeting on 3 May 2018, the Board of Directors, following recommendations from the Nomination and Corporate Governance Committee and as proposed by Frédéric Oudéa, appointed Mrs. Diony Lebot, Mr. Philippe Aymerich and Mr. Philippe Heim as Deputy Chief Executive Officers as of 14 May 2018.

(1) Related-party agreement with Mr Sanchez Incera approved by the General Meeting dated 23 May 2017.
(2) Related-party commitment with Mr Sanchez Incera approved by the General Meeting dated 23 May 2017.

Following recommendations from the Compensation Committee and according to the policy governing remuneration of Chief Executive Officers subject to the General Meeting's approval (see. p 99 to 105 of the 2018 Registration Document), the Board of Directors decided to apply to Mrs. Diony Lebot, Mr. Philippe Aymerich and Mr. Philippe Heim the general principles of employment conditions and remuneration currently in effect for Chief Executive Officers:

- Suspension of the employment contract
- Annual fixed remuneration: 800.000 euros, applied prorata temporis for 2018, as for the Deputy Chief Executive Officers currently in office
- Annual variable remuneration: 60% based on quantitative financial criteria, and 40% on qualitative criteria. This annual variable remuneration is capped at 115% of annual fixed remuneration. For the 2018 financial year, it will be determined prorata temporis.

The quantitative criteria will follow the structure in effect for the Chief Executive Officers:

- 100% Group for the Chief Executive Officers without supervision of specific businesses;
- 50% Group and 50% businesses within their scope of responsibility for the Chief Executive Officers with supervision of specific businesses.

The qualitative targets previously set by the Board of Directors were allocated between the Chief Executives Officers according to their respective areas of responsibility.

- Long Term Incentives (LTI) applicable according to the principles in effect and capped at 115% of annual fixed remuneration.
- The variable component of the remuneration (including LTI) capped at 200% of the fixed remuneration, in compliance with banking regulation provisions

Furthermore, according to the rules applicable to Chief Executive Officers of Société Générale, the new Deputy Chief Executive Officers will benefit in case of departure from the Group from:

- a payment to compensate the effect of a non-compete clause, intended to protect Société Générale, valid for a period of six months (payment equal to six months of fixed remuneration);
- in case of non-voluntary departure, a severance pay limited to two years' annual fixed remuneration and intended to compensate for the prejudice of such non-voluntary departure

The rules applicable to these two benefits are detailed below. In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).

Finally, the new Deputy Chief Executive Officers will retain the benefit of the supplementary pension allocation plan for senior managers that applied to them as employees prior to their appointment as Deputy Chief Executive Officers. The annual vesting of the contingent rights will be, from the effective date of appointment, subject to the following performance condition: "the rights to potential annuity payments in respect of one year will only be fully vested if at least 80% of the performance conditions of the variable compensation of this same year are satisfied. For a performance of 50% and below, no increase in the annuity will be applied. For an achievement rate of between 50% and 80%, the calculation of the vesting of rights with respect to the year will be calculated on a straight-line basis".

Non-compete clause and severance pay

Non-compete clause

Mrs. Diony LEBOT, Mr. Philippe AYMERICH et Mr. Philippe HEIM are bound by a non-compete clause, valid for a period of six months as from the date on which their duties as Chief Executive Officer end, in accordance with standard practice for financial institutions. The clause prohibits them from accepting a position at the same level with either a listed credit institution in Europe or an unlisted credit institution in France. In exchange, they may continue to receive their fixed salary.

The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect.
In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a penalty equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach.

Severance pay

The Board of Directors decided to set up a severance pay for the benefit of Mrs. Diony LEBOT, Mr. Philippe AYMERICH and Mr. Philippe HEIM. The features of this severance pay are as follows :

- payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter;
- payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office or over the preceding years in case of term of office inferior to three years;
- no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension
- the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration.

In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).

2.3 Total remuneration and benefits of any kind paid or granted for financial year 2017 to chief executive officers and subject to shareholders' approval

– Update of pages 115 and 116 of the 2018 Registration Document following Didier Valet's departure

TABLE 5

Didier VALET, Deputy Chief Executive Officer

Remuneration compliant with the policy approved by the General Meeting of 23rd May 2017

Remuneration components paid or granted for financial year 2017	Amount or book value	Amount actually paid or due following his resignation	Description
Fixed remuneration	EUR 766,667	EUR 766,667	Gross annual remuneration, as set by the Board of Directors on 13th January 2017 upon Didier Valet's appointment as Deputy Chief Executive Officer, effective as from 16th January 2017, amounts to EUR 800,000.
Annual variable remuneration			Didier Valet benefits from annual variable remuneration broken down into two sub-components: 60% based on financial targets and 40% on qualitative targets. These elements are described on page 105 of the 2018 Registration Document. This annual variable remuneration is capped at 115% of fixed remuneration.
o.w. annual variable remuneration payable in 2018	EUR 130,272 (nominal amount)	EUR 130,272 (nominal amount)	**Evaluation of 2017 performance** – Given the quantitative and qualitative criteria defined by the Board of Directors in March 2017 and the achievement rates observed in financial year 2017, Didier Valet's annual variable remuneration was set at EUR 651,360(1). This corresponds to an overall target achievement rate of 70.80% of his maximum annual variable remuneration (see p. 106 of the 2018 Registration Document). In accordance with CRD4, applicable to credit institutions, and Article L. 225-100 of the French Commercial Code, the **payment conditions for annual variable remuneration** are as follows:
o.w. annual variable remuneration payable in subsequent years	EUR 521,088 (nominal amount)	EUR 130,272 (nominal amount) Variable remuneration vested as at 14 March 2018	■ 60% of annual variable remuneration is conditional upon achievement of Group profitability and Core Tier 1 targets as determined for financial years 2018, 2019 and 2020. Two-thirds of this is converted into Societe Generale shares transferable for 3.5 years, pro rata; ■ the remainder, i.e. 40% of this variable remuneration, is conditional upon approval by the General Meeting of 23rd May 2018. Half of this is converted into Societe Generale share equivalents subject to a one-year holding period; ■ payment of the full annual variable remuneration in respect of 2017 is subject to approval by the General Meeting of 23rd May 2018.
Multi-annual variable remuneration	N/A	N/A	Didier Valet does not receive any multi-annual variable remuneration.
Exceptional compensation	N/A	N/A	Didier Valet does not receive any exceptional compensation.
Value of options granted during the financial year	N/A	N/A	Didier Valet has not been awarded any stock options since 2010.
Value of shares or share equivalents granted under the long-term incentive plan in respect of the financial year	EUR 570,000 (Value according to IFRS 2 at 6th February 2018) This amount corresponds to an award of 23,578 shares	EUR 0	Since 2012, the Chief Executive Officers have been eligible for a long-term incentive plan consisting of shares or share equivalents in order to implicate them more closely in the Company's long-term progress and to align their interests with those of the shareholders. The details of the plan granted in respect of 2017 by the Board of Directors at its meeting of 7th February 2018 are as follows: ■ cap on grants, identical to the cap on annual variable remuneration; ■ an award of 23,578 shares granted in two instalments, with vesting periods of four and six years followed by a one-year holding period after vesting, thus increasing the indexing periods to five and seven years; ■ payment of the long-term incentives in respect of 2017 is conditional upon approval by the General Meeting of 23rd May 2018, in accordance with Article L. 225-100 of the French Commercial Code; ■ definitive vesting subject to presence and performance conditions. The performance condition is measured by the increase in Societe Generale's Total Shareholder Return (TSR) compared to that of 11 European peers over the entirety of the vesting periods. The vesting rate will thus depend on SG's ranking: rank 1 to 3, 100% vesting; rank 4: 83.3%; rank 5: 66.7%; rank 6, 50%; ranks 7, 8 and 9: 25%; and ranks 10, 11 and 12: 0%; ■ if the Group is not profitable (as measured by Group net income, excluding strictly accounting-related impacts associated with the revaluation of own debt and the Debt Value Adjustment) in the year preceding the definitive vesting of long-term incentives, no payment will be due, regardless of the performance of the Societe Generale share; ■ any departure will result in cancellation of the payment under the plan, unless the Chief Executive Officer in question is retiring or leaving the Group due to changes in its structure or organisation, in which case the shares or payments will be awarded based on the performance observed and assessed by the Board of Directors; ■ lastly, the Board of Directors decided to cap the final vesting value to EUR 77 per share, i.e. approximately 1.2 times the book value per share of the Societe Generale Group at 31st December 2017. The award is granted pursuant to the 19th resolution of the General Meeting of 18th May 2016, and represents less than 0.01% of the capital.
Attendance fees	N/A	N/A	Didier Valet did not receive any attendance fees in 2017.
Value of benefits in kind	EUR 4,571	EUR 4,571	Didier Valet is not provided with a company car.

(1) Nominal amount decided by the Board of Directors on 7th February 2018

For information, remuneration components that have been put to a shareholder vote in accordance with the procedure governing related-party agreements or commitments	Amounts or book value	Amount actually paid or due following his resignation	Description
Severance pay	No amount due in respect of the financial year	EUR 0	The features of the severance pay, constituting a related-party commitment authorised by the Board meeting of 8th February 2017 and approved by the General Meeting of 23rd May 2017 (8th resolution), are as follows: ■ payment will only be due in the event of a non-voluntary departure from the Group, justified as such by the Board of Directors. No payment will be due in the event of serious misconduct, resignation or non-renewal of the Chief Executive Officer's appointment for reasons attributable to the latter; ■ payment will be contingent upon an overall achievement rate for the annual variable remuneration targets of at least 60% on average over the three years preceding the end of the Chief Executive Officer's term of office; ■ no severance pay will be due to a Chief Executive Officer leaving within six months before claiming his French Social Security pension, entitling him to claim the supplementary senior managers' pension; ■ the payment will amount to two years' fixed salary, thus complying with the recommendation in the AFEP-MEDEF Code, i.e. two years' fixed and variable annual remuneration. In no circumstances may the severance pay and non-compete payment combined exceed the cap recommended in the AFEP-MEDEF Code (i.e. two years' fixed and variable annual remuneration plus, if applicable, any other severance pay provided for under the employment contract, especially as stipulated under a collective agreement).
Non-compete clause	No amount due in respect of the financial year	EUR 0	Didier Valet is bound by a non-compete clause, constituting a related-party agreement authorised by the Board meeting of 8th February 2017 and approved by the General Meeting of 23rd May 2017 (8th resolution). For a duration of six months as from the date of expiry or termination of his term of office as Chief Executive Officer, such clause prohibits him from accepting a position at the same level with either a listed credit institution in Europe (defined as the European Economic Area, including the United Kingdom) or an unlisted credit institution in France. In exchange, he may continue to receive his fixed salary. The Board of Directors alone can waive such clause, up until the date on which the term of office of the Chief Executive Officer in question ends. In such a case, the Chief Executive Officer will no longer be bound by any commitment, and no sums will be payable to him in such respect. In the event of breach of the non-compete, the Chief Executive Officer in question will be required to immediately pay a sum equal to six months' fixed salary. Societe Generale will in such a case be released from its obligation to pay any financial compensation and may, furthermore, demand the refund of any financial compensation as may have already been paid since the breach. This amount remains below the recommended limit of 24 months' fixed plus variable annual remuneration, as stipulated in the AFEP-MEDEF Code.
Supplementary pension plan	No amount due in respect of the financial year	EUR 0	Didier Valet retains the benefit of the supplementary pension allocation plan for senior managers that applied to him as an employee prior to his appointment as Chief Executive Officer. This supplementary plan, introduced in 1991 and satisfying the provisions of Article L. 137-11 of the French Social Security Code, provides beneficiaries with an annual pension, covered by Societe Generale, as described on p. 103. This allowance depends in particular on the beneficiary's length of service within Societe Generale and the proportion of his fixed compensation exceeding "Tranche B" of the AGIRC pension. For example, assuming he retires at the age of 63, and based on his current annual fixed salary (corrected for the effects of inflation), Mr. Valet's potential pension rights as at 31st December 2017 represented an estimated annual pension of EUR 452k (i.e. 31.9% of his reference remuneration as defined by the AFEP-MEDEF Code), regardless of the conditions under which the commitment is honoured. Given the overall target achievement rate of 70.80%, his seniority in respect of 2017 will only be awarded in the proportion of 69.33%. In accordance with the procedure for related-party agreements, this commitment was authorised by the Board of Directors on 13th January 2017 and approved by the General Meeting on 23rd May 2017. Didier Valet also remains entitled to the supplementary defined-contribution pension plan that he had as an employee prior to his appointment as Chief Executive Officer. This defined-contribution plan, established in line with Article 83 of the French General Tax Code, was implemented in 1995 and amended on 1st January 2018 (and is now called *Epargne Retraite Valmy*, i.e. Valmy pension savings scheme). Membership is compulsory for all employees with at least six months' seniority within the Company and allows beneficiaries to save for their retirement, with benefits being paid in the form of life annuities upon retirement. Contributions correspond to 2% of the employee's remuneration, capped at twice the annual French Social Security cap, 1.5% of which is paid by the Company. The plan is now insured with Sogecap (as opposed to the insurance company Valmy, as previously). At 31st December 2017, Didier Valet had acquired deferred life annuity rights of EUR 2,005 per annum.

3.1 Regulatory ratios

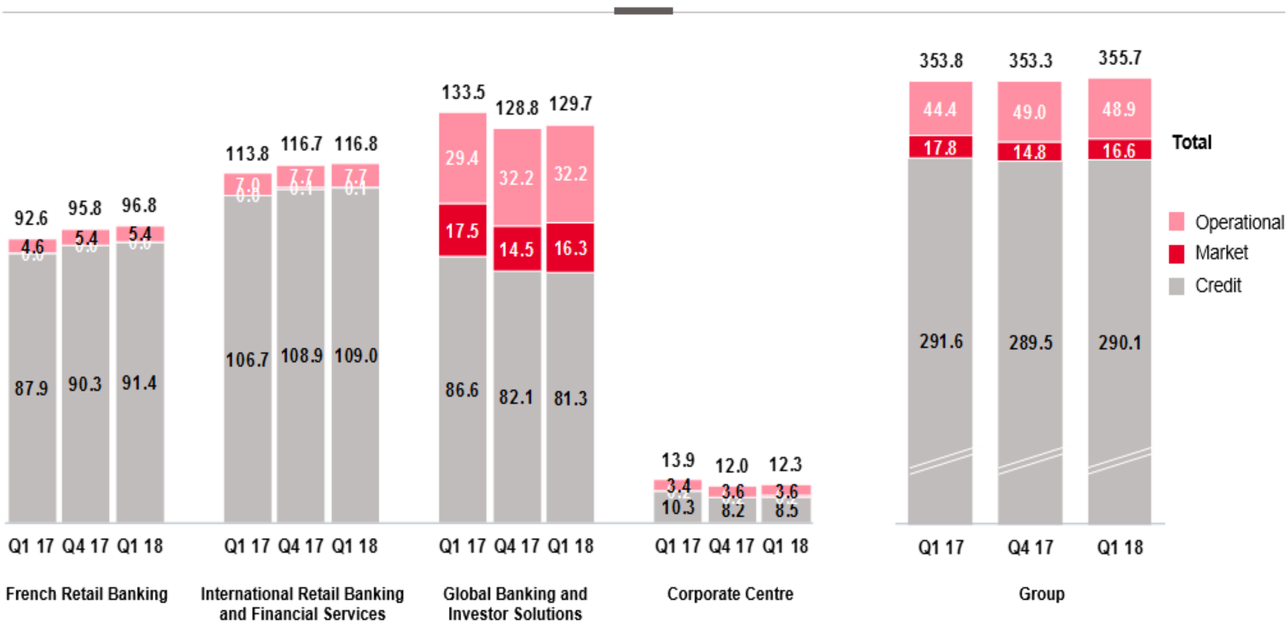
3.1.1 Prudential ratio management – Update of the 2018 Registration Document, pages 166-177

During the first quarter 2018, Societe Generale issued an equivalent of EUR 1,050 M of subordinated Tier 2 bonds.

The Group also announced on 2nd May 2018 the call of an Additional Tier 1 bond implemented in June 2008 for a residual amount of GBP 506 M and redeemed at maturity four Tier 2 bonds (residual amounts of GBP 276 M implemented in January and December 2003 and EUR 556 M implemented in February and March 2008).

3.1.2 Extract from the presentation dated May 4, 2018: First quarter 2018 results (and supplements) – update of the pages 171 to 177 of the 2018 Registration Document

RISK-WEIGHTED ASSETS* (CRR/CRD 4, IN EUR BN)



* Includes the entities reported under IFRS 5 until disposal

3.2 CRR/CRD4 prudential capital ratios

CRR/CRD4 PRUDENTIAL CAPITAL RATIOS

Fully Loaded Common Equity Tier 1, Tier 1 and Total Capital

In EUR bn	31/03/2018	31/12/2017
Shareholder equity Group share	**58.9**	**59.4**
Deeply subordinated notes*	(8.4)	(8.5)
Undated subordinated notes*	(0.3)	(0.3)
Dividend to be paid & interest on subordinated notes	(2.3)	(1.9)
Goodwill and intangible	(6.7)	(6.6)
Non controlling interests	4.5	3.5
Deductions and regulatory adjustments**	(6.1)	(5.4)
Common Equity Tier 1 Capital	**39.8**	**40.2**
Additional Tier 1 capital	8.5	8.7
Tier 1 Capital	**48.3**	**48.9**
Tier 2 capital	11.4	11.1
Total capital (Tier 1 + Tier 2)	**59.7**	**60.0**
Total risk-weighted assets	**356**	**353**
Common Equity Tier 1 Ratio	11.2%	11.4%
Tier 1 Ratio	13.6%	13.8%
Total Capital Ratio	16.8%	17.0%

Ratios based on the CRR/CDR4 rules as published on 26th June 2013, including Danish compromise for insurance. See Methodology
* Excluding issue premiums on deeply subordinated notes and on undated subordinated notes
** Fully loaded deductions

FINANCIAL CONGLOMERATE RATIO

At 31st December 2017, the financial conglomerate ratio was 149%, consisting of a numerator "Own funds of the Financial Conglomerate" of EUR 62.6 billion, and a denominator "Regulatory requirement of the Financial Conglomerate" of EUR 42 billion.

At 31st December 2016, the financial conglomerate ratio was 220%, consisting of a numerator "Own funds of the Financial Conglomerate" of EUR 68 billion, and a denominator "Regulatory requirement of the Financial Conglomerate" of EUR 31 billion.

CRR LEVERAGE RATIO

CRR Fully Loaded Leverage Ratio(1)

In EUR bn	31/03/2018	31/12/2017
Tier 1 Capital	**48.3**	**48.9**
Total prudential balance sheet (2)	1,150	1,138
Adjustement related to derivative exposures	(60)	(61)
Adjustement related to securities financing transactions*	(10)	(9)
Off-balance sheet (loan and guarantee commitments)	97	93
Technical and prudential ajustments (Tier 1 capital prudential deductions)	(11)	(11)
Leverage exposure	1,167	1,150
CRR leverage ratio	**4.1%**	**4.3%**

(1) Fully loaded based on CRR rules taking into account the leverage ratio delegated act adopted in October 2014 by the European Commission. See Methodology
(2) The prudential balance sheet corresponds to the IFRS balance sheet less entities accounted for through the equity method (mainly insurance subsidiaries)
* Securities financing transactions: repos, reverse repos, securities lending and borrowing and other similar transactions

3.3 Provisioning of doubtful loans - update of page 199 of the 2018 Registration Document

NON PERFORMING LOANS

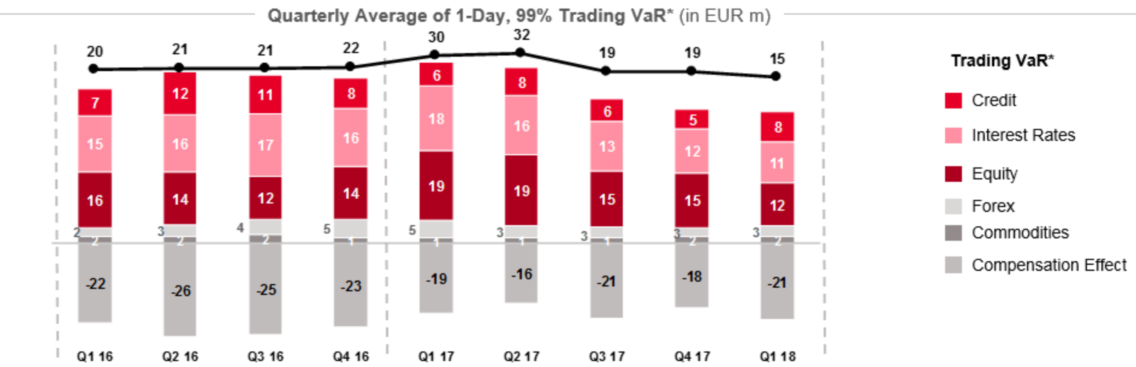
In EUR bn	31/03/2018	31/12/2017	31/03/2017
Gross book outstandings*	482.1	478.7	483.1
Doubtful loans*	20.4	20.9	23.3
Group Gross non performing loans ratio*	***4.2%***	***4.4%***	***4.8%***
Specific provisions*	11.3	11.3	13.5
Portfolio-based provisions*	2.1	1.3	1.5
Group Gross doubtful loans coverage ratio* (Overall provisions / Doubtful loans)	***66%***	***61%***	***65%***
Stage 1 provisions*	1.0		
Stage 2 provisions*	1.2		
Stage 3 provisions*	11.3		
Group Gross doubtful loans coverage ratio* (Stage 3 provisions / Doubtful loans)	***55%***		

* Customer loans, deposits at banks and loans due from banks, leasing and lease assets
See: Methodology

3.4 Change in trading VaR – Update of the 2018 Registration Document pages 202 à 204

Quarterly average 99% Value at Risk (VaR), a composite indicator used for the day-to-day monitoring of the market risks incurred by the bank, on the scope of its trading activities, in millions of euros:

CHANGE IN TRADING VAR* AND STRESSED VAR**

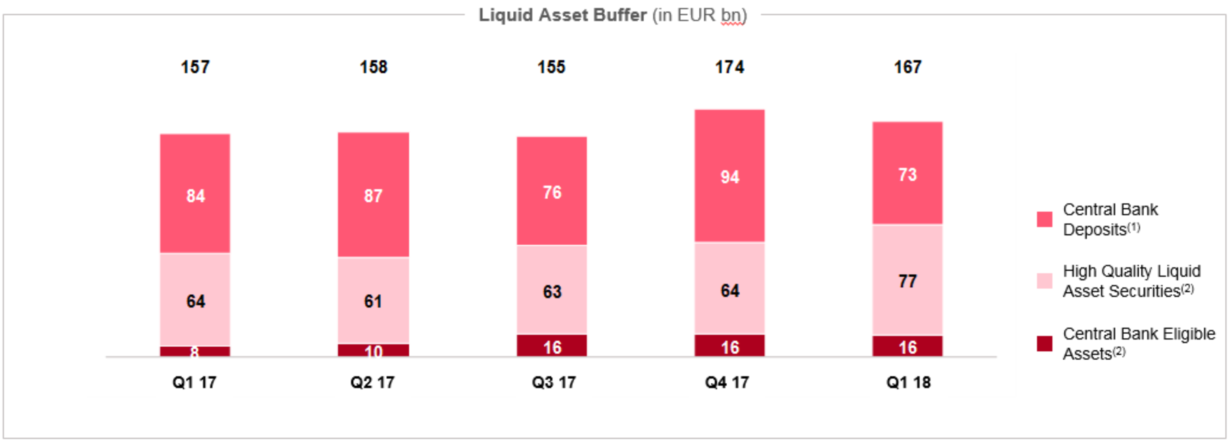


Stressed VAR** (1 day, 99%, in EUR m)	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
Minimum	27	21	14	14	14
Maximum	68	52	37	37	72
Average	47	36	25	21	34

* Trading VaR: measurement over one year (i.e. 260 scenario) of the greatest risk obtained after elimination of 1% of the most unfavourable occurrences
** Stressed VaR : Identical approach to VaR (historical simulation with 1-day shocks and a 99% confidence interval), but over a fixed one-year historical window corresponding to a period of significant financial tension instead of a one-year rolling period

3.5 Liquidity risks - Liquid asset buffer – update of page 223 of the 2018 Registration Document

LIQUID ASSET BUFFER



Liquidity Coverage Ratio at 129% on average in Q1 18

(1) Excluding mandatory reserves
(2) Unencumbered, net of haircuts

3.6 Specific provisions and impairments for credit risks - Correction of the charts on page 183 of the 2017 Registration Document

Table 11, presented on page 183 of the 2018 registration document has been amended to incorporate overall collateral, financial guarantees and credit derivatives that is no limited the scope eligible for regulatory calculation, we noticed :

	31.12.2017			
(In EUR m)	**Exposures unsecured - Carrying amount**	**Exposures secured - Carrying amount**	**Exposures secured by Collateral**	**Exposures secured by financial guarantees and credit derivatives**
Total loans	385 143	228 675	108 943	119 731
Total debt securities	57 727	323	0	323
Total exposures	**442 869**	**228 998**	**108 943**	**120 054**

3.7 Risks and litigation - Update of the 2018 Registration Document page 232

- SG Americas Securities, LLC (“SGAS”), along with other financial institutions, was named as a defendant in several putative class actions alleging violations of US antitrust laws and the Commodity Exchange Act (“CEA”) in connection with its activities as a US Primary Dealer, buying and selling US Treasury securities. The cases were consolidated in the US District Court in Manhattan, and lead plaintiffs’ counsel appointed. An amended consolidated complaint was filed on 15th November 2017, and SGAS was not named as a defendant. By order dated February 15, 2018, SGAS was dropped as a defendant in an individual “opt out” action alleging similar causes of action. There are no actions pending against SGAS.

- Societe Generale, along with several other financial institutions, has been named as a defendant in a putative class action alleging violations of US antitrust laws and the CEA in connection with foreign exchange spot and derivatives trading. The action is brought by persons or entities that transacted in certain over-the-counter and exchange-traded foreign exchange instruments. Societe Generale has reached a settlement of USD 18 million, which was preliminarily approved by the Court. Notice to the class has begun, and a final approval hearing is scheduled for 23 May 2018. Separate putative class actions on behalf of putative classes of indirect purchasers are also pending. A motion to dismiss those cases was granted by order dated March 15, 2018. On April 5, 2018, plaintiffs filed a motion for leave to file an amended complaint in those actions. Briefing is ongoing.

- Societe Generale, along with other financial institutions, has received formal requests for information (subpoenas) from the U.S. Department of Justice ("DOJ") and the U.S. Commodity Futures Trading Commission ("CFTC"), in connection with investigations regarding submissions to the British Bankers Association for setting certain London Interbank Offered Rates ("Libor") and submissions to the European Banking Federation (now the EBF-FBE) for setting the Euro Interbank Offered Rate ("Euribor"), as well as trading in derivatives indexed to various IBOR rates ("IBOR matter").

  In 2014 and 2017, the DOJ and the Securities and Exchange Commission served formal requests for information relating to potential violations of the Foreign Corrupt Practices Act in connection with certain transactions involving Libyan counterparties, including the LIA. In 2017, Societe Generale also received two judicial requests to produce documents regarding its relations with the LIA in the scope of a preliminary investigation opened by the French National Financial Prosecutor's office ("PNF") regarding possible violations of French anti-corruption laws ("Libyan matter").

  Societe Generale is cooperating with the U.S. and French authorities in these IBOR and Libyan matters. Societe Generale has entered into a phase of more active discussions the DOJ, CFTC and PNF with a view to reaching agreements to resolve each of these matters within the coming days or weeks.

  Although the financial impact of the disputes cannot be determined with certainty at this time, as of 31 March 2018, the Bank has booked in its financial statements a provision for disputes for EUR 2.3 billion, in compliance with IFRS standards. Within this provision, approximately 1 billion in euro equivalent is allocated to the IBOR and Libyan matters.

4.1 Remuneration Policies and Practices Report

SUMMARY

The objective of the remuneration policy implemented by the Group is to attract, motivate and retain employees in the long term, while ensuring an appropriate management of risks and compliance, and promoting the Group's values. With respect to the Chief Executive Officers, it is furthermore aimed at rewarding the implementation of the Group's long-term strategy in the interests of its shareholders, its clients and its employees.

CORPORATE GOVERNANCE OF REMUNERATION POLICY

The governance applied by the Group ensures an exhaustive and independent review of the remuneration policy, through:

- An annual review of remuneration, which is coordinated by the Human Resources Division and involves the Bank's control functions, in successive stages of validation up to the level of General Management;
- An ultimate validation of this policy (including the principles, budgets and the remuneration policy for the Group regulated population under CRDIV regulation) by the Board of Directors after review by the Compensation Committee.

This remuneration policy has been established in compliance with relevant regulations, in particular the European Directive 2013/36/UE, published on 26 June 2013 (hereinafter - "CRD IV") and its transposition in France via Order n°2014-158 of 20 February 2014, for the staff members exerting a significant impact on the Group's risk profile (hereinafter "regulated population"). It is subject to regular review:

- Externally by the various supervisory bodies;
- Internally through an independent review by the Internal Audit Division.

In addition, with respect to the Chief Executive Officers, it respects the recommendations of the AFEP-MEDEF Corporate Governance Code.

GROUP'S REMUNERATION POLICY AND PRINCIPLES

In addition to the constraints imposed by CRD III, the CRD IV, which applies since 2014, includes provisions for:

- A definition of the regulated population, based on regulatory technical standards developed by the European Banking Authority (EBA) in the Delegated Regulation (EU) No 604/2014;
- A cap on the variable component of remuneration of this regulated population, which cannot exceed the fixed component, with the possibility for the Annual General Shareholders' Meeting to approve a higher maximum ratio of up to 2:1 between variable and fixed components.

In 2014, the Group completed the implementation of the CRD IV requirements through:

- The definition of the regulated population in line with the Delegated Regulation (EU) No 604/2014;
- Obtaining an approval from the Annual General Meeting of 20 May 2014 for a maximum ratio of 2:1 between variable and fixed components of remuneration for the regulated population and ensuring that all beneficiaries comply with this maximum ratio.

° **The 2017 regulated population was defined, as in 2016, on the basis of the identification criteria specified in the EBA regulatory technical standards** (level of responsibility, impact in terms of risk exposure and level of total remuneration). On the basis of these criteria, **the regulated population included 805 members of staff (excluding the Chairman of the Board and the Chief Executive Officers)**, compared with 754 in 2016.This increase is due in particular to the extension of the number of staff identified by the risk limits in the Risk function perimeter and to the new requirement (in the framework of the EBA guidelines entered into force as from January 2017) of identifying a person as soon as the function has been occupied for at least 3 months.

° **The approach in terms of the determination and structure of variable remuneration for the regulated population is in continuity with that applied in previous years and remains compliant with the CRD IV requirements**. The key principles are as follows:

- **The variable remuneration pools are determined by business line on the basis of:**
  - **the financial results** after taking into account the risks, the Finance Division ensuring that the total amount of variable remuneration does not undermine the Group's capacity to meet its objectives in

terms of capital requirements;
- **qualitative factors** such as market practices, conditions under which activities are carried out and risk management, through an independent appraisal process performed by the Risk and Compliance Divisions, essentially for the Global Banking and Investor Solutions, for International Banking and Financial Services and for the activities of Retail Banking in France.

> **The allocation of individual variable takes into account annual individual appraisal based on the achievement of quantitative and qualitative objectives known by the employee**, further complemented by an evaluation on risk management and compliance[2] carried out by the Risk and Compliance Divisions.

> **A variable remuneration structure is compliant with regulations, including:**
- a non vested component subject to continued employment, minimum financial performance conditions and appropriate management of risks and compliance, which vests over three years on a pro-rata basis, with a deferral rate **of at least 40% and up to 70% for the highest variable remunerations**;
- the award of **at least 50% in the form of Societe Generale shares or share equivalents** (representing 50% of the vested component and two thirds of the non vested component).

As a result**, the part of variable remuneration that is immediately paid out in cash is capped at 30% and can go down to 15% for the highest variable remunerations**. The share equivalents, in addition, are subject to a retention period of at least six months.

Starting from 2014, the variable compensation arrangements for the Group Executive Committee and the Management Committee impose more stringent rules as compared to those applicable to other regulated staff, and are aligned with the scheme applied to the Chief Executive Officers (cf. below). The non-vested component of their variable remuneration is deferred over five years, including a part deferred in one third over three years as described above, and a part in the form of long-term incentive vesting after five years, attributed in the form of Societe Generale shares or share equivalents and subject to performance conditions depending on the relative performance of Societe Generale share (cf 2.3.3).

° In compliance with regulation, **Societe Generale's General Annual Meeting which took place on 20 May 2014 approved the increase of the ratio between variable and fixed components of remuneration to 200% for all the Group regulated population**. This decision will remain in force until reconsidered by the General Meeting.

° **The variable remuneration pool awarded to the regulated population with respect to 2016 was 205 M€ and total variable and fixed remuneration amounted to 439,2 M€**. The resulting average remuneration is down as compared to 2016, by -11% in terms of the variable component and by -10%, in terms of total (fixed and variable remuneration)[3], at constant exchange rate:

2017	Group Total
Regulated population	805
Total Remuneration	439,2
of which Fixed remuneration	234,2
of which Variable remuneration	205,0
% of instruments	55%
% of deferred	45%
average ratio of variable / fixed	88%

Data excluding Chairman of the Board and Chief Executive Officers

2 All reference in this report to compliance includes the notion of reputational risk.

3 Excluding severance pay

PREAMBLE

This document was drafted in application of Articles L511-71 to L511-88 of the French Monetary and Financial Code, as amended by Ordinance n°2014-158 of 20 February 2014 which modified the regulatory requirements concerning the remuneration of staff whose activities are likely to have a significant impact on the risk profile of credit institutions and investment firms. Ordinance n°2014-158 of 20 February 2014 (complemented by Decree n°2014-1315 and the Order relative to internal control, both dated 3 November 2014) transposed into the French law the remuneration provisions of the European Directive 2013/36/EU of 26 June 2013 (hereinafter - "CRD IV").

PART 1. CORPORATE GOVERNANCE OF REMUNERATION POLICY

The Group's remuneration policy is reviewed every year. It is defined by General Management and based on the proposal of the Group Human Resources Division. The Board of Directors approves this policy, after examining the Compensation Committee's recommendation.

The Group's remuneration policy, in particular with regard to the categories of staff whose activities have a significant impact on the Group's risk profile (hereinafter "regulated staff"), is applied to Societe Generale as well as the entities it controls, in France and throughout the world. The policy applied to the regulated staff is adapted outside France in order to comply with local regulations. The Group's rules are prevalent, except when local regulations are more stringent.

The definition of this policy draws on analysis of the market context and compensation surveys carried out by external consultants (essentially Mc Lagan and Willis Towers Watson)).

1.1 The composition and the role of the Compensation Committee

As of 31 December 2017, the Compensation Committee is composed of four members, including three independent directors. Lorenzo Bini Smaghi, Chairman of the Board of Directors, participated in almost all the sessions of the Compensation Committee, starting from the date of his appointment. The link with the Risk Committee has been reinforced via the nomination of an Independent Director who is both member of the Risk Committee and the Compensation Committee.

The Compensation Committee includes the following directors:

Jean-Bernard LEVY, Chairman and Chief Executive Officer of EDF: Independent Director, President of the Compensation Committee, Member of the Nomination and Corporate Governance Committee.

Gérard MESTRALLET, Chairman of the Board of ENGIE: Independent Director, President of the Nomination and Corporate Governance Committee, Member of the Compensation Committee.

Juan Maria NIN GENOVA, Company Director: Independent Director, Member of the Risk Committee, Member of the Compensation Committee.

France HOUSSAYE, Prescription and partnership Coordinator at the Rouen branch: Director elected by employees, Member of the Compensation Committee.

The main missions of the Compensation Committee are defined in Section 3 on corporate governance of the 2018 Registration Document.

The Compensation Committee reports its findings to the Board of Directors. It carries out the same tasks for the Group companies supervised by the French Prudential Supervisory Authority (hereinafter "ACPR") on a consolidated or sub-consolidated basis.

More specifically, the Compensation Committee met seven times during the remuneration review process spanning the period 2017 - 2018. During these meetings, the Committee prepared the Board's decisions with respect to the following issues:

Chief Executive Officers	- Status and remuneration of Chief Executive Officers; - Appraisal of qualitative and quantitative performance with respect to 2017 of Chief Executive Officers and discussion with the other Directors of the Group - Review of annual objectives set with respect to 2018 for Chief Executive Officers proposed to the Board	April 2017 December 2017 January 2018 February 2018 March 2018
Regulation	- Verification that Group remuneration policies comply with regulations, in particular those covering the regulated population (payment structure and terms) - Review of changes in regulations with regard to remuneration and regulators' requirements	April 2017 December 2017 February 2018
Group remuneration policy	- Verification that remuneration policy is in line with the Company's risk management policy and the objectives set in terms of capital requirements - Review of the extent to which risks and compliance are taken into account in the variable remuneration policy - Proposal put to the Board with respect to performance share plans - Review of the fulfilment of the performance conditions applicable to deferred remuneration and long term incentives of the Group	April 2017 July 2017 October 2017 December 2017 February 2018 March 2018

The Compensation Committee specifically ensured during the last period that the remuneration policy takes into account the risks generated by the businesses, and that employees comply with the risk-management policies and professional norms, and the Risks Committee has been consulted on the issue.

1.2 Internal governance of remuneration within the Group

The annual process conducted to review individual situations (fixed salary and, when relevant, variable remuneration and/or long term incentive program) is coordinated by the Group Human Resources Division following various validation stages at the level of Core Businesses, the Group Human Resources Division and General Management and finally the Supervisory Board upon the recommendation from the Compensation Committee. The final validation covers policy and budgets for the whole Group and the highest levels of remuneration. Legal and regulatory obligations in force in entities in France and in entities and countries outside France are taken into account in this process.

> The Group Human Resources Division, the Finance Division, the Risk and Compliance Divisions are implicated in this process: The Group Human Resources Division ensures the global coordination of the identification of the regulated population in cooperation with the Human Resources Division of each Core Business, the Risk Division and the Compliance Department (cf. 2.2 below);

> The Finance Division validates the methodology used for setting variable remuneration pools, notably for Global Banking and Investor Solutions, ensuring that the various types of risk have been taken into consideration, and furthermore checking that the total amount of variable remuneration does not hinder the Group's capacity to build up its capital base (cf. 2.3.1.1 below). The Finance Division takes part in the process of defining deferred remuneration schemes (structure, performance conditions and malus clauses) (cf. 2.3.2 and 2.3.3).

- In compliance with the rules concerning bank remuneration policies and practices defined within the framework of the European CRD IV Directive and transposed into French law via notably Ordinance n°2014-1158 of 20 February 2014, **the control functions, including in particular the Risk and Compliance Divisions, and the Finance Division, are involved in the process of reviewing the Group's variable remunerations and more specifically of the CRD IV Group regulated population. In particular,** the Risk and the Compliance Divisions assess risk and compliance management essentially for the sub-business lines of Global Banking and Investor Solutions, of International Banking and Financial Services and French Retail Banking (cf. 2.3.1.1 below), and give their opinion about the manner in which regulated staff take these aspects into account (cf. 2.3.1.2), which can lead to a possible adjustment of variable remuneration pools and individual awards in consideration of these assessments.

  The independence of these control functions is guaranteed by hierarchical reporting to the Group's General Management. Moreover, as with all Group central functions, these functions are compensated through variable remuneration pools taking into account the Group's overall performance, independently of the results of the activities they control. The allocation of these variable remuneration pools is based on the extent to which objectives specific to their function are met.

This governance system ensures that remuneration decisions are made independently and objectively. The process is annually reviewed ex post **by the Internal Audit Division.**

Out of the annual review of individual remunerations, a specific governance process is applied as regard some decisions related to individual remunerations within the Group**.**

PART 2. GROUP REMUNERATION POLICIES AND PRINCIPLES

The aim of the Group's remuneration policy is to enhance the efficiency of remuneration as a tool for attracting and retaining employees who contribute to the long term success of the company while ensuring that employees manage risks in an appropriate manner and comply with regulations. This policy is based on principles common to the whole Group, which are then implemented by each business line and geographic area in which the Group operates, taking into account the market practices.

Remuneration includes a fixed component that rewards the capacity to hold a position in a satisfactory manner through the employee's displaying the required skills and, when relevant, a variable component that aims to reward collective and individual performance, depending on objectives defined at the beginning of the year and conditional on the results, the context as well as the behaviour displayed to meet said objectives, according to common references shared by the entire Group.

Employees whose variable remuneration award is below a certain level may also benefit from a long term incentive award in the form of performance shares. The corresponding pools of LTI are mainly dedicated to employees who have been identified as strategic talents, key resources and top performers.

The Group's remuneration policy is defined in a manner that avoids providing incentives that may result in situations of a conflict of interests between employees and clients. The governance principles and rules governing remuneration are set out in the Group's normative documentation relating to the remuneration policy and to the management of conflicts of interest.

2.1 Conformance of the Group remuneration policy with regulatory requirements

In defining its remuneration policy, Societe Generale Group undertakes to comply with all the applicable regulations, notably:

- Directive 2013/36/UE of the European Parliament and of the Council of 26 June 2013, transposed in the Monetary and Financial Code by Ordinance n° 2014-158 of 20 February 2014 (hereinafter - "CRD IV");
- EBA ("European Banking Authority") Guidelines on sound remuneration policies as notified by the ACPR and entered into force in January 2017
- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011, transposed in the Monetary and Financial Code by Ordinance n° 2013-676, and Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, transposed in the Monetary and Financial Code by Ordinance n°2016-312 of 17 March 2016 (hereinafter - "Directives AIFMD and UCITS V");
- Law n° 2013-672 of 26 July 2013 on separation and regulation of banking activities (hereinafter - "French Banking Law");
- The rule enacted by Section 13 of the Bank Holding Company Act, implementing Section 619 of Dodd–Frank Wall Street Reform and Consumer Protection Act (hereinafter - "Volcker Rule");

- Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, transposed in the Monetary and Financial Code by Ordinance n° 2007-544 of 12 April 2007 (hereinafter - “MIFID”);
- Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009, transposed in the Insurance Code by Ordinance n° 2015-378 of 2 April 2015 (hereinafter - “Solvency II”).

The main provisions of the regulations above regarding remunerations are as follows:

- The CRD IV, targeting credit institutions’ and investment firms’ worldwide activities, imposes constraints on the variable remuneration structure of employees considered as assuming significant risks (hereinafter - “CRD IV regulated staff”), including notably deferral of a part of the variable compensation and payment of a part of the variable compensation in the form of financial instruments indexed on the long-term interests of the bank, as well as a cap on the variable compensation as a multiple of fixed compensation;
- Directives AIFMD and UCITS V, applicable to asset management firms’ worldwide activities, impose constraints on the variable remuneration structure of employees identified as assuming significant risks (hereinafter - “AIFMD and UCITS V regulated staff”), including notably a requirement to defer a part of the variable compensation and to pay a part of the variable compensation in the form of financial instruments which reflect the performance of the funds under management;
- The French Banking Law, targeting worldwide market and treasury operations, requires the Group to isolate in a separate subsidiary proprietary trading operations not linked to client activities and to ensure determination of the remuneration of the market operators in consistency with the organizational rules and internal functioning of activities, so that the remuneration does not encourage risk-taking without link to the pre-defined objectives;
- The Volcker Rule, applicable to the worldwide scope of market operators, prohibits certain proprietary activities and requires that the compensation arrangements do not incentivize the activities prohibited by the Rule nor excessive or impudent risk-taking;
- MIFID, implemented with the objective to protect the clients, and concerning employees providing investment and related services to clients in the EU / EEA, requires that the compensation arrangements encourage responsible professional behavior and fair treatment of clients;
- Solvency II, applicable to insurance and reinsurance companies of the EU / EEA, requires setting remuneration policy compliant with the company strategy and with risk-management objectives, incorporating measures aimed at avoiding conflict of interest, promoting sound and efficient risk management, and not encouraging risk-taking exceeding the risk tolerance limit of the entity. The Directive recommends a balance between the fixed and variable remuneration components and requires that a substantial part of the variable of the employees having significant impact on the risk profile of the entity be deferred over time.

The remuneration policy of Societe Generale Group incorporates the different constraints listed above in the following manner:

- Ex-ante, taking into account risks while defining variable envelopes and individual allocations (cf. 2.3.1):
  - for the entire Group,taking into account quantitative financial indicators factoring in risks and also qualitative indicators that can include criteria related to risks and compliance management, respect of client interests and client satisfaction;
  - in addition, within Global Banking and Investor Solutions (GBIS), International Banking and Financial Services (IBFS) and French Retail Banking (RBDF), conducting independent annual evaluations by Risks and Compliance divisions regarding risks and compliance management by the core businesses which have a major impact on the Group’s risks profile and by employees regulated in the sense of the CRD IV, AIFMD, UCITS V operating in these core businesses.

  Via the mechanisms described above, the variable remuneration is not directly and solely correlated to the revenues generated.

- Ex-post, taking into account risks in the deferred variable compensation schemes (cf. 2.3.2 and 2.3.3):
  - CRD IV regulated staff are subject to the following constraints: deferral of 40% minimum of the attributed variable over three to five years vesting on pro-rata temporis basis, starting from a certain amount of variable; attribution of 50% minimum of the variable in the form of financial instruments; non-vested part subject to presence and performance conditions, as well as to appropriate management of risks and compliance;
  - staff regulated under AIFMD and UCITS V are subject to similar constraints as imposed by the CRD IV in terms of deferral rate and period, payment of variable in instruments and conditions applicable to the non-vested part;
  - beyond the scope of staff regulated under CRD IV, AIFMD and UCITS V, the employees of Global Banking and Investor Solutions and those of the Central Divisions are subject to the following remuneration provisions: above a certain threshold, variable deferred on progressive rate over three years vesting on pro-rata temporis basis and paid in the form of financial instruments; non-vested part subject to the same vesting conditions as for CRD IV regulated staff.

Assessments carried out internally and externally show that the Group remuneration policy complies with regulatory requirements.

Internally, the Group's remuneration policy is reviewed regularly and independently by the Internal Audit Division since 2010.
The latest review carried out in 2017 covered the remuneration policy applied for the 2016 group regulated population. The Internal Audit Division concluded that the risk of non-compliance of the Group's remuneration policy was correctly covered, both from the point of view of governance of the overall process and of the respect of the quantitative and qualitative rules applied to the variable remunerations awarded for the 2016 performance year.

In addition, the Group's remuneration policy is regularly reviewed by external supervisory bodies (ACPR, ECB…).

2.2 Perimeter of the regulated population in 2017

In continuity with the previous financial years and in line with regulations, the regulated staff scope covers all employees whose professional activities have a material impact on the Bank's risk profile, including employees exercising control functions.

In 2016, the methodology of determination of the CRD IV Group regulated staff, based on the Regulation (EU) 604/2014, led to the identification of 754 staff members (excluding Chief Executive Officers).

In 2017, the scope of the regulated staff was updated on the basis of the same regulatory technical standards which include:

- Qualitative criteria linked to the function held and the level of responsibility;
- Criteria linked to impact in terms of risk exposure based on limits of authority for credit risk and market risk, above the thresholds fixed by the EBA;
- A level of total fixed and variable remuneration, including long term incentive awards (LTI).

On this basis, the perimeter of the 2017 Group regulated staff includes:

- The Group's **Chief Executive Officers** – Frédéric Oudéa, Séverin Cabannes, Bernardo Sanchez Incera, Didier Valet – 4 persons;
- **The Chairman and members of the Board of Directors** – 14 persons;
- **The members of the Group Management Committee**, which includes the Heads of the main business lines and subsidiaries of the Group, as well as the Heads of control and support functions for the Group (risks, compliance, internal audit, finance, legal and taxation, human resources, information technology) - 63 persons;
- **Key staff members in charge of control functions or support functions** at Group level and who are not members of the aforementioned bodies - 22 persons;
- **Within the "material business units"[4], the main operational managers** (members of the executive committees of activities or subsidiaries) **and managers responsible for control functions**, who are not already identified by the above criteria - 236 persons;
- **Staff having credit authorisations and/or responsible for market risk limits exceeding materiality thresholds** at Group level, as defined by the EBA, and who are not already identified by the above criteria - 192 persons;
- **Staff members whose total remuneration for 2016 exceeds the 500 K€ threshold defined by the EBA** and who are not already identified by the above criteria, which concerns a limited number of profiles within financing and investment banking who have essential skills for the development of certain Group activities and some key employees who achieved exceptional performance during the last financial year - 279 persons.

In fine, the 2017 Group regulated staff comprised 810 staff members (including the Chairman of the Board and the four Chief Executive Officers).

The perimeter of the Group Regulated population will be reviewed every year to take into account changes in terms of internal organisation and remuneration levels. The employees identified as regulated are notified of their status.

In addition, 322 **staff members** (including 39 already identified at the Group level) **have been identified as regulated within nine subsidiaries of the Group** located within the European Economic Area. These entities must apply **on individual basis** the CRD IV Directive as they are considered significant entities in their respective countries:

[4] The « material business units » as defined by the EBA regulatory standards are the activities (subsidiaries, businesses) within the Group which represent at least 2% of the Group's internal capital.

- 86 in Crédit du Nord in France;
- 27 in Societe Generale Bank and Trust (SGBT) in Luxemburg;
- 20 in Societe Generale Securities Services (SGSS) Spa in Italy;
- 10 in SG Private Banking in Belgium;
- 89 in Komercni Banka in Czech Republic;
- 37 in Banque Roumaine de Développement (BRD) in Romania;
- 20 in Eurobank in Poland;
- 20 in SGEB in Bulgaria;
- 13 in SKB in Slovenia.

In compliance with articles 198 and 199 of the Order of 3 November 2014, asset management firms and insurance companies have been excluded from the scope of identification of the CRD IV regulated population on a consolidated basis. However, as indicated above, these companies are subject to other specific regulations - with principles similar to CRD IV – and specific regulated populations have been identified in these companies.

2.3 2017 Group variable remuneration policy

Allocation of variable remuneration depends on both individual and collective performance and takes into account previously defined quantitative and qualitative criteria, integrating risks. It also takes into consideration the economic, social, and competitive context. In order to avoid any conflict of interest, variable remuneration is not directly or solely linked to the amount of revenues generated.

In addition, for several categories of employees (staff regulated under CRD IV, AIFMD, UCITS V; all employees within Global Banking and Investor Solutions and Central Divisions beyond a certain threshold), **a significant portion of variable remuneration is deferred over three years and subject to presence and performance conditions of the business line and/or activity concerned.** As such, when performance conditions are not met, the deferred component of variable remuneration is partially or fully forfeited. **Furthermore, any excessive risk taking or any behaviour deemed unacceptable by General Management may result in a reduction or total forfeiture of this deferred component.** Finally, the variable remuneration of the CRD IV regulated staff is capped at two times the fixed remuneration.

2.3.1 Link between variable remuneration and performance and alignment of variable remuneration with risk within the Group (ex ante)

2.3.1.1 Determination of variable remuneration pools

The variable remuneration pool of Global Banking and Investor Solutions (GBIS) is defined on the basis of performance indicators which take into account all costs and risks inherent to the activities (liquidity; credit; market; operational risks as well as capital requirements - cf. detail in the table below).
The methodology used for the determination of the GBIS variable remuneration pool has been defined by an ad hoc committee with the participation of General management, Finance Division, Risk Division, Human Resources Department and GBIS management. It complies with the relevant regulatory requirements. The GBIS variable remuneration pool was validated on this basis by the Board of Directors after review by the Compensation Committee.

Within Retail Banking in France and International Banking and Financial Services, the variable remuneration pools take into account the evolution of the operating income, which includes the different costs and risks inherent to the activities of these Core Businesses, as well as on the Return on Normative Equity (RONE)[5].

For Central Divisions, the evolution of variable remuneration pools takes into account the evolution of Group results, in particular the net income Group share and the ROE. This is notably the case for control functions which are integrated to the Central Divisions and for which variable remuneration pools are determined independently of the results of the business activities they control.

The setting of the pools, as well as their distribution, depend on the aforementioned quantitative factors but also on several qualitative factors, which include:
- Market practices in terms of remuneration;
- General conditions in the markets in which the results were generated;
- Elements which may have impacted temporarily the business performance;
- The stage of maturity of the activity;

In addition, the Risk and the Compliance Divisions carry out an independent assessment of

[5] Return on Normative Equity = Return on Equity of a Core business or activity, based on normative capital

businesses/entities having a significant impact on the Group's risk profile, essentially within Global Banking and Investor Solutions, International Banking and Financial Services and French Retail Banking.
The assessment by the Risk Division is carried out with respect to managing credit risks, market risks and operational risks and by the Compliance Department with respect to managing non-compliance risk. Thus, the assessment made by the Risk and Compliance experts on the collective management of risks has a weighting effect on the manner in which variable remuneration pools are allocated between businesses/entities.

For the Group's senior managers (Chief Executive Officers, Group Management Committee), variable remuneration is not based on a collective pool but is determined individually on the basis of the Group's financial results, the results of the business activity they supervise, the extent to which they have met their specific qualitative and quantitative objectives and taking into account market practices as reported by remuneration surveys.

Moreover, the Finance Division includes the proposed global variable remuneration pool at Group level in the budget forecasts that are used as a basis to project regulatory capital ratios. In this respect, variable remuneration is taken into account alongside other factors in capital planning and in terms of its adequacy with the objectives set by the Bank. The MDA[6] mechanism can restrict the distribution of earnings (including in particular variable remuneration) if the bank's capital ratios fall below certain thresholds.

Therefore, this policy preserves capital and liquidity, by encouraging to respect financial targets linked to capital and liquidity, and via the conditions for the award and vesting of the deferred part of the variable remuneration. Moreover, this remuneration policy is completely integrated in the capital planning and does not prevent the respect of the fully-loaded capital ratios, in compliance with the BCE recommendations.

The determination of the variable remuneration pools, which takes into account the risk appetite financial targets, remains in fine at the discretion of the General management. Notably, **the General Management reserves the right to re-calibrate variable remuneration pools if they limit the Bank's capacity to maintain the level of capital required to meet the Group target prudential ratios.**

2.3.1.2 Individual allocation of variable remuneration

The individual allocations of variable remuneration components take into account, for the entire Group, an annual individual performance appraisal based on the achievement of quantitative and qualitative objectives.

By consequence, there is no direct or automatic link between the commercial and financial results of an individual employee and his/her level of variable remuneration insofar as employees are assessed on their results, those of their activity and the way in which said results were achieved.

The recommended methodology for the objective setting is the SMART method (the objectives are Specific, Measurable, Accessible, Realistic and fixed within a Timeframe) in order to define objectives that are clearly identified and can be assessed by indicators that are known to the employee.

The qualitative objectives are tailored to the individual employee, in relation to the employee's professional activity and adapted to the position held. They can include the quality of risk management, the means used and behaviours displayed to achieve results such as cooperation, teamwork and human resources management, as well as the management of clients' interests and satisfaction. Such qualitative objectives are common references within the Group.

In addition to the individual appraisal carried out by line managers, the Risk and Compliance Divisions independently assess certain categories of staff regulated under the CRD IV, AIFMD and UCITS V, essentially within Global Banking and Investor Solutions, International Banking and Financial Services and Retail banking in France. They review in particular:

- Risk awareness, technical expertise and risk management, as well as respect of policies and procedures related to risk management;
- Compliance with regulations and internal procedures, as well as the extent to which they are transparent vis-à-vis the clients with respect to products and associated risks;
- The quality of the interactions between the employees concerned and the Risk Division and the Compliance Department (transparency, pro-activity, quality of answers…).

In 2017, the Risk and Compliance Divisions assessed, within the framework of the same exercise, the employees in charge of trading desks under Volcker Rule and the French Banking Law desks (including those who are also regulated in the sense of CRD IV).

In addition to the above, the Risk Division and the Compliance Department may extend the scope of evaluated

[6] Maximum Distributable Amount

employees beyond staff regulated under the CRD IV, AIFMD and UCITS V and Volcker Rule/French Banking Law Desk Heads, if considered appropriate.

The senior management of the relevant Core Businesses, General Management and the Group Human Resources Division take the conclusions from the Risk and Compliance Divisions into consideration when approving the overall variable remuneration pools and the way in which they are allocated at an individual level. The proposed variable awards are adjusted downwards in the event of a negative appraisal by the Risk Division and/or the Compliance Department. The conclusions and negative impacts are communicated to the Compensation Committee.

Taking into account performance and risks ex ante within Global Banking and Investor Solutions:

<table>
<tr><td colspan="3">At the level of GBIS</td></tr>
<tr><td rowspan="3">Quantitative</td><td>GBIS Performance indicators:</td><td>Risks taken into account :</td></tr>
<tr><td>• Operating income (excluding variables)</td><td>All risks allocated to GBIS (including market risks credit risks, Operational risks, Liquidity costs)</td></tr>
<tr><td>• Return on Normative Equity (1)</td><td>Same</td></tr>
<tr><td>Qualitative</td><td colspan="2">- Market practices and trends / relative performance
-Relative performance</td></tr>
<tr><td colspan="3">At the level of the business lines within GBIS</td></tr>
<tr><td>Quantitative</td><td colspan="2">Financial performance indicators</td></tr>
<tr><td>Qualitative</td><td>Qualitative adjustments:
- Opinion of control functions
- External Benchmark
- General market conditions
- Degree of maturity of the activity</td><td>Opinion of control functions on risk management regarding credit risks, market risks, operational risks and non-compliance risks</td></tr>
<tr><td colspan="3">Individual allocations</td></tr>
<tr><td>Quantitative</td><td rowspan="2">Decision by management:
- Results of individual appraisal
- Opinion of control functions
- External benchmark
-Transversal reviews</td><td>Annual individual appraisal</td></tr>
<tr><td>Qualitative</td><td>Opinion of control functions on risk management:
- Credit risks
- Market risks
- Operational risks
- Non-compliance risks</td></tr>
</table>

(1) RONE: Return on normative equity calculated on the basis of the (Risk Weighed Assets/RWA) of GBIS and the Group.

2.3.2 Structure of variable remuneration

2.3.2.1 CRD IV regulated staff

The structure of the variable remuneration awarded to CRD IV regulated staff for the 2017 performance year includes, in compliance with regulation, above a threshold of 100 K€:

- **A non-vested component** subject to presence and performance conditions, as well as appropriate management of risks and compliance, **vested over a period of three years on a pro-rata basis, with a deferral rate of at least 40% and which may go up to 70% for the highest variable remuneration levels;**
- **A payment of more than 50% in shares or share equivalents Societe Generale[7],** that is 50% of the vested component and two-thirds of the non-vested component.

Accordingly, the part paid immediately in cash is capped at 30%. It can even go down to 15% for the highest variable remunerations.

More precisely, the variable remuneration scheme of CRD IV regulated staff is structured as follows (cf. table below):

- A vested, non-deferred part paid in cash in March of the year following the close of the financial year;
- A vested part deferred in the form of share equivalents, for which the final amount paid to the employee depends on the Societe Generale share price at the end of the non-transferability period;
- A non-vested deferred cash part (which is not indexed to the share price) in one instalment conditional on

[7] As for the preceding year, the instalments of non-vested variable remuneration awarded in instruments will be attributed to French tax residents in the form of Societe Generale shares, instead of equivalent shares as attributed before, as approved by Societe Generale shareholders at the General Meeting on 18 May 2016.

the employee's continuous employment with the Bank and dependent on the performance and risk alignment criteria described hereafter in 2.3.4;

- A non-vested part deferred in Societe Generale shares or share equivalents in two instalments for which vesting is conditional on the employee remaining employed by the Bank and dependent on the conditions described in section 2.3.4 and the final value depending on the Societe Generale share price at the end of the non-transferability period.

The non-transferability period is at least six months for instruments indexed to the Societe Generale share price.

All payments corresponding to instalments in shares or share equivalents, made after the non-transferability period, will be increased by the value of the dividend paid during the non-transferability period, if applicable.

All employees receiving deferred variable remuneration are prohibited from using hedging or insurance strategies during both the vesting period and the non-transferability period.

In accordance with the policy applied for the Chief Executive Officers, the variable remuneration structure of the members of the Group Executive Committee and Management Committee, all members of which are regulated under CRD IV, is more constraining. The non-vested component of their variable remuneration is deferred over five years[8], out of which a part over three years pro rata temporis as mentioned above and a part under a long term incentive plan which vests after five years, awarded in Societe Generale shares or share equivalents[7] and subject to conditions depending on the relative performance of the Societe Generale share (cf 2.3.3).

2.3.2.2 AIFMD and UCITS V regulated staff

The employees working within asset management and who are regulated under AIFMD and UCITS V are subject to a variable remuneration scheme equivalent to that described above for CRD IV regulated staff, the instruments awarded being though, in compliance with AIFMD and UCITS V regulations, indexed to a basket of managed funds instead of being linked to the value of the Societe Generale share.

2.3.2.3 Solvency II regulated staff

The staff members working within insurance activities and who are regulated under Solvency II are subject to a variable remuneration scheme equivalent to that described above for CRD IV regulated staff, and their performance conditions are linked to the results of the insurance business.

2.3.2.4 Other staff whose variable remuneration is partly deferred

Beyond staff regulated under CRD IV, AIFMD and UCITS V, the variable remuneration of staff within Global Banking and Investor Solutions and Central Divisions is also subject, when it exceeds 100 K€, **to a deferred payment** on progressive rate over three years vesting on pro-rata temporis basis, with a first instalment in cash and the two following ones in shares or equivalent shares[7]. The non-vested part is subject to the same vesting conditions as for CRD IV regulated staff.
By way of reminder, the Group ceased to grant stock options since 2011.

[7] Except for a few members of these committees located in specific geographies who have to comply with local constraints

Structure of variable remuneration attributed for 2017 (excluding Chief Executive Officers)

		Variable remuneration					
			Definitive payment/allocation deferred over time				
				< --------- 40% to 70% of variable remuneration --------->			
Categories of employees	**Fixed remuneration**	**Vested component**		**Non-vested component**			
Group Senior Executives (Group Executive Committee)**	**Fixed salary**	**Cash**	**Share equivalents (1)**	**Deferred cash**	**Deferred cash**	**Shares or Share equivalents (1) (2)**	**Shares or Share equivalents (1) (2)**
		50% upfront	50% diferred	20% deferred	20% deferred	20% deferred	40% deferred
Date of availability/payment		***March 2018***	***October 2018****	***March 2019****	***March 2020****	***October 2021****	***Octobre 2023****

< ---------- 40% to 70% of variable remuneration --------->

Group Senior Executives (Group Management Committee)	**Fixed salary**	**Cash**	**Share equivalents (1)**	**Deferred cash**	**Deferred cash**	**Shares or Share equivalents (1) (2)**	**Shares or Share equivalents (1) (2)**
		50% upfront	50% deferred	25% deferred	25% deferred	25% deferred	25% deferred
Date of availability/payment		***March 2018***	***October 2018****	***March 2019****	***March 2020****	***October 2021****	***Octobre 2023****

< -- 40% to 70% of variable remuneration -->

CRD IV Regulated employees Variable remuneration > 100 K€	**Fixed salary**	**Cash**	**Share equivalents (1)**	**Deferred cash**	**Shares or Share equivalents (1) (2)**	**Shares or Share equivalents (1) (2)**
		50% upfront	50% diferred	33% deferred	33% deferred	33% deferred
Date of availability/payment		***March 2018***	***October 2018****	***March 2019****	***October 2020****	***October 2021****

< -- 40% to 70% of variable remuneration -->

AIFMD / UCITS V Regulated employees Variable remuneration > 100 K€	**Fixed salary**	**Cash**	**Instruments indexed on the performance of a basket of funds (1)**	**Deferred cash**	**Instruments indexed on the performance of a basket of funds (1)**	**Instruments indexed on the performance of a basket of funds (1)**
		50% upfront	50% diferred	33% deferred	33% deferred	33% deferred
Date of availability/payment		***March 2018***	***October 2018****	***March 2019****	***October 2020****	***October 2021****

< ----- % depends on level of variable ----- >

Other employees subject to Group deferral plan (3): Variable remuneration > 100 K€	**Fixed salary**	**Cash**		**Deferred cash**	**Shares ou Share equivalents (1) (2)**	**Shares ou Share equivalents (1) (2)**
		100% upfront		33% deferred	33% deferred	33% deferred
Date of availability/payment		***March 2018***		***March 2019****	***October 2020****	***October 2021****

** Date of availability/payment, taking into account the post-vesting retention period (at least 6 months for shares and share equivalents)*
*** The Executive Committee has disappeared early september 2017 and the new organization introducing BU/SU is only effective since January 2018. In this context, il has been decided by simplic to maintain the application of current schemes for 2017 with the application of the Group Management Committee scheme for the ex members of the Executive Committee and of the Group Management Committee scheme for the other members of the Management Committee*

(1) : Instalments in instruments remain subject to the potential application of the individual forfeiture (malus) clause during the retention period

(2) : Shares for French tax residents / Share equivalents for non-French tax residents

(3) : Employees in Global Banking and Investor Solutions and in the Group's Central Divisions

2.3.3 Performance conditions and risk alignment of deferred variable remuneration (ex post)

For all staff whose variable remuneration is partly deferred, the vesting of the deferred variable remuneration component depends entirely on both (i) the fulfilment of a performance condition and (ii) appropriate management of risks and compliance.

Performance conditions are tailored according to the division and activity. **If a minimum performance level is not met every year, non-vested variable remuneration is partially or entirely forfeited** (malus principle mentioned in Article L 511-83 of the Financial and Monetary Code).

Performance thresholds are set by the Finance Division and are approved by the Board of Directors.

Performance conditions are set according to the level of responsibility and are increasingly demanding in line with the beneficiary's hierarchical level. Societe Generale senior executives are subject to specific performance conditions, in line with the objectives set out in the Group's strategic plan.

The performance conditions applied to deferred remuneration, by managerial layer, are summarised in the following table:

Managerial layer		Vesting in March 2019	Vesting in March 2020	Vesting in March 2021	Vesting in March 2023
		Cash	Cash	Shares or Share equivalents with non-transferability period	Shares or Share equivalents with non-transferability period
Group Executive Committee and Management Committee	**Businesses**	2018 Operating income of perimeter of supervision (1)	2019 Operating income of perimeter of supervision (1)	2020 Operating income of perimeter of supervision (1)	Annualised relative TSR (*) between 2017 and 2022
	Central Divisions	Group Net Income 2018 + Core Tier One at 31/12/2018	Group Net Income 2019 + Core Tier One at 31/12/2019	Group Net Income 2020 + Core Tier One at 31/12/2020	

Managerial layer		Vesting in March 2019	Vesting in March 2020	Vesting in March 2021
		Cash	Shares or Share equivalents with non-transferability period	Shares or Share equivalents with non-transferability period
Other employees with a non-vested deferred component including regulated staff	**GBIS (**)**	Operating income 2018	Operating income 2019	Operating income 2020
	Other business and Central Divisions	Group Net Income 2018 (2)	Group Net Income 2019 (2)	Group Net Income 2020 (2)

(*) TSR: Total Shareholder Return
(**) GBIS: Global Banking and Investor Solutions
(1) Except for beneficiaries from KB, BRD, Rosbank and ALD
(2) Except for beneficiaries from KB, BRD, International Retail banking in Russia and ALD
Note: the panel of banks used to calculate the TSR includes, in addition to Societe Generale: Barclays, BBVA, BNP Paribas, Crédit Agricole, Crédit Suisse, Deutsche Bank, Intesa Sanpaolo, Nordea, Santander, UBS and Unicredit.

In addition, any excessive risk taking or any behaviour deemed unacceptable by General Management may result in these deferred remuneration components being reduced or forfeited.

2.3.4 Ratio between variable and fixed remuneration for CRD IV regulated staff

The CRD IV Directive introduced a cap on the variable component of remuneration, which cannot exceed the fixed component, with the possibility for the Annual General Shareholders' Meeting to approve a higher maximum ratio of up to 2:1 between variable and fixed components.

In accordance with the regulation and more specifically with Ordinance n°2014-158 of 20 February 2014 which transposed this Directive, **the Annual General Meeting of 20 May 2014 approved a maximum ratio of 2:1 between variable and fixed components of remuneration for the members of the CRD IV Group regulated population**. This decision will remain in force until reconsidered by the General Meeting.

Each regulated staff is compliant with this maximum ratio. For the ex-members of the Group Executive Committee and other members of the Management Committee, who are beneficiaries of a long term incentive plan vesting after five years and awarded in Societe Generale shares or share equivalents, the faculty given by the Ordinance n°2014-518 of 20 February 2014 to apply a discount rate to the part of the variable remuneration awarded in instruments and deferred for at least five years has been applied to compute the ratio between variable and fixed components.

2.3.5 The 2017 variable remuneration pool of the CRD IV regulated staff

The variable remuneration pool awarded to the CRD IV regulated staff with respect to 2017 was 205 M€ and total variable and fixed remuneration amounted to 439,2 M€. This pool leads to a downside of average remuneration, by -11% for the variable component[9] and by -10% in terms of total fixed and variable remuneration[8], at constant exchange rate, as compared to average remuneration of 2016 CRD IV regulated staff. This is due to the broadening of this population, due to inclusion of staff with lower average levels of remuneration, and to the decrease of the variable remuneration awarded to CRD IV regulated staff within Global Banking and Investor Solutions, accounting for the major part of the scope.

2.3.6 Policy concerning guaranteed remuneration

Awarding a guaranteed variable remuneration in the context of hiring a new employee is:

- Strictly limited to one year (in compliance with CRD IV);
- Subject to the terms of the deferred variable remuneration scheme applicable for the given financial year.

2.3.7 Severance payments

Discretionary payments (i.e. payments in excess of severance payments set by law or a collective bargaining agreement due under the binding provisions of labour law), linked to the early termination of an employment contract, are not under any circumstances set contractually in advance (e.g. golden parachutes are strictly forbidden). They are determined at the time the employee leaves the Bank, by taking into account the beneficiary's passed performances, assessed in the light of the collective performances of the activity the employee belongs to as well as the performances of the Group as a whole.

[9] Excluding severance pay

PART 3. REMUNERATION OF CHIEF EXECUTIVE OFFICERS

The remuneration of the Chief Executive Officers complies with the CRD IV and its transposition in France. It also respects the recommendations made by the AFEP-MEDEF Corporate Governance Code. Accordingly, the Board of Directors defines the remuneration of the Chief Executive Officers, on a proposal of the Compensation Committee (cf. 1.1. above). The remuneration policy applied to the Chief Executive Officers is detailed in Chapter 3 of the 2018 Registration Document on the Corporate governance.

PART 4. INFORMATION ABOUT REMUNERATION FOR FINANCIAL YEAR 2017

4.1 The regulated population (individuals whose professional activities have a material impact on the risk profile of the company) excluding Chief Executive Officers

A. Remuneration awarded for the financial year (in MEUR)

	Group Total	Supervisory Council	CIB	GBIS[3] - Others	Retail Banking	Control and Support Functions
Regulated population	805	13	514	38	44	196
Total Remuneration	439.2	1.5	328.6	19.0	24.5	65.6
of which Fixed remuneration	234.2	1.5	176.4	9.7	12.0	34.6
of which Variable remuneration[1]	205.0		152.2	9.3	12.5	31.0
Variable remuneration[1]						
of which upfront part	113.7		83	5.1	6.5	19.1
incuding cash	60.3		42.6	2.7	3.3	11.7
including instruments[2]	53.4		40.4	2.5	3.2	7.4
of which deferred part	91.3		69.3	4.2	6.0	11.9
incuding cash	32.7		24	1.7	2.5	4.5
including instruments	58.6		45.3	2.5	3.4	7.5

(1) Payable in several instalments between March 2018 and October 2023
(2) During the retention period, remaining subject to the potential application of the individual and collective forfeiture condition
(3) Excluding CIB and Support Functions

B. Deferred variable remuneration

a. Summary of the relevant deferred variable plans by instalment and by vehicle (except those applicable to Executive Committee and Management Committee)

Instalments	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Plan 2013	50% Cash 50% Share Equiv.	Cash	Share Equiv.	Share Equiv.				
Plan 2014		50% Cash 50% Share Equiv.	Cash	Share Equiv.	Share Equiv.			
Plan 2015			50% Cash 50% Share Equiv.	Cash	Share Equiv	Share Equiv		
Plan 2016				50% Cash 50% Share Equiv.	Cash	Shares or Share Equiv.	Shares or Share Equiv.	
Plan 2017					50% Cash 50% Share Equiv	Cash	Shares or Share Equiv.	Shares or Share Equiv.

Share Equiv.: Société Générale Share Equivalents are paid out in their cash value after at least 6 months retention period
Shares: Société Générale performance shares with a vesting period of at least 2 years followed by retention period of 6 months for residents of France

b. Outstanding deferred variable remuneration

The amount of outstanding deferred remuneration corresponds this year to the outstanding deferred variable remuneration awarded with respect to 2017, 2016, 2015, 2014, 2013, 2012 and 2010.

Amounts of conditional deferred remuneration in MEUR (1)	
With respect to 2017 financial year	**With respect to prior financial years**
144.7 (2)	212.9

(1) Expressed as value at award date and subject to ex post explicit and implicit adjustments
(2) Including vested instruments, subject to retention period of six months, during which the appropriate management of risks and compliance condition applies.

All outstanding deferred variable remuneration is exposed to possible explicit adjustments (performance conditions and clause concerning appropriate management of risks and compliance) and/or implicit adjustments (indexation on share price).

c. Deferred variable remuneration paid out or reduced through performance adjustments for the financial year

Year of award	Amount of reduction during the year due to ex post explicit adjustments	Amount of reduction during the year due to ex post implicit adjustments (2)	Amount of deferred remuneration vested in €m - Value at time of vesting/of payment (1)
2016	0	7.3	64.0
2015	0	0.1	35.0
2014	0	6.2	39.6
2013	0	3.3	44.4
2012	0	1.0	2.8
2010	0	0	0.1

(1) Including vested instruments, subject to retention period of six months to one year, during which the appropriate management of risks and compliance condition applies.
(2) Corresponds to the difference between the amount of deferred variable remuneration in value at award and in value at the time of vesting/payment due to implicit adjustments (i.e. The variation of the SG share value).

C. Severance payments, Sign-on awards and Guaranteed bonuses paid out during the financial year

Total amount of severance payments made and number of beneficiaries		Sign-on awards made and number of beneficiaries		Guaranteed bonuses paid out during the financial year and number of beneficiaries	
Amount paid out in M€	> **Number of beneficiaries**	**Amount paid out in M€**	**Number of beneficiaries**	**Amount paid out in M€**	**Number of beneficiaries**
23.7	22	0	0	1.1	7

D. Severance awards

Amount of severance payments awarded during the financial year	
Total amount	**Number of beneficiaries**
0	0
Highest such award	
0	

4.2. Chief Executive Officers

Chief Executive Officers in the financial year 2017 were Messrs Bini Smaghi, Oudéa, Cabannes, Sanchez Incera and Valet.

The remuneration of Chief Executive Officers was subject to a specific disclosure following the Board of Directors meeting held on 7th February 2018 that approved the variable remuneration awards for 2017.

A. Remuneration awarded for the financial year (in MEUR)

Number of beneficiaries	5
Total Remuneration	10.5
of which Fixed remuneration	4.6
of which Variable remuneration (1)	5.9
Variable remuneration	
of which upfront part	1.3
including cash	0.7
including instruments	0.7
of which deferred part	4.6
including cash	0.7
including instruments	3.9

Note : (1) The amounts are inclusive of long-term incentive plan attributed for 2017 in February 2018.

B. Deferred variable remuneration

a. Outstanding deferred variable remuneration

The amount of outstanding deferred remuneration corresponds this year to the outstanding deferred variable remuneration awarded with respect to 2017, 2016, 2015, 2014 and 2013.

Amounts of conditional deferred remuneration in MEUR (1)	
With respect to 2017 financial year	**With respect to prior financial years (2)**
5.2	14.1

(1) Expressed as value at award date and subject to ex post explicit and implicit adjustments
(2) These amounts include the long-term incentives awarded for 2013, 2014, 2015 et 2016

b. Deferred conditional remuneration paid out or reduced through performance adjustments for the financial year

Year of award	Amount of reduction during the year due to ex post explicit adjustments	amount of reduction during the year due to ex post implicit adjustments (3)	Amount of deferred remuneration vested in €m - Value at time of vesting/of payment (1)
2016	0	0.0	0.3
2015	0	0.3	1.7
2014	0	0.1	0.8
2013	0.3 (2)	0.2	1.7
2012	0	2.5	3.6

(1) Including vested instruments, subject to retention period of six months to one year.
(2) The amount of deferred remuneration reduced corresponds to explicit adjustments (performance conditions not met).
(3) Corresponds to the difference between the amount of deferred variable remuneration in value at award and in value at the time of vesting/payment due to implicit adjustments (i.e. The variation of the SG share value).

C. Sign-on and severance payments made during the financial year

Total amount of severance payments made and number of beneficiaries		Sign-on awards made and number of beneficiaries		Guaranteed bonuses paid out during the financial year and number of beneficiaries	
Amount paid out in M€	> **Number of beneficiaries**	**Amount paid out in M€**	**Number of beneficiaries**	**Amount paid out in M€**	**Number of beneficiaries**
0	0	0	0	0	0

D. Severance awards

Amount of severance payments awarded during the financial year	
Total amount	**Number of beneficiaries**
0	0
Highest such award	
0	

4.3. Global remuneration equal or above 1 M€

Number of regulated staff (including Chief Executive Officers) whose global remuneration related to 2017 activity is equal to or above 1 M€

Total Remuneration by brackets M€	Nb of staff
[1 - 1,5[	58
[1.5 - 2[	7
[2 -2.5[	8
[2.5 - 3[	0
[3 – 3.5[	1
Total	**74**

Among the 74 beneficiaries of global remuneration equal to or above 1 M€, 38 are located outside France and 36 in France.

4.2 Employee share plan: update of page 251 of 2018 Registration Document

2018 Plan

Based on a proposal from the Compensation Committee, the Board of Directors, at its meeting of 14th March 2018, granted performance shares to certain members of staff in accordance with the 19th and 20th resolutions of the General Meeting held earlier that day.

Pursuant to the 19th resolution, the performance shares granted under the specific loyalty and remuneration policy for regulated persons as defined by banking regulations (including Chief Executive Officers and Executive Committee members) represent 0.10% of the share capital, corresponding to a total of approximately 828,000 shares. Their vesting periods range from two to six years, followed by a holding period of at least six months. These shares are wholly subject to performance conditions specific to each Core Business and business line.

Pursuant to the 20th resolution, the beneficiaries of the long-term incentive plan numbered 5,424, receiving approximately 862,000 shares in total, i.e. 0.11% of the share capital. The Chief Executive Officers and members of the Group Management Committee were not beneficiaries of the plan. Plan beneficiaries comprised 2,201 women and 3,223 men belonging to other employee categories (including non-executives) spread over nearly 63 different countries; 40% work outside France.

All shares are granted subject to a condition of presence throughout the vesting period as well as a performance condition based on the Societe Generale Group's net income. The shares will definitively vest for each beneficiary after three years.

MAIN IMPACTS

1. **An increase in impairment and provisions for credit risk of EUR 1,054 million** which results in a total amount of EUR 14,347 million as at 1 January 2018. This increase breaks down as follows:
   - a reversal of EUR 137 million related to impairment on financial assets whose classification and measurement were modified;
   - an increase of EUR 925 million in impairment of financial assets results from the transition from an incurred loss model to an expected loss model; and
   - an increase of EUR 266 million in provisions on guarantee and loan commitments.

2. **A reduction of EUR 912 million in the Group's balance sheet**, which totaled EUR 1,274,216 million as at 1 January 2018. This decrease can be explained by 3 main reasons:
   - an increase of EUR 925 million in credit risk impairment of financial assets that reduces the net carrying amount of those assets;
   - a downward adjustment of EUR 282 million in respect of asset value due to modified measurement method under IFRS 9; and
   - an impact of these adjustments on deferred taxes that generates an increase of tax assets of EUR 295 million.

3. **High capital level maintained by the Group**: the fully-loaded Common Equity Tier 1 ratio is down by just **14 basis points as at 1 January 2018.**

IFRS 9 FIRST-TIME APPLICATION

Aiming to replace IAS 39, IFRS 9 sets out new classification and measurement rules for financial assets and liabilities, a new credit risk impairment model for financial assets and guarantee and loan commitments and new hedge accounting requirements, except for macro-hedge transactions which are addressed by the IASB in a separate accounting standard project.

As from 1 January 2018, the Group applies IFRS 9 as adopted by the European Union as of 22 November 2016. The Group did not early apply IFRS 9 in prior periods.

As allowed by the transition guidance of IFRS 9, the Group will not restate the comparative figures for prior periods. Consequently, as far as financial instruments are concerned, comparative figures for 2017 that will be provided with figures related to 2018 in consolidated financial statements will remain as determined according to IAS 39 as adopted by the European Union.

Moreover, as allowed by the transition guidance of IFRS 9, the Group will continue to apply the hedge accounting requirements of IAS 39 as adopted by the European Union.

Any change in asset or liability value due to the first-time application of IFRS 9 as at 1 January 2018 is recognised directly in equity on that date.

According to recommendations issued by market authorities (ESMA and AMF), the Group has decided to early apply (as from 1 January 2018) the amendment to IFRS 9 related to prepayment features with negative compensation issued by the IASB as at 12 October 2017 and adopted by the European Union as of 22 March 2018.

As allowed by the European Union through its adoption of the amendment of IFRS 4 "Applying IFRS 9 - Financial Instruments with IFRS 4 - Insurance Contracts" as of 3 November 2017, the Group decided that all its insurance subsidiaries will defer the effective date of IFRS 9 and will continue to apply IAS 39 as adopted by the European Union.

The following tables presented in the two next pages reconcile the asset side of the balance sheet as of 31 December 2017, prepared in compliance with IAS 39, and the asset side of the balance sheet as of 1 January 2018, prepared in compliance with IFRS 9.

We continue to test and secure the new accounting processes, internal controls and governance framework required by the adoption of IFRS 9. Therefore, the estimation of expected credit losses and related impacts remains subject to change until finalisation of the consolidated financial statements for the year ending 31 December 2018.

(In EUR m)	Balance as of 31.12.2017 IAS 39	Reclassifications						Reclassified balance
		of investment of insurance activities	of available-for-sale financial assets	of held-to-maturity financial assets	of non-SPPI loans and receivables	of loans and receivables regarding their business model	others	
		A	B	C	D	E	F	
Cash, due from banks	114,404							114,404
Financial assets at fair value through profit or loss	419,680	(54,598)	2,422		643	644	537	369,328
Hedging derivatives	13,641	(420)					(503)	12,718
Financial assets at fair value through other comprehensive income	N/A		49,874	485		80		50,439
Available-for-sale financial assets	139,998	(84,731)	(55,267)					-
Securities at amortised cost	N/A		2,971	3,078			5,650	11,699
Due from banks at amortised cost	60,866	(7,103)			(5)	(80)	(18)	53,660
Customer loans at amortised cost	425,231	(141)			(638)	(644)	(5,580)	418,228
Revaluation differences on portfilios hedged against interest rate risk	663							663
Investment of insurance activities	N/A	147,611						147,611
Held-to-maturity financial assets	3,563			(3,563)				-
Tax assets	6,001							6,001
Other assets	60,562						(86)	60,476
Non-current assets held for sale	13							13
Investments accounted for using the equity method	700							700
Tangible and intangible fixed assets	24,818	(618)						24,200
Goodwill	4,988							4,988
Total	**1,275,128**	-	-	-	-	-	-	**1,275,128**

RECLASSIFICATIONS

Grouping of investment of insurance activities *(column A)*

Following the decision by the Group to defer the application of IFRS 9 for its insurance activity subsidiaries, all financial assets and real-estate investments held by those entities have been grouped in a specific line of the balance sheet (*Investment of insurance activities*) in which financial assets remain recorded in compliance with IAS 39.

Reclassification of available-for-sale and held-to-maturity financial assets *(columns B and C)*

Applying IFRS 9 causes the disappearance of the accounting categories *Available-for-sale financial assets* and *Held-to-maturity financial assets*. Consequently, except for instruments grouped in the line *Investment of insurance activities*, instruments previously included in those categories have been reclassified in the new IFRS 9 accounting categories according to the characteristics of their contractual cash flows and their business model.

As of 31 December 2017, except for investment of insurance activities, available-for-sale financial assets included debt securities (bonds and equivalent securities) for EUR 53,464 million and equity securities (shares and equivalent securities) for EUR 1,803 million.

- Debt securities are mainly held as part of the cash management activities for the Bank's own account and as part of the management of HQLA (High Quality Liquid Assets) portfolios included in the liquidity buffer. Those securities, whose contractual cash flows are SPPI, are primarily classified as *Financial assets at fair value through other comprehensive income* for EUR 49,584 million in compliance with their business model which implies regular sales of assets from liquidity buffer portfolios. The business model implying collecting contractual cash flows is only marginally applied by some subsidiaries for their HQLA portfolios which have therefore been classified as *Securities at amortised cost* for EUR 2,971 million.
- Other debt securities belong mainly to residual portfolios of securitisation assets managed in run-off which have therefore been classified as *Financial assets at fair value through profit or loss* for EUR 895 million.
- Equity securities have been classified by default as *Financial assets at fair value through profit or loss* for EUR 1,513 million. The option to measure shares at fair value through other comprehensive income without later reclassification through profit or loss has been very marginally adopted by the Group (EUR 290 million).

Financial assets previously classified as *Held-to-maturity financial assets* included exclusively debt securities with SPPI contractual cash flows. Those securities are held for the management of the Group liquidity buffer which implies collecting their contractual cash flows. Consequently, they have been classified as *Securities at amortised cost* for EUR 3,078 million. Marginally, some long-term securities have been classified as *Financial assets at fair value through other comprehensive income* considering their specific business model which can imply selling assets (EUR 485 million).

(In EUR m)	Reclassified balance	Value adjustments: Reclassification effects	Credit risk impairment	Deferred Tax effects	Balance as of 01.01.2018 IFRS 9 (1)
		G	H	I	
Cash, due from banks	114 404				114 404
Financial assets at fair value through profit or loss	369 328	(216)			369 112
Hedging derivatives	12 718				12 718
Financial assets at fair value through other comprehensive income	50 439	29			50 468
Available-for-sale financial assets					-
Securities at amortised cost	11 699	(100)	(7)		11 592
Due from banks at amortised cost	53 660		(4)		53 656
Customer loans at amortised cost	418 228	50	(887)		417 391
Revaluation differences on portfolios hedged against interest rate risk	663				663
Investment of insurance activities	147 611				147 611
Held-to-maturity financial assets					-
Tax assets	6 001			291	6 292
Other assets	60 476		(27)		60 449
Non-current assets held for sale	13				13
Investments accounted for using the equity method	700	(45)		4	659
Tangible and intangible fixed assets	24 200				24 200
Goodwill	4 988				4 988
Total	**1 275 128**	**(282)**	**(925)**	**295**	**1 274 216**

(1) except for insurance activity subsidiaries

Marginal amount of non-SPPI loans and receivables *(column D)*

The amount of loans and receivables with non-SPPI contractual cash flows is limited: EUR 643 million has been reclassified among *Financial assets at fair value through profit or loss*. Those instruments are mainly loans that include prepayment features with compensation that do not reflect the effect of changes in the benchmark interest rate.

Limited impact of reclassifications related to the business model *(column E)*

Loans and receivables to customers reclassified as *Financial assets at fair value through profit or loss* for EUR 644 million include mainly:

- the portion of syndicated loans that are not intended to be kept by the Group and that have been identified since their origination as to be sold in the short term on the secondary market; and
- residual outstandings of CDO (Collateralised Debt Obligations) tranches and ABS (Asset Backed Securities) tranches presented among loans and receivables since their reclassification in 2008 and that are intended to be sold through an organised and pre-determined disposal program.

Other reclassifications *(column F)*

Hedging derivative instruments, for which the hedged financial asset has been reclassified as *Financial assets at fair value through profit or loss,* have been de-designated and reclassified as trading instruments for an amount of EUR 503 million on the asset side. Moreover, bonds which were considered to be loans and receivables under IAS 39 as those instruments are unquoted, have been reclassified as *Securities at amortised cost* for an amount of EUR 5,612 million.

VALUE ADJUSTEMENTS

Limited effects of reclassifications *(column G)*

The balance sheet value of financial assets, which have been reclassified according to IFRS 9, has been adjusted based on their new measurement method. Those adjustments include EUR 137 million of credit risk impairment reversal on financial assets reclassified as *Financial assets at fair value through profit or loss*.

Increase in credit risk impairment *(column H)*

The application of the new accounting model for credit risk causes an adjustment of impairment related to financial assets measured at amortised cost (increase of EUR 925 million). This adjustment concerns mainly loans to customers.

Tax effects *(column I)*

The tax effects of those adjustments changed the amounts of deferred tax assets and liabilities in the Group balance sheet.

RECONCILIATION OF THE LIABILITY SIDE BETWEEN IAS 39 AND IFRS 9

The following table reconciles the liability side of the balance sheet as of 31 December 2017 prepared in compliance with IAS 39 and the liability side of the balance sheet as of 1 January 2018 prepared in compliance with IFRS 9.

		Reclassifications			Value adjustments			
(In EUR m)	**Balance as of 31.12.2017 IAS 39**	of insurance liabilities	of own credit adjustments	others	Reclassification effects	Credit risk impairment and provisions	Deferred Tax effects	**Balance as of 01.01.2018 IFRS 9 (1)**
		A	B	C	D	E	F	
Due to central bank	5 604							5 604
Financial liabilities at fair value through profit or loss	368 705	(759)		604				368 550
Hedging derivatives	6 750			(604)				6 146
Debt securities issued	103 235							103 235
Due to banks	88 621							88 621
Customer deposits	410 633							410 633
Revaluation differences on portfolios hedged against interest rate risk	6 020							6 020
Tax liabilities	1 662						(54)	1 608
Other liabilities	69 139							69 139
Non-current liabilities held for sale	-							-
Underwriting reserves of insurance companies	130 958	(130 958)						-
Liabilities related to insurance activities contracts		131 717						131 717
Provisions	6 117				(38)	266		6 345
Subordinated debt	13 647							13 647
Total liabilities	**1 211 091**	**-**	**-**	**-**	**(38)**	**266**	**(54)**	**1 211 265**
SHAREHOLDERS' EQUITY								
Shareholders' equity, Group share								
Issued common stocks, equity instrumnts and capital reserves	29 427							29 427
Retained earnings	27 791		724		113	(1 031)	101	27 698
Net income	2 806							2 806
Sub-total	**60 024**	**-**	**724**	**-**	**113**	**(1 031)**	**101**	**59 931**
Unrealised or deferred capital gains and losses	(651)		(724)		(329)	5	196	(1 503)
Sub-total equity, Group share	**59 373**	**-**	**-**	**-**	**(216)**	**(1 026)**	**297**	**58 428**
Non-controlling interests	4 664				(28)	(165)	52	4 523
Total equity	**64 037**	**-**	**-**	**-**	**(244)**	**(1 191)**	**349**	**62 951**
Total	**1 275 128**	**-**	**-**	**-**	**(282)**	**(925)**	**295**	**1 274 216**

(1) except for insurance activity subsidiaries

RECLASSIFICATIONS

Grouping of liabilities related to insurance contracts *(column A)*

Following the decision by the Group to defer the application of IFRS 9 for its insurance activity subsidiaries, liabilities related to insurance contracts (underwriting reserves of insurance companies and derivatives instruments) have been grouped in a specific line of the balance sheet (*Liabilities related to insurance activities contracts*).

OCA (Own Credit Adjustment) *(column B)*

Revaluation differences on financial liabilities designated at fair value through profit or loss using fair value option, related to Group own credit risk (also called OCA) are now recorded among *Unrealised or deferred capital gains and losses*, without subsequent reclassification in profit or loss. The cumulated differences as of 31 December 2017 amount to EUR 724 million.

Other reclassifications *(column C)*

Hedging derivative instruments for which the hedged financial asset has been reclassified as *Financial assets at fair value through profit or loss* have been de-designated and reclassified as trading instruments for an amount of EUR 604 million on the liability side.

VALUE ADJUSTMENTS

Limited increase in provisions for credit risk *(column E)*

The application of the new accounting model for credit risk causes an adjustment of provisions on guarantee and loan commitments for an amount of EUR 266 million in addition to an adjustment of impairment on the asset side.

Tax effects (column F)

The tax effects of those adjustments changed the amounts of deferred tax assets and liabilities in the Group balance sheet.

Equity *(columns D, E and F)*

The value adjustments recorded as of 1 January 2018 on Group assets and liabilities in compliance with IFRS 9 have been recorded with a corresponding entry in equity. Those adjustments are mainly due to the application of the new accounting model for credit risk (EUR -1,191 million).

Moreover, adjustments of impairment on debt financial assets at fair value through other comprehensive income have been reclassified from *Unrealised or deferred capital gains and losses* to *Retained earnings* (EUR 5 million).

6 Chapter 7: Share, Share capital and legal information

6.1 Share buybacks and treasury shares – update of pages 535 to 537 of the 2018 Registration Document

At 31st March 2018, the Societe Generale Group held 6,087,747 shares under its share buyback program (of which 0 share under its liquidity contract), representing 0.75% of its capital.

At 31st March 2018	Number of shares	Nominal value (in euros)	Book value (in euros)
Societe Generale*	6,087,747	7,609,684	241,958,655
Total	**6,087,747**	**7,609,684**	**241,958,655**

* Of which liquidity contract (0 share).

7 Chapter 8: Person responsible for the update of the Registration Document

7.1 Person responsible for the update of the Registration Document

Mr. Frédéric OUDÉA
Chief Executive Officer of Societe Generale

7.2 Statement of the person responsible

I hereby certify that, after taking all reasonable measures for this purpose, the information contained in this update of the 2018 Registration Document is, to the best of my knowledge, in accordance with the facts and that it contains no omission likely to affect its meaning.

I have received a completion letter from the Statutory Auditors stating that they have audited the information about the financial position and accounts contained in this update, and that they have read the 2018 Registration Document and this update in their entirety.

Paris, on 7 May 2018

Mr. Frédéric OUDÉA
Chief Executive Officer of Societe Generale

7.3 Persons responsible for the audit of the accounts

STATUTORY AUDITORS

Name: Société Ernst & Young et Autres
represented by Mrs. Isabelle Santenac

Address: 1/2, place des Saisons
92400 Courbevoie – Paris-La Défense 1 (France)

Date of appointment: 22 May 2012

Duration of current term of office: six financial years

End of current term of office: at the close of the Ordinary General Meeting called to approve the accounts for the year ended 31 December 2017

Name: Société Deloitte & Associés
represented by Mr. José-Luis Garcia

Address: 185, avenue Charles-de-Gaulle
92524 Neuilly-sur-Seine Cedex (France)

Date of first appointment: 18 April 2003

Date of renewal: 22 May 2012

Duration of current term of office: six financial years

End of current term of office: at the close of the Ordinary General Meeting called to approve the accounts for the year ended 31 December 2017

SUBSTITUTE STATUTORY AUDITORS

Name: Société Picarle et Associés

Address: 1/2, place des Saisons
92400 Courbevoie – Paris-La Défense 1 (France)

Date of appointment: 22 May 2012

Duration of current term of office: six financial years

Name: Société BEAS

Address: 195, avenue Charles-de-Gaulle
92524 Neuilly-sur-Seine Cedex (France)

Date of appointment: 22 May 2012

Duration of current term of office: six financial years

The companies Ernst & Young et Autres and Deloitte & Associés are registered as Statutory Auditors with the Compagnie régionale des Commissaires aux comptes de Versailles.

8 - Chapter 9 : Cross-reference table

8.1 Cross-reference table of the update