



CORPORATE AND SOCIAL RESPONSIBILITY

2015 • 2016
REPORT

STRENGTHENING CORPORATE RESPONSIBILITY

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OUR AMBITION

To be the relationship-focused bank, a reference in its markets, close to its clients and chosen for the quality and commitment of its teams.

31 MILLION CLIENTS: INDIVIDUALS, PROFESSIONALS, COMPANIES & FINANCIAL INSTITUTIONS⁽¹⁾

146,000 EMPLOYEES*

IN 66 COUNTRIES

NET BANKING INCOME

EUR **25.6** bn

GROUP NET INCOME

EUR **4.0** bn

**OUR
VALUES**

TEAM SPIRIT
INNOVATION
RESPONSIBILITY
COMMITMENT

A ROBUST UNIVERSAL BANKING MODEL

FRENCH RETAIL BANKING

3 complementary brands at the forefront of the digital transformation

39,000 employees* and 3,085 branches at the end of 2015

12 million individual clients including 810,000 professional, corporate and non-profit clients

EUR **178** bn in outstanding loans

INTERNATIONAL BANKING AND FINANCIAL SERVICES

Leading franchises with recognised expertise

73,000 employees* in 52 countries

32 million individual, professional, and corporate clients (including 1.2 million businesses and 13.4 million insurance policyholders)

EUR **106** bn in outstanding loans

CORPORATE AND INVESTMENT BANKING, PRIVATE BANKING, ASSET MANAGEMENT AND SECURITIES SERVICES

At the hub of economic flows between issuers and investors

22,000 employees* across 28 countries

More than **5,500** clients

EUR **135** bn in outstanding loans

* Rounded figure. Headcount at end-2015 excluding temporary staff.

(1) Excluding Insurance policyholders.



Crédit photo Antoine Doyen

Frédéric Oudéa
 Chief Executive Officer

For Societe Generale, being a responsible company lies at the very heart of our business lines' mission and reflects the essence of the relationship bank of reference that we strive to be. As a key player in financing the economy, our mission is to offer the best solutions to advise and connect individuals, companies and institutions, in order to support them in the development of their projects, the management of their financial means and their risk coverage. Sensitive to the different stakeholders within our ecosystem, we also strive to ensure the generation of a long-term positive impact on the environment surrounding us.

In 2015 we continued our proactive approach initiated in the 2000s with the signature of national and international commitments that bear the hallmark of precise and demanding principles. The Group also signed a global agreement with UNI Global Union as part of its commitment to respect human rights and labour rights in all its countries of operation. Furthermore, it joined the Manifesto on Positive Impact Finance of the United Nations Environment Programme to identify the environmental and social impacts of its activities and reduce them in compliance with international best practices. Moreover, in correlation with the COP21 held in the same year, Societe Generale in 2015 announced its ambitious commitments for the climate, which aim to contribute towards limiting the global temperature rise to less than 2°C by 2100.

In this manner, the Societe Generale Group positions itself as a prominent banking player at the forefront of the global playing field for its CSR accomplishments and its transparency: in 2015, Societe Generale made its comeback among the first quartile of banks according to RobecoSam, and Vigeo ranked it as the first company among 1,300 multinationals for quality and relevance of CSR information.

Accordingly, the Group is firmly committed to being a solid, responsible financial player aiming to serve its customers. This commitment is held by all of us, and rests upon our exemplary individual and collective behaviour. I am convinced that the leadership model that we have decided to adopt, applicable to all employees and centred on four client-focused values – team spirit, innovation, responsibility and commitment – will enable us to consolidate our position among the most responsible banks on a global level.

”

COMMITMENTS, CHALLENGES AND AMBITION

GROUP COMMITMENTS

Societe Generale conducts its business with the utmost respect for the values and principles under:

- The Universal Declaration of Human Rights and its associated covenants;
- The fundamental conventions of the International Labour Organisation;
- The UNESCO World Heritage Convention;
- The OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises.

In addition, Societe Generale has shown its voluntary commitment since 2000 to the following public or private initiatives:

- **2000:** founding member of the Wolfsberg Group;
- **2001:** joined the United Nations Environment Programme Finance Initiative (UNEP-FI);
- **2003:** joined the United Nations Global Compact, which encourages companies to integrate principles relating to human rights, working conditions and the fight against corruption;
- **2004:** signed the Diversity Charter (France);
- **2007:** adopted the Equator Principles;
- **2007:** signed the SME Pact (France);
- **2010:** signed the “Responsible Supplier Relations” Charter (France);
- **2014:** signed the Joint Declaration organised by Transparency International France for the promotion of transparent, honest lobbying;
- **2014:** support for the Green Bond Principles;
- **2014:** Lyxor signed the Principles for Responsible Investment (PRI);
- **2015:** signed a Global Agreement on Fundamental Rights with UNI Global Union;
- **2015:** Séverin Cabannes (Deputy Chief Executive Officer) launched the “Positive Impact Manifesto” on behalf of the Banking Commission of the UNEP-FI.
- **2015:** joined the “Soft Commodities Compact” of the Banking Environment Initiative (with the Consumer Goods Forum) to fight deforestation;
- **2015:** subscribed to the “Principles for Mainstreaming Climate Actions within Financial Institutions”, launched during COP21.

VOLUNTARY PRINCIPLES FOR MAINSTREAMING CLIMATE ACTION

On the sidelines of the COP21 climate change conference in December 2015 Societe Generale, along with 25 other major international financial institutions, adopted the voluntary principles for Mainstreaming Climate Action within Financial Institutions. This initiative, which was spearheaded in particular by major players in development financing, such as the World Bank, the European Investment Bank and the French Development Agency, but has also been joined by private institutions, aims to organise climate action within financial institutions.

The five principles are as follows:

1. Commit to climate strategies

Commit publicly by adopting a climate strategy that is driven by senior management, which defines its priorities and targets.

2. Manage climate risks

Participate in the current work in progress on defining, assessing and managing climate risks. Work with clients to identify and finance the measures needed to adapt to climate changes.

3. Promote climate smart objectives

Generate tools and financial instruments designed to overcome risks and barriers to financing low carbon projects and/or projects that are resilient to natural hazards (such as green bonds, risk-sharing mechanisms, blended finance, etc.).

4. Improve climate performance

Define indicators for tracking and monitoring performance, and steer the progress towards achieving the objectives.

5. Account for your climate action

Report on the implementation and results of the climate action taken.

The principles have been drawn up based on the best practices adopted by financial institutions. A document has been published listing emerging practices and illustrating some of the solutions that have already been implemented within institutions that are supporting the initiative. Societe Generale participated in this publication by proposing two measures: the issue of a positive impact bond for funding projects that contribute to the fight against climate change (Principle 3) and implementation of an internal carbon tax (Principle 4).

ENVIRONMENTAL AND SOCIAL GENERAL GUIDELINES

Societe Generale's proactive role in financing the real economy makes it aware of the environmental, social and economic convergence issues at play within its sphere of influence and makes it intent to factor them into its business. For the last ten years or so, the credit risk and reputation management policies and processes have thus gradually incorporated the assessment of Environmental and Social (E&S) criteria.

In addition to its regulatory obligations, the Group has made many voluntary commitments related to these topics. All these obligations and commitments are set out in the Environmental and Social General Guidelines and the sector and cross-sector policies appended to them. They have Internal Directive status, are signed by the Chief Executive Officer, and apply to the entire Group. These principles constitute the global reference framework for applying E&S evaluation procedures, which were first developed for the Investment Banking activities and are gradually being applied to the other activities of the Group (See p. 26, E&S Sector and Cross-Sector Policies). The Group's Environmental and Social General Guidelines are available on its website. They are regularly revised to best reflect the consideration of E&S challenges in the economic and social sphere.

In 2015, the Group reaffirmed its commitment to the fight against climate change by establishing a climate strategy that is consistent with the international objective of limiting global warming to 2°C (see p. 40, The Group's climate strategy). Within this framework, Societe Generale has committed to an overall reduction in its coal-related activities (consistent with the IEA's 2°C scenario) and, starting now, will no longer be involved in financing coal-fired power plant projects in high-income OECD countries or financing coal mine development projects. Societe Generale is also reinforcing its commitment to the fight against deforestation by adopting the Soft Commodities Compact of the Banking Environment Initiative.

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> SECTORAL POLICIES

HUMAN RIGHTS

Regarding human rights, the General Guidelines list in particular the standards and initiatives that Societe Generale has committed to respect and has identified as the most significant for the E&S evaluation of its clients:

- The Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights;
- The Fundamental Conventions of the International Labour Organisation, which address, in particular, issues related to forced labour, child labour, discrimination and freedom of association;
- The United Nations Principles on Business and Human Rights;
- The OECD Guidelines for Multinational Enterprises;
- The United Nations Global Compact.

Many sectorial initiatives referenced in the E&S policies as being the framework expected at the Group's customer companies also incorporate the human rights dimension.

These commitments to human rights in the Group's sphere of influence are consistent with the signing of a global framework agreement on fundamental rights with UNI Global Union.

It reinforces the commitments made in Societe Generale's Code of Conduct, which has been transposed into an internal directive, to respect human rights and recognise fundamental rights at work, notably making sure employment and working conditions are fair, not tolerating any discrimination in working relationships, and complying with all health and safety regulations. With respect to freedom of association, Societe Generale is committed to respecting the right of all employees to organise, to be members of a union and to bargain collectively. Furthermore, it sets out procedures to give unions affiliated with UNI access to the company to make it easier for them to speak to employees. (See p. 62, interview with Mr E. Malo-Henry)

The sanction mechanism applicable to all Societe Generale employees was also revised in 2015 to be consistent with the Code of Conduct. The Leadership Model, Code of Conduct and sanction mechanism are therefore all interrelated. This mechanism has been transmitted to all managers.

The agreement also covers relationships with business partners by means of the Group Instruction on responsible sourcing included in the appendix (See p. 62, Promoting a quality employer-employee dialogue). This agreement is regularly monitored with UNI Global Union.

BIODIVERSITY

Regarding biodiversity, Societe Generale adopted a specific E&S policy in 2012, which applies to all Group banking and financial operations through review procedures conducted on specific transactions and customers. The E&S General Guidelines also list the UNESCO World Heritage Convention among the international conventions with which the bank undertakes to comply. Lastly, the normative framework of the Equator Principles includes specific standards on biodiversity.

EQUATOR PRINCIPLES

Adopted by the Group in 2007, and revised in 2013, the Equator Principles (EP) constitute one of the initiatives that underlie the Environmental and Social (E&S) General Guidelines. Dedicated internal procedures and tools are used to ensure their implementation. The EP are intended to serve as a common framework for the financial sector to identify, evaluate and manage the E&S risks of projects for which the 83 international financial institutions that have joined the initiative to date provide financing and advice.

Initially dedicated to structured project financing and project finance advisory, the EP have applied since 2014 to a broader set of transactions and services, including bridge loans and certain project-related corporate loans.

In "non-designated" countries (today consisting of non "high income OECD countries"), the initiative requires the dedicated transactions for which an E&S evaluation is required to be compliant with the Performance Standards of the International Finance Company (IFC) of the World Bank Group. In particular these standards cover human rights through the evaluation of the working conditions and rights of the

workers, the affected population resettlement and the impact on the indigenous populations. With regard to the environment, they establish the best practices expected in terms of management and control of pollution, industrial risks and impact on biodiversity.

In 2015, the EP introduced new reporting obligations in order to improve transparency on transactions financed by members of the association. Accordingly, Societe Generale published a first annual report (which can be consulted on the Group's institutional website) dedicated to the initiative's implementation and discloses the list of project loans within the EP scope in which the bank participates.

Each year the bank participates in the EP General Meeting and in the initiative's working groups.

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> **EQUATOR PRINCIPLES**

> **EP REPORT**

CSR PRIORITY ISSUES

The Corporate Social Responsibility (CSR) policy ensures that the Group upholds each of its commitments and makes sustainable progress according to priority areas related to its global strategy that respond to two types of challenges:

- the relative significance for external stakeholders with particular attention given to the expectations of non-financial rating agencies and particularly RobecoSAM;
- the potential impacts on the business model in the medium and long term (results, risks, competitiveness, opportunities, innovation, role of the bank, human capital, operational effectiveness).

The challenges (17 in total) were sorted by the CSR and Sustainable Development Department jointly with a group of experts according to their level of maturity or Group performance (existence of objectives, performance indicators, level of the non-financial rating, or points of view of other stakeholders).

They represent the Group's CSR action priorities developed for 2015 in this document completed by the Registration document.

Essential	Supporting emerging countries and new economic actors' development Sustainability of the bank through comprehensive risk management, including environmental and social aspects Compliance with rules and regulations
Very Important	Transparent and efficient corporate governance Business ethics Customer satisfaction Career management/Mobility Employability Eco-friendly business activities Respect for human rights in our activities
Important	"Sustainable development" products Engaging compensation policy Diversity Quality of life at work
Relevant	Involvement in international initiatives on environmental and social topics related to finance Transparent, relevant and reliable information on Environmental, Social and Governance (ESG) aspects
Visible	Sponsorship and partnerships

THE REFERENCE BANK

Societe Generale's aim is to become a benchmark in CSR policy among Europe's leading financial institutions. Since 2014, this ambition has been demonstrated by the incorporation of the Group's non-financial performance into the compensation components of

approximately 46,000 people (Societe Generale employees in France). This same criterion is also one of the qualitative criteria applicable to the assessment of Chief Executive Officers and/or Directors when determining a portion of their variable compensation.

A RELATIONSHIP BANKING CULTURE BASED ON COMMON VALUES

Societe Generale aims to set the standard for relationship banking, working closely with its customers and chosen for the quality and commitment of its teams. This means placing the customer at the centre of the bank's concerns.

To achieve this, Societe Generale redefined its fundamental values in 2014 (the values of commitment and responsibility were added to the historical values of innovation and team spirit), then emphasised the behaviours through which these values should be expressed

by all employees to the benefit of its customers. This approach to employee behaviour relies on the new Societe Generale Leadership Model and has helped to reinforce a corporate culture combining the ambition to develop activities (innovation), the desire to set an example as an individual (commitment) and as a group (team spirit), as well as the concern for ethics and compliance with rules (responsibility). (See p. 58, Developing a relationship banking culture based on common values)



> FIND ALL THE DATA OF THE REPORT

CSR GOVERNANCE AND MANAGEMENT

GROUP GOVERNANCE

The Societe Generale Group has clear and transparent governance. It ensures duly controlled decision-making best serving the company's long-term interests while ensuring that the expectations of its major stakeholders are met, in compliance with the regulations. The fundamental operating principles of the governance bodies are described in the Internal Rules, which have been recast to incorporate, in particular, the provisions of Directive CRD4 and also, for ease of reference, the Directors' Charter (cf. chapter 7 of the Registration Document), and the Directors are obliged to comply with the Charter, which guides their actions.

The compensation of Chief Executive Officers complies with the European Capital Requirements Directive (CRD4) of 26th June 2013, whose aim is to establish remuneration policies and practices that are compatible with effective risk management. In accordance with the CRD4 Directive which principles on compensations have been in effect since 1st January 2014 and its transposition into French law, the Compensation Committee ensured that the Group's compensation policies comply not only with regulations, but also with the company's risk management policy and capital targets. Societe Generale also applies the recommendations of the AFEP-MEDEF Corporate Governance Code.

MISSION AND ORGANIZATION OF THE BOARD OF DIRECTORS

The Board of Directors appointed Mr. Lorenzo Bini Smaghi Chairman of the Board of Directors following the separation of the offices of Chairman of the Board of Directors and Chief Executive Officer on 19th May 2015.

The Board of Directors defines the Company's strategy by assuming and controlling risks, and ensures that it is applied. Societe Generale's Board of Directors is composed of twelve directors appointed by the General Meeting and two directors elected by employees. A representative of the Works Council attends Board meetings without voting rights. Directors are appointed by the General Meeting for a 4-year mandate. The two directors appointed by the employees of the Group have a 3-year mandate (2012-2015).

The Board's of Directors composition is intended to strike a coherent balance between the experience, expertise and independence of its members in strict accordance with the principles of equality and diversity that reflect the Group's global reach.

Societe Generale's Board of Directors is made up of seven women and seven men (i.e. 50% women or 41.6% excluding the Directors elected by the employees, in accordance with the provisions of the Law of January 27, 2011).

At December 31, 2015, 11 of the 14 directors are independent, i.e. more than 91.6% of the Board members using the AFEP-MEDEF Code's new calculation rule, which excludes employee representatives from the calculation.

50%
WOMEN
in board of directors

92%
of directors are independent

This proportion is significantly higher than the target set by the Board of Directors to comply with the proportion of 50% independent directors, recommended in the AFEP-MEDEF code.

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> MISSION AND ORGANISATION OF THE BOARD OF DIRECTORS

PRINCIPLES OF GOVERNANCE, CONTROL AND ORGANISATION OF RISK MANAGEMENT

The Societe Generale Group attaches particular importance to implementing a robust and efficient structure to control its risks in all the businesses, markets and regions in which it operates as well as to achieving a balance between a strong risk management culture and the development of its activities.

Societe Generale Group's risk management governance draws on:

- The strong involvement of its managers throughout the entire organisation in the risk management process and the promotion of the risk culture, from the Board of Directors to its operational teams;
- Clearly defined internal procedures and guidelines;

- Ongoing supervision by an independent body to monitor risks and to ensure that the applicable rules and procedures are effectively applied.

Two main bodies govern group risk management: the Board of Directors and General Management.

- The Board of Directors, especially its Audit and Internal Control Committee and its Risk Committee, regularly carry out a thorough review of the system for managing, preventing and assessing risks.
- General Management gives a presentation to the Board of Directors at least once a year (and more frequently if circumstances make it necessary) on the main aspects and the major developments of the Group's risk management strategy, regardless of their nature. Within the Board of Directors the Risk Committee is specifically responsible for reviewing the consistency of the internal framework for monitoring risks and their compliance with this framework as well as with the laws and regulations in force. The Audit and Internal Control Committee of the Board of Directors ensures the smooth functioning of the risk control systems.

The "Enterprise Risk Management" ERM programme is closely monitored at the highest level of the bank: it is supervised by General Management, with the participation of members of the Executive Committee, and is the subject of regular reporting to the Board of Directors' Risk Committee. The first phase of the ERM programme was carried out between 2011 and 2015. It has improved the consistency and effectiveness of the Group's risk management system by fully integrating risk prevention and management within the day-to-day management of the bank's businesses.

RISK APPETITE

Societe Generale defines risk appetite as the level of risk, by type and by business that the Group is prepared to incur given its strategic targets. Risk appetite is defined using both quantitative and qualitative criteria.

The Risk Division and the Finance Division, in coordination with the business lines, have jointly carried out measures as part of the Group Risk Appetite approach, consisting in formally defining a three-year overview including:

- targets for certain key Group indicators (financial solidity, profitability, solvency, leverage and liquidity);
- risk/return ratios for the different Group businesses;
- and the Group's risk profile, by risk type (credit, market, operational and structural).

SPECIALISED COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT AND INTERNAL CONTROL COMMITTEE

The Audit and Internal Control Committee's mission is to monitor issues concerning the production and control of accounting and financial information, and to monitor the efficiency of the internal control and the risk assessment, monitoring and control systems. In January 2015, this Committee was divided into an Audit and Internal Control Committee and a Risk Committee in accordance with the CRD4 Directive. At 31st December 2015, the Committee comprised four independent Directors. It has been chaired by Mrs. Schaapveld since 19th May 2015. Previously, it was chaired by Mr. Wyand. The Committee met 10 times in 2015, with an attendance rate of 98%, compared with 100% in 2014.

The main topics addressed during the year were as follows:

- review of acquisitions and disposals;
- monitoring of relations with the regulators;
- general organisation of the compliance, global framework, roles and responsibilities;
- Asset Quality Review;
- Enterprise Risk Management (risk culture);
- recovery and resolution plans;
- tax management;
- customer protection;
- litigation management.

Several reviews of business activities were also carried out (Africa, Insurance, Consumer Finance, etc.). The Committee travelled to New York and conducted a review of business activities on the American Continent.

RISK COMMITTEE

The Risk Committee advises the Board of Directors on the overall strategy and the appetite to all kinds of risks, both current and future, and helps the Board when it verifies that this strategy is implemented. At 31st December 2015, the Risk Committee comprised four independent Directors. It is chaired by Mrs. Rachou since 19th May 2015. Previously, it was chaired by Mr. Wyand. The Risk Committee met 10 times during the year. The attendance rate for its members was 95%.

At each meeting, the Risk Committee interviews the Chief Risk Officer about changes in the risk environment and highlights. It regularly reviews:

- the risk overview and risk mapping;
- the risk limits for which it prepares the Board's decisions;
- the liquidity;
- anti-money laundering;
- the reputation dashboard;
- the compliance dashboard.

The “Enterprise Risk Management” programme has improved the consistency and effectiveness of the Group’s risk management system

COMPENSATION COMMITTEE

The Compensation Committee prepares the decisions that the Board of Directors decides concerning compensation, especially those related to the Chairman and the Executive Officers and those that have an impact on risk and the management of risks in the Company.

At December 31, 2015, the Compensation Committee was composed of four directors, three of whom are independent. It is chaired by independent director, Mr Lévy. The Compensation Committee met seven times in 2015, and the attendance rate was 97% (97% in 2014).

In accordance with CRD4 and its transposition into French law, the Compensation Committee ensured that the Group’s remuneration policies comply not only with regulations, but also with the company’s risk management policy and capital targets. The Committee reviewed the principles of the remuneration policy applicable within the Group, and particularly concerning employees whose activities have a significant impact on the Group’s risk profile, in accordance with the new regulations in force. It above all ensured that the remuneration policy effectively takes into account the risks generated by the activities and adherence by employees to risk management policies and professional standards, and consulted the Audit, Internal Control and Risk Committee in this regard.

Lastly, the Committee proposed the share (or share equivalents) allocation plans to the Board and prepared the Board’s work on gender equality within the company.

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

The Committee is responsible for submitting proposals to the Board of Directors on the nomination of Directors as well as on the succession of the Chairman and the Executive Officers, especially where a position becomes vacant unexpectedly, after carrying out any necessary inquiries.

At 31st December 2015, the Nomination and Corporate Governance Committee comprised three independent Directors. It is chaired by Mr. Mestrallet since 19th May 2015.

The Nomination and Corporate Governance Committee held five meetings in 2015. The attendance rate was 88% (95% in 2014).

It prepared the governance decisions taken at the Board of Directors meeting of 15th January 2015:

- separation of the offices of Chairman and Chief Executive Officer;
- organisation of the Committees;
- proposals for appointments to the positions of Chairman/Chief Executive Officer/Committee Chairman;
- selection of Directors to participate in the General Meeting.

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> SPECIALISED COMMITTEES OF THE BOARDS OF DIRECTORS

PERMANENT CONTROL SYSTEM

Group’s internal control system is based on:

- First-level permanent control, under the responsibility of Core Businesses and Corporate Divisions, forms the cornerstone of the permanent control system. It aims to ensure, at the operational level, the security, quality, regularity and validity of transactions completed.
- Second-level permanent control, independent from operational staff, comes under three Corporate Divisions and has been significantly reinforced in 2015.

To know more, see pages 126 to 128 of Registration Document

PERIODICAL CONTROL

Placed under the responsibility of the Group Head of Inspection and Audit, the Internal Audit Division (hereafter “DCPE”) comprises General Inspection, Internal Audit and cross-business functions, the latter providing operational support to Inspection and Audit teams. To fulfil its mandate, the Group’s Internal Audit Division has adequate resources, from a qualitative and quantitative point of view. The Group’s Internal Audit Division has some 1,300 staff.

The Internal Audit Division participates in the Internal Control Coordination Committees and Audit committees at various Group levels (Core Business or Corporate Division, Business Line, subsidiary, etc.). It reports on its audit activity, as well as on the audit plan and the monitoring of recommendations. It may also present any matters requiring the attention of these committees.

CSR MANAGEMENT

ORGANISATION & GOVERNANCE

CSR management at Societe Generale forms an integral part of the Group's organisation and is implemented by various resources and structures at all levels (governance, compliance and internal control functions, Risk Committees, New Product Committees, internal regulations, directives and instructions, etc.).

The Executive Committee defines the broad outlines of the Group's CSR policy and periodically validates any action plans based on the reporting by the CSR and Sustainable Development Department.

The Board of Directors is regularly informed of the application of the Environmental and Social commitments made by the Group.

More than

1,200
CONTRIBUTORS
TO THE EXTRA-FINANCIAL
REPORTING

The Group's business lines and corporate divisions are responsible for implementing the CSR strategy. Each entity appoints its own "CSR contributors" to carry out action plans and monitor their execution. The network of "CSR contributors" has a total of about sixty people.

The CSR and Sustainable Development Department reporting to the General Management through the Group Corporate Secretary and along with the CSR managers, it is in charge of defining and promoting CSR policy throughout the Group as well as coordinating the activities of its contributors and all related initiatives. It also provides practical assistance to the different business lines and encourages both the exchange and dissemination of best practices.

To evaluate its overall CSR performance, the Group has defined a series of quantitative indicators. Every year since 2005, the corresponding values have been gathered, consolidated and analysed using a dedicated global reporting system, in which more than 1,200 individuals

participate. In 2014 the Group deployed "Planethic Reporting", a new powerful CSR reporting tool, throughout the Group.

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> CSR STRATEGY AND GOVERNANCE

EMPLOYEE TRAINING AND AWARENESS ACTIVITIES

A dedicated section on the Group's website pools information on the implementation of the CSR strategy. In parallel, an intranet, which was first set up in 2009, enables the entire workforce and all managers of the Group to learn about good CSR practices and related events. The intranet is supplemented by a bi-monthly newsletter.

Conferences that are open to all employees at Head Office are organised every quarter. In 2015 they focused on topics involving climate change and the COP21, human rights and water-related issues.

Sustainable Development Week is another opportunity for the Group to demonstrate its involvement through initiatives devised within the various departments and to raise employee awareness of these challenges. In 2015, for the third year running, the internal Environmental Efficiency Awards was a platform for promoting new projects to support the bank's environmental policy. This scheme allows all the bank's entities and business lines to contribute to the efforts to reduce CO₂ emissions (See p. 45, Internal carbon tax).

In October 2015, in connection with Solidarity Finance Week, Societe Generale established a week of activities for its employees at the head office in La Défense around its solidarity banking offer.

Societe Generale also promotes innovative CSR initiatives via the Innov'Group Awards (dedicated to innovation), which are organised every year. The 2014 Innov'Group Awards, granted by the Executive Committee in 2015, rewarded a placement offer of Social and Responsible Deposit for companies (SRD).

The HR department regularly organises conferences on "Well-being at work" in the context of the "Life at work" programme (See p. 64, Well-being at work).

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> SOCIALLY RESPONSIBLE DEPOSIT OFFER

DIALOGUE WITH STAKEHOLDERS

Societe Generale remains attentive to stakeholders and consequently adapts, whenever possible, its measures to best respond to their expectations with respect to the current regulations and laws. The Group has a response policy for claims or solicitations, with dedicated teams for each stakeholder. Assessments conducted by third-parties on the bank's achievements are part of its governing system, as with the reputational risk chart that is submitted on a quarterly basis to the General Management with a comprehensive overview of relations, or with indicators presented in this Registration Document. More specifically, the Group is highly attentive to:

- clients,
- employees,
- investors and shareholders,
- regulators,
- NGOs,
- suppliers,
- non-financial rating agencies.

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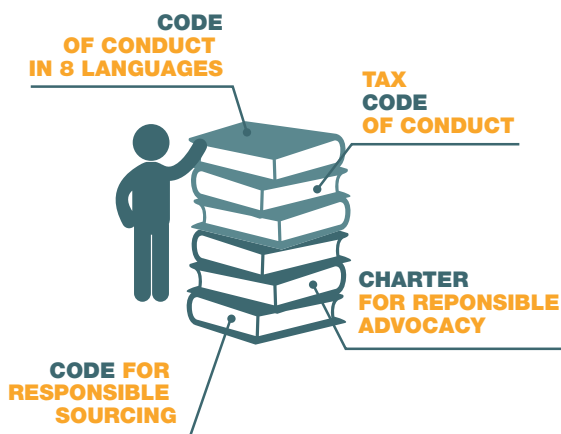
> SEE THE GROUP'S WEBSITE



> FIND ALL THE DATA OF THE REPORT

IMPLEMENTING SUSTAINABLE FINANCE

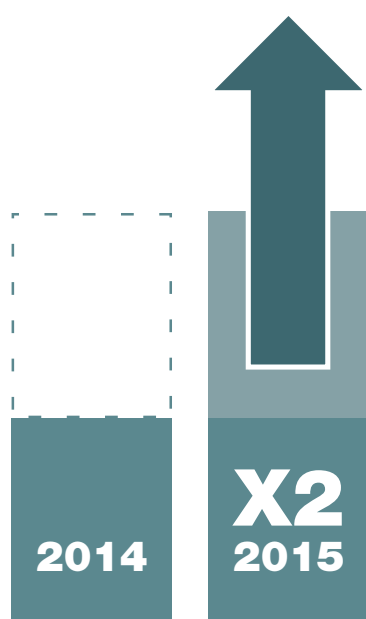
LOYALTY OF PRACTICES



€ **5 M**
OF SOURCING
FROM PROTECTED
ENTERPRISES SECTOR

POSITIVE IMPACT FINANCE

€ **1.9**
BN
OF NEW
FINANCING



SECTORAL POLICIES



100%

OF CLIENTS FROM
INVESTMENT BANKING
IN SENSITIVE SECTORS UNDERWENT
AN E&S REVIEW

106
TRANSACTIONS

UNDERWENT
AN E&S EVALUATION
AMOUNTING TO € **6.7** BN

**Environmental & social*

**1ST POSITIVE
IMPACT
BOND ISSUANCE**
€ **500 M**



LOYALTY OF PRACTICES

The loyalty shown to its external stakeholders and, more generally, the integrity of its banking and financial practices contribute decisively to Societe Generale's reputation. By ensuring that it abides by these rules, the Group helps to develop a key asset: the trust of the customers, suppliers, service suppliers, employees and regulatory authorities on which it depends.

Thus a large number of mechanisms and initiatives related to the loyalty of practices are deployed throughout the Group.

“RISK CULTURE” PLACES RESPONSIBILITY VALUES AT THE HEART OF THE RELATIONSHIP BANK’S CULTURE

Controlling and managing risks are at the heart of the expertise of Societe Generale's businesses, which is why it is a focal point of the “responsibility” theme of the Group's new Leadership Model. The Group's actions taken under “RISK Culture” and put forward in the frame of the Enterprise Risk Management (ERM) programme have existed since 2011. This approach contributed significantly to the elaboration of the new Leadership Model (See p. 59, Focus on the “responsibility” theme).

CODE OF CONDUCT

The strategic goal the Group set for itself is to protect the company's image and to ensure that the employees act with integrity on a day-to-day basis. Many strides were taken since 2011 on the subject of Culture & Conduct. The Group has taken on a body of vigorous doctrines and rules on good conduct.

The Code of Conduct is the foundation of Societe Generale's professional ethics. It exists in the form of an internal directive signed by the Chief Executive Officer and thus it is part of the normative documentation on which the governance system is based. These rules go beyond strict application of the legal and regulatory provisions in force, particularly when these, in certain countries, are not in line with the ethical standards the Group imposes on itself within its values and commitments, and constitute a uniform base.

The Code clarifies the rights and duties of employees, customers, suppliers and shareholders in their relationships with Societe Generale. It promotes social and environmental responsibility and reminds them of the main commitments made by the Group, such as the Global Compact and the UNEP-FI (United Nations Environment Programme – Finance Initiative), and the sparing use of natural and energy resources. Details are added to the fundamentals: respect for fundamental commitments (such as human rights, respect for the environment, etc.), the prevention of conflicts of interest, corruption, money laundering and financing terrorism, the gift and invitation policy, responsible sourcing and the escalation procedure in the event of non-compliance.

It is available in the eight most widely-used languages in the Group and applicable to all Group employees, no matter their level of responsibility, including its Directors. It details the procedures for exercising the right to alert when a specific situation justifies it. Thus, it contributes to the prevention of risks in order to strengthen the company's reputation and responsible approach.

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> **CODE OF CONDUCT**

> **SEE REGISTRATION DOCUMENT CHAPTER 4.9, « COMPLIANCE CULTURE »**

TAX CODE OF CONDUCT

The Group's Tax Code of Conduct, approved by the Board of Directors in November 2010, is part of the worldwide developments to fight harmful tax practices, particularly at the request of the OECD. It is available on the Group's website.

Under this Code, Societe Generale undertakes in particular to refrain from facilitating or supporting transactions with customers where the effectiveness of such transactions depends on withholding information from the tax authorities.

To this end the Group has fully committed itself to implementing regulations aimed at ensuring fiscal transparency (FATCA, the EU Directive on administrative cooperation in the field of taxation, and recently the Common Reporting Standard). It is particularly worth noting that all the subsidiaries of Private Banking are based in countries that have adopted the Common Reporting Standard. From 2016 onwards, and by 1st January 2017 at the latest, based on the international agreements that have been signed, these subsidiaries will consequently automatically exchange information with the 98 countries that have committed themselves so far. It has also been decided to give our international Private Banking customers more explicit information about their obligation to comply with the tax laws and regulations of all the jurisdictions that apply to them.

Thus the Group continues to be vigilant about the tax compliance of its activities and of its customers. Since 2003, Societe Generale has laid down strict internal regulations for preventing the development of any operations in countries that have been designated as non-cooperating tax havens by the OECD.

Societe Generale already decided in 2010 to close down, and has taken the necessary steps to close down, all Group sites considered to be Non-Cooperative Countries and Territories (NCCTs) by France, the list of which was updated by the ministerial decree of 21st December 2015 (published in the OJ of 22nd December 2015).

As of 2015 Societe Generale no longer holds, either directly or indirectly, any active operation in the countries in question. Societe Generale holds an unused banking licence in Brunei.

Moreover the Group prohibits setting up new operations in an extended list of locations known as the “SG list” (drawn up on the basis of countries that left the OECD’s grey list of tax havens belatedly), unless otherwise authorised by the General Management upon motivation by the local business.

Lastly the Group complies with the provisions of the French General Tax Code, particularly Article 209 B (“Controlled Foreign Companies’ Rules”, which provides for the French taxation of Group entities established in countries where taxation on income is less than 50% of the French tax rate (e.g. SG Acceptance in the Netherlands Antilles).

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> **SITE TAX CODE OF CONDUCT**

> **SEE REGISTRATION DOCUMENT CHAPTER 2.12 « INFORMATIONS ABOUT GEOGRAPHIC LOCATIONS AND ACTIVITIES AS AT 31ST DECEMBER 2015 »**

RESPONSIBLE LOBBYING

The rules and regulations that are likely to have an impact on the bank’s activities are growing in number and complexity. In this context, Societe Generale endeavours to be a proactive interlocutor vis-à-vis political actors, with its Public Affairs Department making a transparent and constructive contribution to the public debate on the drafting of the legislation that has an impact on our activities.

Since 2014 Societe Generale has signed the joint declaration organised by Transparency International France to promote lobbying that is based on transparency and integrity. The Group also published its Charter for responsible representation before public authorities and representative institutions, which has the following aims:

- to lay down the conditions for the Group’s contribution to the work of the regulatory authorities at every level of governance;
- to foster lobbying that has transparency and integrity and contributes to public debate among those of its employees and third-parties that participate – in the name of the Group – in the public decision-making process;
- to establish the main rules governing representational activities in dealings with public authorities and representative institutions.

In accordance with its commitments:

- the employees of the Public Affairs Department that are chiefly concerned are duly declared in the transparency registers of the institutions with which the representational activities are exercised: European Union (Commission and Parliament), the French Parliament (National Assembly and Senate);
- the main stances adopted by the Group in connection with its responsible representation policy are public and can be consulted in particular on the Group’s institutional website, in the “Sustainable finance” section.

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> **MAIN PUBLIC STANCES TAKEN BY SOCIETE GENERALE**

ANTI-CORRUPTION INITIATIVES

The fight against corruption is increasing globally. Many states are reinforcing their anti-corruption regulations with a hardening of the corresponding sanctions.

By 2000, Societe Generale had already taken on a series of commitments linked to the Wolfsberg Group as well as, in 2003, the United Nations Global Compact. Its anti-money laundering measures include monitoring potential abuse of the banking system for the purposes of corruption.

Societe Generale has very strict principles on the prevention of corruption, which are included in its Code of Conduct, and complies with the provisions of the most stringent regulations on the subject, in particular the UK Bribery Act. Close monitoring of their implementation has been put in place. Information concerning obligatory measures and controls has been disseminated and applied throughout the Group since 2001 in the form of instructions, which are updated on a regular basis.

In order to enhance vigilance, a mandatory training module on raising awareness on the prevention of corruption amongst employees of the Societe Generale Group has been deployed in 2015.

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> **PREVENTING CORRUPTION**

> **SEE REGISTRATION DOCUMENT CHAPTER 4.9, « COMPLIANCE, REPUTATIONAL AND LEGAL RISKS »**

CUSTOMER SATISFACTION AND OMBUDSMAN

CUSTOMER SATISFACTION

In 2014, Societe Generale reaffirmed its ambition is to be the “reference relationship bank on its markets, close to its customers and chosen for the quality and commitment of its teams”. This ambition is at the core of its strategy. To this end, all of the Group’s business lines are firmly committed to devising action plans to improve customer relations and the customer experience, and are structuring themselves so as to steer their satisfaction and their recommendation intentions more closely.

Since the quality of customer service is closely linked to the quality of team management (the principle of the “symmetry of attentions”), the Group has developed a broad managerial support system in line with the Group’s customer-oriented values.

In France

Within each of the main customer segments serviced by French Retail Banking (individual, professional and corporate customers), Societe Generale, its specialised subsidiaries (Sogecap, Sogessur, Franfinance, etc.) and Crédit du Nord have been surveying the business goodwill among representative samples of their respective customers as well as among those of the top 11 French banks every year for some ten years now in order to assess their level of relative satisfaction. The customers polled express their overall and detailed level of satisfaction across every aspect of the banking relationship.

Furthermore, in order to refine its products and services offer and to better respond to the needs of its clients, Societe Generale Coverage & Investment Banking in 2015 measured the rate of recommendation of the bank by its large corporate and institutional clients all over the world (Net Promoter Score), by questioning more than 1,200 people representing more than 160 economic players.

To refine its measurement of customer satisfaction in the Societe Generale network, the national competitive survey is backed up by annual satisfaction surveys and their results are available down to the level of each branch. These surveys are conducted by leading external service suppliers (e.g. the market research agency CSA). Within the scope of these, every

year 120,000 individual customers, 14,500 professional customers and 5,000 SMEs (every 18 months) are polled on behalf of Societe Generale with regard to their recommendation intention and their overall and detailed level of satisfaction with their branch and its staff. Moreover all Societe Generale's branches receive several mystery visits every year. Following each mystery visit, each branch is given a detailed feedback report enabling it to assess the quality of the handling of prospects so as to capitalise on its successes or identify areas for improvement.

The Crédit du Nord Group (CDN) carries out the same competitive surveys among customers, which are supplemented by an internal programme. The customers of the Crédit du Nord Group have been asked about their level of satisfaction every year for more than twenty years. In 2015, 55,129 customers were polled (45,990 individuals, 5,568 professionals and 3,571 businesses). The CDN Group also carries out mystery calls and mystery visits within its branches on an annual basis. Since 2013 this programme has been strongly reinforced by the creation of a Customer Satisfaction and Optimisation Department, which reports directly to General Management and is responsible for training all CDN Group employees on "Customer Satisfaction". Improving customer satisfaction ratings is the main annual performance target for the branches of the regions and subsidiaries of the CDN Group.

The quality of the Group's service and the programme it has implemented to this end have received a number of awards.



For the fourth year running, Societe Generale won the Viséo Conseil award for "2016 Customer Service". For its part, CDN is regularly among the winners in the customer satisfaction category for the Individual, Professional and Corporate markets. In 2015 it was ranked in first place in the Individuals market, fourth in the Professionals market and third in the Corporate market.

Societe Generale also gathers immediate "hot" feedback from its customers after each real estate loan transaction. The main objective is to steer our customers' key events more closely to ensure that there is a good fit between the service level expected and the performance delivered. This "hot" feedback is gathered across all the branches and the results are shared on a monthly basis with all the player-stakeholders participating in the operation.

Lastly, in order to steer the high standards of quality delivered by the bank on a daily basis, monthly monitoring based on around fifteen quality indicators is carried out and feedback is given down to the most granular level (quality of the handling of telephone calls, quality of the advice given, timeframes for processing or for issuing offers, etc.) to enable every branch to act swiftly in the event of any shortcomings in the quality of the service provided.

These combined measures are at the heart of a quality certification programme for the branches, launched in 2013 by Societe Generale to make its resolutely customer-focused strategic orientation a reality.



The percentage of the certified branches meeting the criteria of excellence has continued to grow strongly over the past three years. At the same time, the percentage of branches that are lagging furthest behind is simultaneously declining, which makes it possible to ensure a more uniform level of service quality across the Network as a whole.

The customer satisfaction level in each market is one of the key objectives assigned to each Regional Director and is an integral part of each performance review of the entity. The customer satisfaction level and its development affects employees' variable compensation packages given that individual sales commission no longer exists (See p. 63, An attractive and rewarding remuneration policy).

To support the work of the teams in the field and to ensure the corrective measures that depend on the support functions, the Corporate Divisions at Head Office embarked on a service culture programme in 2013. To feed this continuous improvement plan, an initial quantitative metric was put in place in 2015 with the production of an internal barometer that measures the (overall and detailed) satisfaction level of the front, middle and back office teams of the Network with the services provided by the teams at Head Office. In terms of service quality, the voice of the Network regularly gives fresh impetus to the various central departments via "employee panels". Conducted internally, these panels afford an opportunity for the customer contact teams to report directly on various topics, by business line and by market, thereby driving the continuous improvement of the bank's services.

The overall plan is managed on a day-to-day basis by the team of the Customer Satisfaction and Optimisation Department at French Retail Banking, which relies on an efficient network of facilitators in the sales force, based locally to be able to take action in the closest possible proximity to the branches, to support them and to play a proactive role in relaying any problems and failings to Head Office. The bank's intranets have wide-ranging coverage of customer satisfaction, notably via areas dedicated to supporting all the players.

SURVEYS

120,000
INDIVIDUAL CUSTOMERS

14,500
PROFESSIONAL CUSTOMERS

5,000
SMEs

Surveyed by Societe Generale

2016 customer
service for
the 4th year running

Abroad

In 2015 International Retail Banking's "Banking and Consumer Credit" Division launched a cross-functional initiative to manage and measure customer experience and satisfaction, which will be rolled out in stages between 2016 and 2018 at its Banking and Consumer Finance subsidiaries. This programme aims to equip the entities with a sound and

consistent system for managing the customer experience, based on two pillars: identification and monitoring of customers' key experiences with the bank, and measurement of their satisfaction with the banking relations and transactions. Making a common system of analysis available to all the banks in the International Retail Banking Networks will facilitate managing and sharing relevant action plans in order to constantly adapt to meet customer expectations and to build a relationship banking programme that is founded on "the voice of the customer". This programme will initially be rolled out within the scope of the individual and professional customer segments; a parallel and consistent programme, based on the Net Promoter Score, is under development within the scope of the Corporate customer base.

CLAIMS AND OMBUDSMAN

Each of the Group's core businesses has governance, an organisation, procedures and methods adapted to the activities of its business lines for the measures related to the complaint treatment and follow-up procedure.

Important training actions and acts raising awareness amongst employees were conducted by the Group, notably within French Retail Banking (Societe Generale, Boursorama Bank and Crédit du Nord) and within the Insurance business line (ISO 9001 quality approach), which has significantly contributed to the optimisation of the processes (registration, quality and customer response times). The information linked to clients has also been improved.

In terms of treatment of complaints, the Group's instructions integrate an escalation process in addition to the possibility of using an internal or external mediator (independent mediator from the Societe Generale group common to the Crédit du Nord Group, the French Financial Market Authority, and the French Banking Federation).

In France

Societe Generale is committed to finding a rapid if not immediate solution to complaints or problems linked to its Retail Banking network as soon as a branch is duly informed by its customer. However, should the bank and its customer disagree on the action to be taken, customers may file a complaint with their Customer Relations Department and, where applicable (i.e. if the dispute is still not resolved), request the intervention of the ombudsman whose services are entirely free of charge.



Exceptional circumstances aside, customers are systematically sent a reply from Societe Generale within 10 days or from the ombudsman within two months.



The free and amicable ombudsman services to which Societe Generale customers have had access since 1996, and which were institutionalised by the legislator in 2002, **are publicised by the bank to customers and are even outlined in the permanent insert on the back of account statements.** The bank has undertaken to comply in full with all decisions taken by the independent ombudsman.



In 2015 the ombudsman handled 267 cases. Disputes linked to loans represent 24.3% of claims presented to mediation, while those related to financial investment, which have fallen, represent 19%.

Mr. Yves Gérard has been the ombudsman for Societe Generale and the Crédit du Nord Group since 1st January 2015. In March 2015 a dedicated employee responsible for processing the claims was put at the disposal of the ombudsman.

Customers of Societe Generale's other business lines in France may also request the intervention of the Group ombudsman or other public ombudsmen (ASF, FFSA, etc.).

Abroad

For its subsidiaries overseas, customers have recourse to a local ombudsman appointed by the bank (where required by local legislation) or to a local ombudsman appointed by a professional body.

For proactive measures to protect customers in situations of economic hardship, see p. 79, Combating insecurity and protecting vulnerable populations.

For measures to protect customers, see Registration Document, Chapter 4.9, "Implementation of compliance policies", p200

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> SOCIETE GENERALE CERTIFIED TOP EMPLOYER FRANCE 2016

DIGITAL SECURITY AND DATA PROTECTION

Within the global context of digital transformation, one of the challenges the Group is facing consists of offering customers a digital service that is easy to use, readily available and highly secure. Consequently, Societe Generale is continuously investing in order to ensure the security of transactions and the protection of its customers' data. It is a crucial issue given the escalation of cybercrime. The Group guarantees the security of data and of compliance with banking secrecy. The Group's expertise in these subjects of security and protection of customer data makes it a trusted third party in the eyes of its customers.

As part of the transformation of its relationship banking model, Societe Generale's French network has announced that it will invest EUR 1.5 billion in its information system by 2020; 5% of this will be dedicated to security.

DIGITAL SECURITY

There is a Group-wide system for managing the security risks of information systems. It is coordinated at Group level by a Head of Information System Security and Operational Risk Management (See chapter 3.5, Operational risk (including risks related to information systems)). This system is deployed in each core business, business line and entity.

On the operational side the Group relies on a CERT (Computer Emergency Response Team), which is responsible for managing incidents, monitoring security and combating cyber crime, calling on multiple information and surveillance sources, both internal and external. This unit is the first private French CERT to have been accredited by the FIRST (Forum of Incident Response and Security Teams, an international organisation dedicated to the prevention of security incidents) in February 2010.

The security risk management systems used by the Bank are derived from best practices (predominantly ISO 27002 and the reference framework of the French National Agency for the Security of Information Systems) and are monitored on an ongoing basis by the Security of Information Systems function. These systems can be divided into four main categories: Raising Awareness, Prevention, Detection and Reaction.

The implementation of the strategic plan for information system security has, since 2013, been underpinned by “strategic guidelines on security”, which are validated by General Management and all the businesses. Its deployment is built around four strategic priorities: securing the Group’s most sensitive applications, securing sensitive data, developing our capabilities to detect and react to cyber attacks, securing customer transactions carried out via online services, plus a transversal priority, namely making our employees and our customers more aware of the risks of cyber crime and of good security practices.

To combat cybercrime Societe Generale offers solutions to protect the assets and transactions of its customers (individual and corporate customers). As an example, three new solutions were launched in 2015:

- **Secure Access:** a dedicated solution for companies that secures the authentication and validation of orders (payment orders or collection orders). Regardless of the channel used to initiate the transaction, the validator will receive an alert and can validate it from his/her smartphone, tablet or PC easily and independently of the original channel.
- **Card with a dynamic crypto code:** a card for which security has been strengthened even further for online purchases. The three-digit security code is replaced by a small built-in screen that displays a new code every hour, rendering any data that might have been stolen inoperative and useless. The format and functionalities of the card, such as the contactless feature, remain unchanged. A trial run on a group of 1,000 individuals is planned in 2016.
- **Machine learning:** in addition to the big data tools that it has rolled out to monitor and protect its customers’ transactions, the bank is studying the implementation of machine learning systems in order to detect anomalies of behaviour in real time and to better anticipate fraud.

Societe Generale announced that it will invest

EUR 1.5 BILLION

IN ITS INFORMATION SYSTEM BY 2020;
5% OF THIS WILL BE DEDICATED TO SECURITY

Partner for the first national public campaign on the protection of personal data

Societe Generale is also continuing its preventive measures against phishing or social engineering:

- **Providing Trusteer free of charge,** an additional means of protection (firewall and antivirus) that specialises in the banking sector (for the individual and professional customer bases).
- **Making it obligatory to change the confidential bank code remotely every 12 months** (in place for individual customers since 2015).

- **Security Pass** (equivalent to Secure Access for individual and professional customers).
- **A series of conferences on scams** entitled “fraud in the name of the CEO” in partnership with the French National Police (for corporate customers).

In December 2015 Societe Generale was also a partner for the first national public campaign on the protection of personal data. The “Hack Academy” campaign, which was set up at the initiative of CIGREF (Club Informatique des Grandes Entreprises Françaises) and which aims to disseminate preventive messages as widely as possible, invites residents in France to adopt good practices to combat the most common threats on the web (find out more at www.hack-academy.fr).

Internationally, for the protection of its clients’ data, recommendations on good practices are posted on the different online banking services.

See Chapter 3.5, Report of the Chairman on internal control and risk management.



Thierry Olivier

“Societe Generale has resolved to commit to the fight against cyber crime as a partner in devising this national campaign to raise awareness, which is directed at both the general public, including our customers, and also at all the Bank’s employees and partners.”

Thierry Olivier, Group Chief Information Officer.

PERSONAL DATA PROTECTION

The Group is particularly sensitive to personal data protection. The respect of the personal data protection rules is a major challenge to the controlled development of computing and new technologies at the heart of the Societe Generale group.

Being a partner of privileged confidence and the guardian of its clients’ data, Societe Generale has no intention to sell data to a third party. The clients’ data is used for relevant purposes that have the objective of insuring the expected level of quality of service and offer.

Societe Generale decided to strengthen its system for protecting personal data back in 2007. A “Protection of personal data” Group division was created within the Legal Department, which specialises in dealing with the challenges of protecting private life and is in close contact with the CNIL. This division has the mission to assist advice and inform all of Societe Generale’s entities in the matter of protecting personal data, to respond to the demands of assistance from the Group’s subsidiaries, as well as to ensure the relations with the CNIL. They must be consulted when implementing new automated processes (computational) or in the case of modification,

so as to specify to the managers of these processes the necessary precautions that must be taken, the formalities if need be, and to ensure the centralised follow-up of sending declarations to the CNIL.



Internal instructions, in line with local and European regulations, define the rules to apply and the processes that must be carried out in order to guarantee the protection and security of our clients' and employees' data. The Group guidelines on "the treatment of data of personal nature" particularly specify that the implementation of processes consisting of transfers of personal data outside of the European Union (EU), including other Societe Generale Group entities, must be accompanied by specific guarantees (conclusions of standard clauses from the European Commission specifically) and must go through an authorisation process by the CNIL.

In France, the intranet site was also developed by the "Protection of personal data" division. It specifically reiterates the people's rights, makes available to the agency network a notice reminding the procedure to follow in the case of the exercising of these rights, in addition to a model of response to an inquiry of access rights. Also, Societe Generale implemented the adequate measures to guarantee the respect of the clients' access rights to personal data concerning them, which includes: a mention of advanced notification appearing at the foot of all paperwork related to data collection of personal nature, but also within the general and special policy conditions of our products and services. This mention specifies the service to which the access rights may be exercised. Furthermore, response models to the requests of the concerned persons related to the removal of the data held by our establishment as well as requests against the treatment of their data are at the disposal of the agencies.

On the websites of the Group's banks, clients have access to the documentation related to the protection and the use of their personal data.

Regarding more precisely employee data, the Group Human Resources Division adopted HR personal data protection rules, which apply to job candidates and employees alike: the Binding Corporate Rules (BCR). All the Societe Generale Group entities worldwide must confirm their undertaking to comply with the BCR, which are binding within the Group and aim to ensure an adequate and uniform level of protection for the personal data and the private life of employees and job candidates within the scope of the human resource management processes. To this end, Societe Generale has registered a Data Protection Officer with the CNIL for a defined scope of processing purposes. He guarantees the compliant handling of personal data within his scope of intervention.

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- > **SOLUTIONS TO PROTECT CLIENTS AND TO FIGHT AGAINST CYBERCRIME (NON AVAILABLE IN ENGLISH)**
- > **SOCIETE GENERALE PARTNER OF THE INTERNATIONAL CYBERCRIME FORUM (FIC) (NON AVAILABLE IN ENGLISH)**
- > **CYBERCRIME TALK & TOUCH (NON AVAILABLE IN ENGLISH)**
- > **SECURITY PASS A SIMPLE YET POWERFUL AUTHENTICATION TOOL**

DEPLOYMENT OF E&S COMMITMENTS IN RELATION TO OUR BANKING AND FINANCIAL SERVICES

The Group has adopted various procedures for implementing its E&S commitments (E&S General Guidelines, sector policies and the Equator Principles). These set out the procedures for handling the E&S challenges associated with transactions or customers to whom the bank provides banking and financial services. Although they initially concerned Coverage & Investment Banking activities, they are developed and rolled out in stages with the aim of ultimately covering all the Group's businesses. In addition to facilitating the identification,

assessment and appropriate handling of operations with a potential negative E&S impact, these procedures also make it possible to qualify transactions with a positive impact in relation to sustainable development. This dual approach underpins positive impact finance (see p. 28, Positive Impact Finance).

SECTOR AND CROSS-SECTOR E&S POLICIES



The sector and cross-sector policies now cover twelve sectors that are considered to be potentially sensitive from an E&S or ethical point of view and in which the Group plays an active role. The energy and extractive sectors are covered by multiple sector policies due to their importance for the economy and for the Group, but also due to their potentially significant impact in terms of emissions into the atmosphere (including greenhouse gas emissions) as well as their impact on the natural environment and local communities (this applies to the following sectors in particular: Dams and Hydropower, Thermal Power, Coal-Fired Power, Mining, Civil Nuclear Power, and Oil and Gas). Several policies are also in place for the agriculture and forestry sectors (Agriculture, Fisheries and Food, Forestry and Palm Oil). The Defence and Shipping sectors are also covered. An E&S policy on biodiversity applying to all our activities completes the sector approach.

Developed by cross-department working groups within the bank, the E&S policies are approved by the Executive Committee.



They specify the main E&S challenges and risks in the sector, identify the international standards of reference of the sector and also specify the criteria for corporate clients and dedicated transactions. In an ongoing improvement process, sector monitoring makes it possible to assess the need to update the existing policies.



In 2015 the Coal-Fired Power sector policy was updated in order to clarify the requirements for the thermal efficiency of new power plants that may be the subject of financing or advisory services by the bank.

experts. It lists the projects, companies or business sectors, whether or not they are financed by Societe Generale, that are the subject of controversy or public campaigns from civil society for E&S reasons. This internal list enables monitoring on a global scale; it is intended to give the operational teams an advance warning and to implement a more stringent E&S evaluation process.

DEFENCE EXCLUSION LIST

In addition to the E&S watch list, an exclusion list has been drawn up for the Defence sector. It covers companies that produce, manufacture, stock or sell anti-personnel mines or cluster bombs as well as other types of highly controversial weapons. Societe Generale has, through its sector policy, undertaken to refuse to knowingly supply banking and financial services to such companies, their parent companies or their subsidiaries.

TRANSACTION E&S EVALUATION PROCEDURES

The evaluation of transaction E&S risk and impact involves the operational implementation of the Equator Principles (EP) within the scope covered by this initiative. Societe Generale has also voluntarily extended the EP scope of application and has integrated dedicated transactions likely to present E&S challenges, such as equity capital market transactions, debt capital market transactions, mergers and acquisitions, and acquisition financing.

Within the Corporate and Investment Banking division, a dedicated team of E&S experts lends support to the sales managers in the evaluation and understanding of the E&S impact of transactions and corporate clients.

In 2015, Societe Generale continued its efforts to update and improve the reliability of its processes for implementing its E&S commitments, particularly the EP, by developing its procedures, training its employees and deploying new IT tools.

The key stages of the E&S evaluation of transactions within the Bank are as follows:

- the initial phase involves identifying the E&S risk and impact associated with projects that are the subject of advisory or financing, categorizing (A for projects where the E&S risk/impact is potentially high, B for projects with limited risk and C for projects with minimal risk), defining the E&S analysis process (due diligence) to be put in place and determining the projects' potential qualification for positive impact financing;
- the E&S evaluation phase aims to analyse the impacts and risks associated with the proposed project and the transaction's compatibility with Societe Generale's E&S commitments. The levels of evaluation and specific E&S requirements are determined according to the risk/impact category of the project and the level of income for the country in which it is located. The review of the E&S documentation (due diligence report where applicable or any other documentation received from the customer) is conducted by the front officer supported by internal E&S experts in the case of projects that have been identified as carrying the highest risk. In connection with these reviews, additional information may be requested from the customer and/or from an independent E&S expert. For category A and B projects the E&S evaluation file forms part of the credit file that constitutes the basis

ENVIRONMENTAL AND SOCIAL GUIDELINES FOR BUSINESS ENGAGEMENT



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> SECTORAL POLICIES

E&S WATCH LIST

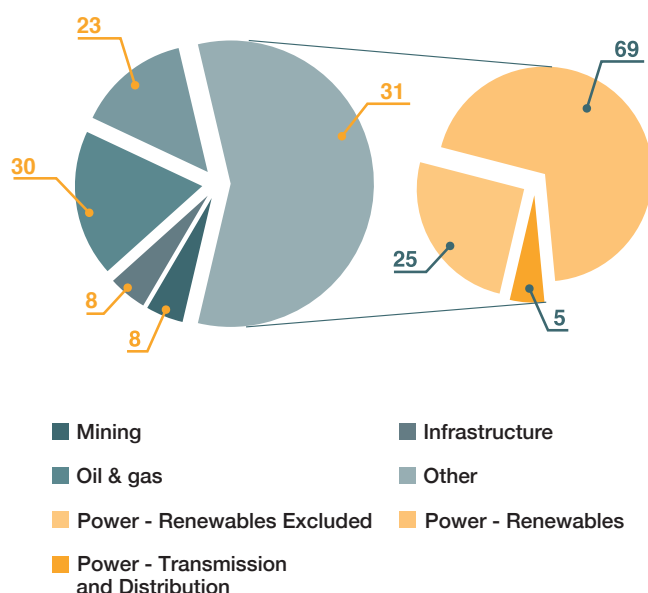
To facilitate the identification of controversies relating to E&S issues, an E&S watch list is drawn up and updated quarterly by internal E&S

for the decision by the Bank's Risk Division. In parallel, transactions carrying reputational risk for E&S reasons undergo a more stringent review and validation process;

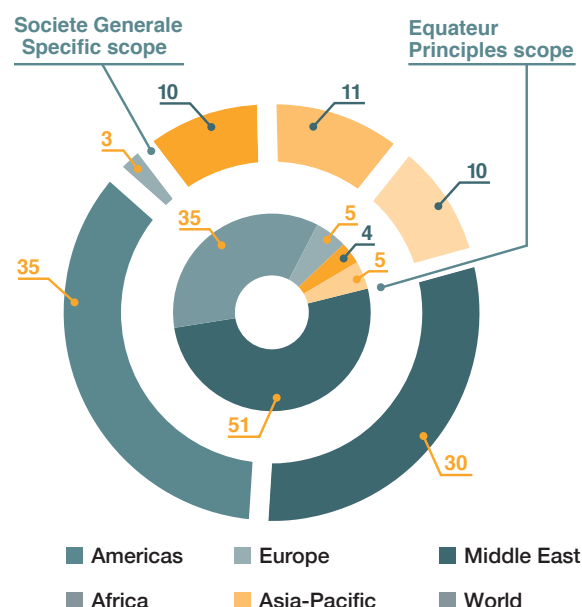
- finally, in the case of projects for which E&S impacts or risks have been identified and evaluated, the action phase; this aims to define an action plan that includes the necessary measures to minimise such impacts or risks. The implementation of this action plan is incorporated into the loan agreement, along with the E&S standards that the client is obliged to comply with under the requirements of the Equator Principles (EP) and in accordance with the Group's E&S General Guidelines. Where customers do not meet the necessary standards, Societe Generale may decide to withdraw its financing.

During 2015, a total of 106 transactions that underwent an E&S review were signed off by the Group. Among these transactions, 31 project loans, 5 project-related corporate loans, 1 bridging loan and 10 advisory mandates relating to project financing fell within the scope of the Equator Principles. Over 2015 the total amount of the commitments for transactions that underwent an E&S review was EUR 2.9 billion within the scope of the EP and EUR 3.7 billion outside the scope of the EP (Societe Generale's voluntary scope of application).

Equator Principles scope
Amount of commitments for transactions signed by sector in 2015



Equator Principles Scope and Societe Generale Specific Scope
Amount of commitments for transactions signed by region in 2015



LIMA'S METRO

Lima's metro: example of a project beyond EP scope for which a full E&S review has been conducted

Societe Generale, acting as facility agent and lead arranger alongside other international banks, signed in 2015 a \$ 800 million financing for the construction and operation of Lima's second metro line (Peru), one of the largest infrastructure projects in Latin America, with a total funding need of \$ 6.5 billion.

The project involves the development of a 27 km east-west metro line with 27 stations and an 8 km airport branch with a further eight stations, which will reduce the costs of transportation, the number of traffic accidents and emissions


of greenhouse gases in the metropolitan area. Consequently, the financing of this project is considered as contributing to Positive Impact Finance as the most advanced environmental and social standards are applied to manage the potential adverse impacts of the project which will also generate positive impacts in terms of climate change.

This metro line will concern circa 25% of Lima metropolitan area, ie more than 2.5 million people, and it is expected to be used by more than 600,000 residents every day from starting of operations, reducing the travel time from currently more than 2 hours to less than 45 minutes.

+ info

> LIMA'S METRO: RELIEVING THE CITY'S CHRONIC CONGESTION

CLIENT E&S EVALUATION PROCEDURES

 In 2010 a procedure for evaluating clients based on E&S criteria, which was revised in 2015, was introduced within the Corporate and Investment Banking division. In 2015 this procedure was revised. The E&S evaluation of customers is carried out in close collaboration with the analysts that are responsible for the Know Your Customer (KYC) process. If these identify that the company operates in a sensitive sector, has a link with the E&S watch list, has been found guilty of E&S-related offences or has been the subject of E&S-related controversy, then the file is transferred to a team of three people that is dedicated to customer E&S analysis and, where appropriate, to the E&S team in Corporate and Investment Banking. The analysis is based on public information collected via IT search tools as well as, if necessary, information supplied by the customer managers within the relevant business line.




If a high level of E&S risk is identified, Societe Generale may decide not to enter into a relationship with a new client, to impose restrictions on the relationship and/or to get a specific undertaking from an existing client for the purposes of prompting it to develop its E&S practices.

In 2015, more than 1,500 private groups among Investment Banking clients were subject to an E&S review. Around 70% of these clients are active in sensitive sectors with regard to E&S (mostly defined to be consistent with the Group's sector policies). The most exposed clients are subject to a more thorough and frequent (every 1 or 2 years) E&S evaluation.

Furthermore, Societe Generale is continuing to gradually roll out customer E&S analysis to other business divisions in the Group and is taking a progress-oriented approach by continually improving its E&S analysis methodology.

POSITIVE IMPACT FINANCE

 Societe Generale is one of the pioneers of positive impact finance in the banking world, which is defined as a new way of financing. It is characterised by the financing of any activity that verifiably produces a positive impact on the economy, society or the environment whilst ensuring that the potential negative impact has been properly identified and managed.

The Group's Corporate and Investment Banking business has been reporting on new positive impact finance transactions since 2012 and the number of cases is rising steadily. Over the period 2012-2015 the number of positive impact finance transactions was multiplied by three.

 In 2015 positive impact finance transactions amounted to EUR 1,856 million (versus EUR 958 million in 2014).

The Group is continuing to work on developing positive impact finance and is one of the initiators of the "Manifesto on Positive Impact Finance" launched last October by Mr. Séverin Cabannes, Deputy Chief Executive Officer of the Group, on behalf of the Banking Commission of the UNEP-FI (Financial Initiative of the United Nations Environment Programme). The Manifesto on Positive Impact Finance calls on banks and other players in the financial sector to develop innovative financial solutions to address the financing needs that are necessary to attain the Sustainable Development Objectives of the United Nations. In accordance with the programme set out in this

EUR 1,856 MILLION

IN NEW POSITIVE IMPACT
FINANCING TRANSACTIONS

The Group successfully
issued the first ever positive
impact bond

Manifesto, Societe Generale is now engaged in hatching "positive impact" transactions and in defining the Positive Impact Principles.



The Group, which aims to be a key player in energy transition financing, has demonstrated its commitment by successfully issuing the first ever Positive Impact Bond. This is a EUR 500 million fixed-rate senior note with a 5-year maturity in respect of which the funds raised will serve exclusively to finance projects that contribute to the fight against climate change and whose negative impacts have been identified and properly managed. This bond establishes a benchmark in the market in terms of transparency and traceability, and was met with great success among the community of investors, as it was six times oversubscribed.

Examples of positive impact financing:

- Financing a solar power plant with a nominal capacity of 104 MW in the region of Antofagasta in Chile. In addition to providing a source of clean and renewable energy, the project also contributes to the development of the renewables industry in Chile. The project won the award for the transaction of the year in Latin America bestowed by the Project Finance International Magazine.
- Financing an emergency water treatment system to supply the city of Yaoundé in Cameroon with drinking water and to meet the present and increasing needs of the population. Moreover, this system also has the advantage of being mobile and re-usable in order to fill any potential shortages of drinking water in other regions in the country. The project is being built in compliance with international norms and standards with minimal impact on biodiversity and the soil.
- Financing one of the largest wind farms in the Baltic Sea, north of the island of Rügen in Germany. The project combines clean and renewable energy production with efforts to reduce its impact on biodiversity during the design, construction and operational phases. The wind farm, which has a nominal capacity of 288 MW, should make it possible to supply electricity to around 340,000 households per year.

+ info

- > POSITIVE IMPACT MANIFESTO
- > POSITIVE IMPACT FINANCING PROGRAMME
- > VIDEO



Christopher Taah Fobeneh

“The Cameroon Water Utilities Corporation (CAMWATER), the state-owned urban hydraulics company in Cameroon, is developing a water treatment system intended to supply the city of Yaoundé, the capital of Cameroon, via an additional drinking water production capacity of 55,000 m³/per day with the support of Societe Generale.

This project is fully in line with the massive investment programme that CAMWATER has undertaken, whose long-term objective is to improve the drinking water supply rate in urban and semi-urban areas to 85% by 2035. Thus by improving not just the quality, but also the quantity of the water that is available for populations, the system of producing drinking water used within the scope of this project and based on membrane technology complies with international norms and standards.

The real positive impact of this project, in both social and economic terms, is anchored in the Sustainable Development Objectives of the United Nations.

We are satisfied that this important project, which was initiated with the support of the government of Cameroon, is a worthy addition to Societe Generale's Positive Impact Finance initiatives.”

Christopher Taah Fobeneh, Chief of Division at CAMWATER

SOCIALLY RESPONSIBLE INVESTMENT (SRI)

SRI/ESG RESEARCH

Societe Generale offers its customers dedicated research on Environmental, Social and Governance (or ESG) issues. The SRI team, currently consisting of four analysts, is part of the financial research branch of Investment Banking.



This year, Societe Generale was ranked first in the SRI & Sustainability Research category of the Extel Survey.

The bank's primary aim is to assist investors and asset manager clients in better integrating ESG criteria in their investment decisions. In order to accomplish this, the team works in close collaboration with the financial analysts in order to demonstrate the financial materiality of these ESG aspects.



In 2015, in addition to enriching the "SRI: Beyond Integration" study combining ESG assessments with the financial recommendations of the financial analysts with the aim of proposing an integrated, practical view of all the companies monitored by the research department, the SRI team drafted and led more than ten multi-sectoral reports that were presented to numerous national and international investors.

As part of its Corporate Access activities, numerous conferences and roadshows for investors and listed companies on the themes of sustainable development and social responsibility were organised in Paris, London, etc.



In November 2015, thirty or so companies presented ESG topics related to their activities to institutional investors at the "ESG/SRI Conference".

Lastly, SRI research is used to underpin several indexes and baskets of listed stocks, via the issue of financial products in the SRI thematic sectors of ESG (e.g. corporate governance, renewable energies, etc.) and sustainable development (a list of products and methodologies is available at www.sgbourse.fr).

SRI PRODUCTS FOR INDIVIDUAL INVESTORS

SRI FUNDS

Societe Generale is committed to meeting investor demand for socially responsible investment (SRI) products by offering several types of investments (equities, bonds and money market products), particularly through 3 investment funds grouping together the most advanced companies based on these three ESG criteria. At the end of November 2015, Societe Generale's SRI assets under management in these 3 funds totalled EUR 273 million.

Since November 2015, the new mutual fund SG Solidarité was added to the range of SRI products (See p. 75, Life insurance: the "Érable Essentiel" policy).

Societe Generale was ranked
in the 1st position in
the SRI Research category
of the Extel Survey

SRI OFFER WITHIN PRIVATE BANKING



Since 2015, Private Banking has been offering its customers an SRI-dedicated collection of advice and products (customised mandates, funds, ETFs and structured products). Its assets under management at the end of 2015 amounted to EUR 315 million.

SRI LIFE INSURANCE

To meet the needs of savers looking to diversify and invest in a socially responsible manner, Sogecap and Oradea Vie's investment-backed life insurance policies offer money market, bond or equity SRI vehicles, depending on the investment duration and level of risk desired by the customer.

SRI assets under management by Sogecap amounted to EUR 40.02 million at the end of 2015 (+10% versus 2014). The global offering of SRI financial vehicles has grown, with 41 vehicles now available (versus 31 in 2014).

SRI-CERTIFIED SAVINGS FOR SOCIETE GENERALE EMPLOYEES

Societe Generale's employee savings plan offers employees the opportunity to invest in various company mutual funds⁽¹⁾ (FCPE) certified SRI by the CIES (Inter-union Committee on Employee Savings).

As of 31st December 2015, the collection of SRI funds in savings plans for the Group in France (the various Company Savings Plans, Group Savings Plans and Collective Retirement Savings Plans) invested in SRI represented EUR 406.8 million in assets under management for an average of approximately 22,000 unit holders.

SRI PRODUCTS FOR PROFESSIONAL INVESTORS

In 2015, Investment Banking strengthened its teams and its ranges of SRI products across all its business lines. Assets under management for SRI products amounted to EUR 1.3 billion in 2015, broken down as follows:

- Global Markets, starting this year, now have a structured SRI product range (in addition to the SRI/ESG research activities presented below) with EUR 986 million SRI assets in the portfolio, particularly via the Societe Generale Index (SGI) franchise, which offers securities on indexes with ESG-related underlyings. One of the successes of the year occurred on an index sponsored by FINVEX, which combines an ESG filter with financial filters (EUR 711 million). In addition to the products on indices with ESG-related underlyings, the product range also includes debt securities where the utilisation of the funds serves to finance ESG projects.

- The management of Lyxor assets has also strengthened the screening and SRI evaluation of its products (funds and SRI ETFs) and the assets under management amounted to EUR 320 million at the end of 2015. Moreover, Lyxor is a signatory of the PRI.

EUR 1.3 BILLION
FOR SRI PRODUCTS

DEPLOYMENT OF E&S COMMITMENTS IN OUR SOURCING POLICY

The Group's total purchases amounted to over EUR 6.5 billion in 2015, which makes the Sourcing function a key actor in the Group's CSR strategy. Pursuing a responsible sourcing policy works towards the fulfilment of Societe Generale's commitments in relation to contributing to economic and social development and in relation to limiting its environmental impact.

Initiated in 2006, the Group's responsible sourcing policy is implemented through multi-year action plans that seek the proactive involvement of all stakeholders in the value chain (key influencers, purchasers and suppliers) as part of a continuous improvement approach.

The responsible sourcing policy is built around three components:

- The process of evaluating suppliers, products and services;
- Systematic actions having an impact on purchasers, contracts and relationships with our suppliers;
- Objectives in terms of economic, social and environmental impact, as stipulated in the Sustainable Sourcing Program (SSP 2011-2015).

In 2014 the internal instruction "Conducting a Responsible Sourcing Policy & a Code of Ethics for Sourcing" was published and distributed to all the Group's purchasers, including those of the subsidiaries and the branches.



The "Conducting a Responsible Sourcing Policy" instruction has been appended to the Global Agreement on Fundamental Rights signed with UNI Global Union in June 2015, demonstrating the Group's intention to implement it throughout the Group (See p. 62, PROMOTING A QUALITY EMPLOYER-EMPLOYEE DIALOGUE).

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> SOURCING POLICY

The "Conducting a Responsible Sourcing Policy" instruction was appended to the global agreement on fundamental rights signed with UNI Global Union in June 2015

EVALUATING PROVIDERS, PRODUCTS AND SERVICES

EVALUATION OF SUPPLIERS

The evaluation of supplier risks comprises two aspects:

- Analysis of suppliers' financial health as part of a global internal project entitled "Know Your Provider".
- Evaluation of suppliers' environmental and social (E&S) performance via EcoVadis.

In 2015 the Know Your Provider (KYP) project was launched. Accordingly, whenever a purchase is made, an analysis is carried out to get to know each of the suppliers invited to participate in a call for tenders. In particular this analysis includes an analysis of the financial viability of our suppliers by studying their financial health and their economic dependency rate with the Societe Generale Group.

In addition a supplier E&S evaluation, covering the respective supplier's commitments and actions in the field of CSR, is requested when making any purchasing decision. This evaluation, which is carried out by the independent expert Ecovadis, serves as a basis for measuring suppliers' performance in relation to environmental and social issues, business ethics and subcontracting.



The CSR rating (Ecovadis) given is factored into the selection criteria with a minimum weighting of 3%. Since 2011 2,687 suppliers have been invited to take part in this evaluation, representing purchasing scope of EUR 2.5 billion for 2015. In 2015 the average rating was 46.5/100. Suppliers obtaining a rating less than or equal to 30/100 are considered at risk (i.e. 52 suppliers under contract in 2015 against 67 in 2014).

The principle of the E&S evaluations of suppliers has also been put in place in Germany, Italy, the Czech Republic, Great Britain, Luxembourg and the United States (these 6 countries represent 17%⁽¹⁾ of the Group's expenses), by means of internal questionnaires.

INCORPORATION OF ENVIRONMENTAL AND SOCIAL CRITERIA IN SOURCING PRODUCTS AND SERVICES

In 2006 the Group developed its environmental and social (E&S) risk mapping, which is linked to each of its purchasing categories. Its use also makes it possible to determine the specific criteria to take into account in connection with calls for tender in order to cover the environmental and social risks that have been identified within the categories of products and services being purchased.

Each purchasing category has been evaluated in line with four key priorities: the Environment, Social Criteria, Business Ethics and Suppliers. This evaluation has made it possible to determine a level of sensitivity to E&S risks on a three-level scale: low, medium and high. For purchasing categories that have been identified as having a high level of sensitivity to E&S risks, based on an analysis of the actions that have been implemented by the Group (carried out by an external audit), the level of control of these risks has been assessed (according to three levels: completely under control, partly under control, not under control) by Societe Generale (or residual E&S risks).

The mapping, which was updated in 2013, covers 62 purchasing categories. 31 of these have been identified as having a high level of sensitivity in terms of E&S risks, representing 54% of the amount of the Group's purchases in France. As of the end of 2015, 28 purchasing categories (compared to 22 in 2014) have been identified as having a level of risk that is "partly under control" (i.e. 95% of the amount of purchases that are sensitive to CSR risks) and three categories (compared to nine in 2014) as having a risk level that is still "not under control". For categories whose risk level is "partly under control" or "not under control", priority actions have been put in place to improve the Group's control of E&S risks.

The E&S risk mapping of products and services has been translated into English and was presented to all the representatives of the international Purchasing function during an annual event in September 2015.

SUPPORT FOR SUPPLIERS AS PART OF A PROGRESS-ORIENTED APPROACH: REMEDIAL ACTION PLANS AND ON-SITE AUDITS.

The Group encourages suppliers in a process of continuous progress by urging those identified as presenting a risk (an Ecovadis rating that is below or equal to 30/100) to implement a remedial action plan. Up until the end of 2014 the suppliers concerned were invited, on a voluntary basis, to define a remedial action plan via the EcoVadis platform. Since the beginning of 2015 a remedial action plan management and monitoring process has been put in place in order to help suppliers to improve their extra-financial performance, with the qualitative objective of obtaining an average rating of 50/100 for all the suppliers that have been evaluated by the Group. In 2015, nine suppliers thus identified as being at risk were encouraged to implement such plans. Three of them were re-evaluated at the end of the remedial action plan and all were rated as not being at risk.

At the same time, an on-site audit approach supplements the plan for suppliers identified as at-risk and belonging to a sensitive purchasing category. In 2015, in collaboration with an independent body, four on-site audits were completed and another six were initiated.



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- > SUPPLIER RELATIONS
- > GROUP'S CSR RISK MAPPING

SYSTEMATIC ACTIONS

The Sustainable Sourcing Program (SSP 2011-2015) is reflected in systematic actions carried out in France, which have an impact on:

(1) Cumulative volumes for all six countries between January and September 2015.

The objective that has been set for 2016

75%
OF THE INVOICES
WITHIN 30 DAYS

...PURCHASERS



- All our purchasers have signed a code of ethics governing purchasing;
- A specific training module entitled “Purchasing and Sustainable Development”, which is part of the in-house training programme (which all our purchasers undergo), has been added to complement the module entitled “Monitoring Supplier Risks”, which is also part of the in-house training programme;
- The incorporation of CSR objectives by all purchasers in a CSR initiative specific to their purchasing category.

...CONTRACTS



- All Group contracts contain a sustainable development clause, which commits suppliers to uphold any employment laws (and where no such laws apply, to at least comply with the provisions of the ILO) or environmental legislation in force in the countries in which they operate;
- Our independent partner Provisis collects mandatory legal documents from our subcontractor suppliers every six months throughout the contracting period in order to fight against undeclared work;

...SUPPLIERS

- As part of Societe Generale's commitment to improving payment time limits for suppliers the ambitious project “Payment in 30 days” was launched in 2014. As of the end of 2015 the average payment timeframe (weighted by the invoice amounts) is 36 days (i.e. a 24-day improvement on the statutory limit). The objective that has been set for 2016 is to pay 75% of the invoices within 30 days.
- The validation circuit has been simplified and the dematerialisation of invoices has been increased to facilitate suppliers' cash flow.

THREEFOLD OBJECTIVES BASED ON ECONOMIC, SOCIAL AND ENVIRONMENTAL PILLARS:

The Sustainable Sourcing Program (SSP 2011-2015) has also defined specific goals:

- To make it easier for SMEs to win Societe Generale procurement contracts and to establish a framework of mutual trust with suppliers;



Serge Pouhaër

“In France, payment delays have reached record levels that have not been seen in the past ten years, increasing to an average of 13.6 days above the statutory time limit as defined by the French Law on the Modernisation of the Economy, which stipulates a maximum time limit of 60 days from the date on which the invoice was issued (the date stated on the invoice). These delays represent EUR 15 billion in late payments, which lead to 15,000 business failures every year.

Being aware of these stakes, our Group has set itself the goal of paying our suppliers within 30 days. This plan meets three objectives: to be THE relationship bank vis-à-vis the Group's clients and suppliers, to support the French and European economy by facilitating our suppliers' cash flow, and to assist businesses to operate and to develop.

The Group has been increasingly focusing on innovative solutions, in both internal and external processes. The simplification of validation circuits for invoices entails empowering managers and greater responsiveness. The Group subsequently opted for dematerialisation, which facilitates validation and reduces the workflow timeframe. Other avenues are currently being explored, such as using a simple PDF.

Since the end of 2015 around 65% of the invoices (in terms of volume) have been paid within 30 days and 88% within 60 days, with an average payment timeframe (weighted by the invoice amounts) of around 40 days. The performance of our employees is very encouraging and has been noted by the national press (the “Challenges” magazine's rankings on payment timeframes: moving up from the 57th position (out of 60) in 2013 to 9th place in 2015. The objective in 2016 is to pay 75% of the invoices within 30 days by continuing our efforts in respect of the workflow.”

Serge Pouhaër, Director of Group “Procure to Pay”
Shared Services Centres

- To have recourse to players from the social and solidarity economy and in particular to the adapted sector⁽²⁾;
- To participate in the reduction of the Group's environmental impact thanks to targeted sourcing actions.

ECONOMIC PILLAR: COMMITTING TO SMES

SMEs are key players in the French economy and at the heart of the strategy that French banks pursue. In France, with over 60% of the Group's purchases made in 2015 from SMEs (Small and Medium-sized Enterprises) and mid-cap suppliers, Societe Generale facilitates access for these companies to the Group's procurement contracts and establishes a climate of mutual trust with its suppliers.

... over 60% of the Group's purchases made in 2015 from SMEs and Mid-Cap suppliers ...

SME PACT

Societe Generale, which was the first bank to sign the SME Pact in December 2007, continues to reinforce its commitment to supporting innovative small and medium-sized businesses. Various actions are carried out in the Group within the scope of the SME Pact, in particular:

- calls for skills via the SME Pact's open innovation platform (<http://innovation.pactepme.org>). Since 2014 the SME Pact's open innovation platform has enabled 13 online calls for skills to be launched and more than 120 innovative SMEs to propose their offerings;
- sponsoring of SME suppliers by other corporate members of the SME Pact. 15 SME suppliers have been sponsored since 2013;
- promotion of representative collaborations between Societe Generale and an SME supplier;
- encouragement to create groups of companies;
- and the supplier satisfaction survey, an annual evaluation of the quality of the relationships that Societe Generale maintains with its SME suppliers, which is structured around four evaluation themes: innovation, contractual relations, partnership relationships and the levers. In 2015, 214 SME suppliers were invited to respond to the satisfaction survey. The Societe Generale Group was rated 62/100, an increase of 2 points year-on-year, which is above the average rating for the Banking and Insurance sector.

SOCIAL PILLAR: COMMITTING TO THE ADAPTED SECTOR

A close collaboration between the Group's Mission Handicap and the Sourcing Division enables "adapted" enterprises in the protected sector

(2) "Adapted" enterprises are enterprises serving a social purpose; they are obliged to ensure that at least 80% of their employees are people with disabilities and they must operate in accordance with the provisions of the French Employment Code. The establishments of Services d'Aide par le Travail (ESAT), which facilitate the integration of disabled individuals into the mainstream labour market, are medi-social establishments whose operation is primarily governed by the French Family and Social Action Code.

to be included, as far as possible, in the search for suppliers during calls for tenders. The purchasers in the Group have benefited from direct access to the platform of GESAT (national network for the protected and adapted sector), which lists adapted enterprises and establishments of Services d'Aide par le Travail by geographic area and type of service. In 2015 services amounting to EUR 4.9 million were provided by business employing handicapped workers in France. In the French Retail Banking network such enterprises collect and recycle paper on a nationwide basis and manage the post for 72 sites in the network. For their part, all Societe Generale branches have their waste paper collected and recycled, of which over 85% is carried out by companies in the adapted sector. At the end of 2014 a project aiming to develop recourse to the adapted sector under our Intellectual IT Services initiative was launched. This initiative has a dual objective: to support the adapted sector in the professionalisation of its IT function and to develop recourse to the adapted sector through activities that are strategic for the bank and that represent a significant volume of expenses for Societe Generale. Thus the project should enable the Group to maintain, even increase, its expenditure in the adapted sector whilst certain historical activities carried out in partnership with this sector will decrease over the coming years in line with the digital transition.

ENVIRONMENTAL PILLAR: CONTRIBUTING TO THE IMPLEMENTATION OF THE GROUP'S ENVIRONMENTAL COMMITMENTS

The objective is to participate, via the purchases made by the Group, in Societe Generale's carbon reduction programme, in particular by integrating environmental criteria that is specific to the products and services being purchased in connection with calls for tender. Thus in 2015, the Purchasing Division played an important role in relation to the Environmental Efficiency Award by supporting project holders and by bringing innovative environmental solutions to the table. (See p. 45, The internal carbon tax)

A PROGRESS-ORIENTED APPROACH

THE "RESPONSIBLE SUPPLIER RELATIONS" CHARTER

 The Group has been a signatory to the "Responsible Supplier Relations" Charter since 2010. This Charter sets out ten commitments for facilitating the building of a balanced and sustainable relationship between the major corporate signatories and their suppliers.

After it was signed, a specific action plan was put in place for meeting the Charter's ten commitments, such as to:

- appoint an internal ombudsman,
- include a clause in contracts that favours recourse to mediation.

THE "RESPONSIBLE SUPPLIER RELATIONS" CERTIFICATION

In 2012, Societe Generale SA (France) received the "Responsible Supplier Relations" certification from inter-company mediation, procurement contract mediation and the French association of CEOs and purchasing Directors (*Médiation Inter-entreprises, Médiation des*

Marchés publics and Compagnie des dirigeants et acheteurs de France (CDAF).

This certification, awarded following an on-site audit of our practices by an extra-financial evaluation agency, attests to the fact that our organisation and our day-to-day management provide reasonable assurance of compliance with the objectives and commitments defined in the certification's frame of reference. At the end of 2015, in light of the annual follow-up evaluation, the Awarding Committee decided to renew Societe Generale's certification.

Procedures have also been set in motion for specific purchasing categories:

- The Group is a founder member of the Charter of Best Practices in Procurement of Private Security Services (security, transport of funds, remote monitoring), created under the auspices of the French Ministry of the Interior.

- Since October 2014 Societe Generale has been a signatory to the "La Belle Compétition" Charter, which encourages competition, for "Communication Agency – Advertiser" calls for tender.

With the Sustainable Sourcing Program (SSP 2011-2015) coming to an end in 2015, a new multi-year Responsible Sourcing policy is presently in the process of being defined, calling on the input of a wide panel of stakeholders (key influencers, purchasers, suppliers – 706 of which participated in Societe Generale's responsible sourcing survey. Its operational rollout will take place, in France and abroad, over the next three years (2016-2018).


DASHBOARD OF THE SSP PROGRAM

The SSP plan is tracked using the performance indicators below, which make it possible to control and measure the Group's performance in terms of responsible sourcing.

Management indicators	Achieved in 2014	Achieved in 2015	2016 Targets
Total of purchases	€6.1 billion	€6.6 billion	n/a
% of our purchases with an inherent CSR risk	63%	54%	n/a
% of purchases whose CSR risk is under control or partly under control (% of the value of purchases that are sensitive to CSR risks)	49%	95%	≥ 70%
Expenditure among companies in the adapted sector	€4.9 million (at the level of the Group)	€4.9 million (at the level of SGPM in France)	€5 million
Expenditure among French SMEs/mid caps	60%	61%	≥ 60%
Number of suppliers invited to take part in the CSR evaluation	2,167	2,687	All suppliers were invited to take part in calls for tender
Number of suppliers evaluated, at risk, subcontractors	67	52	≤ to 2014
Average supplier ratings	46.6/100	46.5/100	50/100
Number of supplier progress plans	13	9	10
Number of on-site supplier audits	3	4 + 6 initiated in 2015 and completed in the first half of 2016	10
Number of cases referred to mediation	0	0	n/a
Rating in the SME Pact supplier satisfaction survey	60/100	62/100	≥ to 2014
% of invoices paid within 30 days	53%	65%	Objective for Q1 2016 - 75%
ROBECOSAM rating (for Supply Chain Management)	95/100	98/100	≥ to 2014

DIALOGUE WITH CIVIL SOCIETY

Societe Generale makes every effort to promote constructive talks with all its stakeholders.

 In particular, the Group is careful to listen to and engage in dialogue with NGOs that alert it to E&S issues within its sphere of influence or that can help it to adapt its policies and procedures

in a progress-oriented approach. The bank ensures it has regular exchanges on the development and the implementation of its policies. In 2015 this type of exchange took place on, in particular, the bank's commitments to benefit the climate.

Through its E&S watch list, Societe Generale monitors projects,

companies and sectors, whether or not they are financed by the bank, that are the subject of controversy or public campaigns on the part of civil society (see p. 26, Watch list).

The bank has put a procedure in place for centralising correspondence and contact originating from NGOs or other players in civil society within the CSR Department, which is intended to alert it to the impacts associated with its financing or other services. Wherever possible, an internal enquiry is conducted and documented replies are supplied in writing or at meetings where appropriate.

In the course of 2015, Societe Generale participated in various work and discussion meetings with around ten NGOs (including BankTrack, Amis de la Terre, Oxfam, and WWF, etc.) either through bilateral meetings or during more wide-ranging consultation meetings organised by the associations themselves or by the OECD, the Equator Principles Association or the World Bank.

Two main topics were covered with the NGOs:

- the challenges of finance for the climate, particularly for coal-related financing;
- human rights.

The Group also maintains regular, constructive contact with CRESUS (regional agencies preventing over-indebtedness) through its partnerships with Group entities (CGI, Franfinance, BDDF) as well as a dialogue on the role of lending institutions in preventing individuals from getting too far into debt and assisting people in difficulty (See p. 80, Focus on over-indebtedness).

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> WITH NGOS

NON-FINANCIAL EVALUATION



Nicole Notat

"Vigeo has ranked Societe Generale as the leading company in the world out of 1,300 listed companies for availability of information that helps the agency to form its opinions. We have recognised this drive for transparency, comprehensiveness and accuracy in its reporting."

Nicole Notat, the CEO of Vigeo

The Group attaches great importance to its financial and non-financial ratings and strives to obtain ratings that best reflect its CSR actions by ensuring the quality and transparency of the data provided. Societe Generale is recognised for the transparency shown to its stakeholders. In 2015 Vigeo named Societe Generale's CSR reporting to be the most complete among the 1,309 companies observed. As a result, Societe Generale's stock has been listed for many years in the main international SRI indices (DJSI World and Europe, FTSE4Good, Euronext Vigeo, Ethibel, STOXX, etc.) and is also a popular choice amongst a large number of SRI funds (See Group website).

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> DIALOGUE WITH RATING AGENCIES

> PRESS RELEASE (NON AVAILABLE IN ENGLISH)

THE BANK IS ATTENTIVE TO INVESTORS

A DEDICATED TEAM

Societe Generale's department in charge of institutional and individual investor relations is responsible for overseeing the Group's financial communications and disclosure and for ensuring that investors and shareholders are kept up to date regarding its strategy and results.

MEETING WITH INVESTORS

The Group regularly meets with its investors to present its strategy and results and exchange views with them, including on environmental and social topics. In 2015, Societe Generale's management and the Finance Department's teams, accompanied by the Investor Relations team, conducted nearly 100 roadshow days and participated in a dozen broker conferences in the major international financial centres. In total, they met with nearly 70% of the institutional shareholders.



Also this year, a new type of roadshow was organised as part of the first Societe Generale positive impact green bond, which contributes to the financing of the low-carbon economy. The funds raised are used exclusively to finance projects contributing to the fight against climate change (see p. 28, Positive Impact Finance). This was an opportunity to present, in November 2015, Societe Generale's SRI/CSR accomplishments to the institutional investors (this presentation is available on the Group's website).

Maintaining and developing a policy of dialogue with its individual shareholders is a priority for the Group. In 2015, Societe Generale thus organised two shareholders' meetings in Versailles and Cannes. Each of these events brought together around 600 guests and allowed shareholders to exchange views with a member of the General Management. In November the Group also participated in Salon Actionaria, an individual shareholder trade fair attended by more than 25,000 visitors. The bank also took part in three information meetings in partnership with other issuers, in Lille, Aix-en-Provence and Nancy, each of which was attended by 150 to 400 participants.

Five times a year the Group publishes its Letter to Shareholders, which appears quarterly in newsletter format and in June in paper format after the General Meeting. In late 2015 Societe Generale launched an app for shareholders, available on smartphones and tablets on iOS and Android devices. The app provides easy, instant access to all necessary information for shareholders: stock prices, press releases, calendar of upcoming events, and so on. This new tool is the perfect complement to the single-channel communication system made available to shareholders: dedicated pages on the Group's website, dedicated phone number, Shareholders' Club, and more.

To make sure it continues to meet the needs and expectations

of its individual shareholders, the Group has had a Shareholders' Consultative Committee since 1988, whose primary role is to advise on the Group's individual shareholder relations and communications policy. The Committee meets twice a year. Their questions are relayed to the General Meeting.

In 2015 the Group received several awards: the Grand Gold Award for Best Shareholder Relations and the Gold Award for Best Digital Communication of CAC 40 companies from Le Revenu, and the 2015 Shareholders' Club prize awarded by economic publications Les Echos and Investir/Le Journal des Finances in partnership with auditing group Mazars. In addition, the transparency of Societe Generale's financial communications has been recognised by the Transparency label for the third year running.

+ info

- > SOCIETE GENERALE LAUNCH THE SHAREHOLDERS MOBILE APP (NON AVAILABLE IN ENGLISH)
- > GOLD AWARD FOR THE BEST SHAREHOLDER RELATIONS (NON AVAILABLE IN ENGLISH)
- > PRESENTATION TO INVESTORS

In total,

THEY MET WITH NEARLY
70%
OF THE INSTITUTIONAL
SHAREHOLDERS

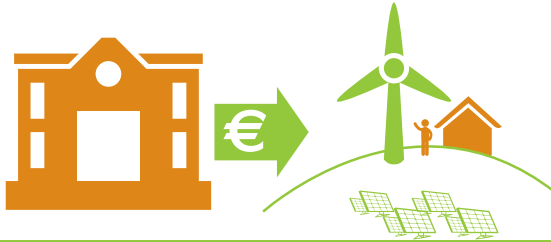


> FIND ALL THE DATA OF THE REPORT

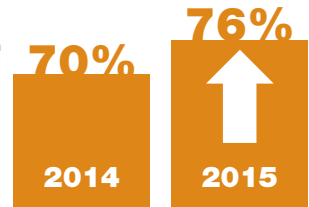
ACTION TO BENEFIT THE ENVIRONMENT

ACTOR OF THE ENERGY TRANSITION

€**2 bn** **GREEN BONDS**



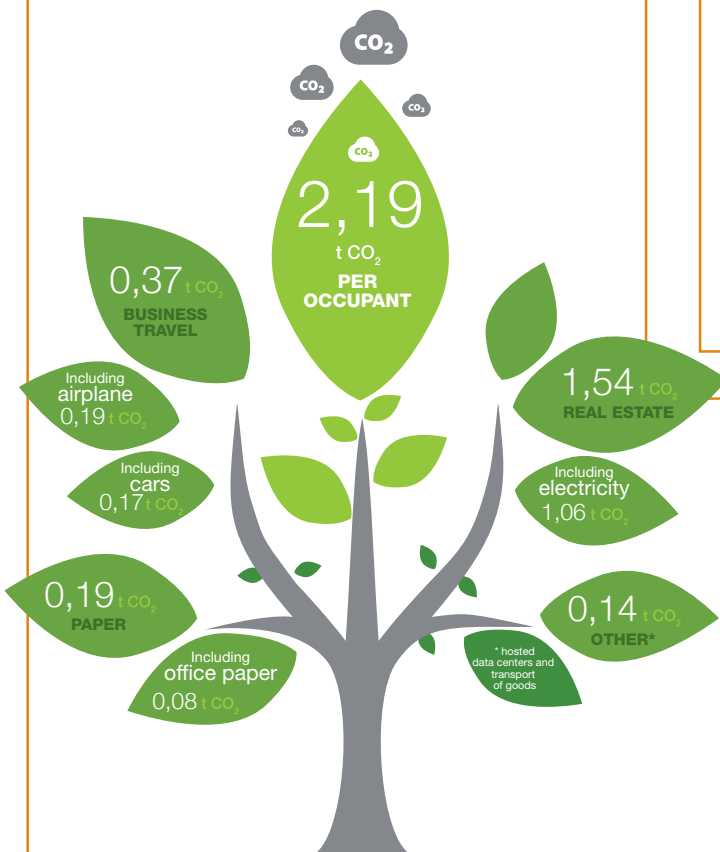
76%
OF NEW FINANCING IN THE ELECTRICAL PRODUCTION SECTOR TO RENEWABLE ENERGY PROJECTS



€**2 bn** **GREEN FINANCING**



GROUP'S CARBON FOOTPRINT



INTERNAL CARBON TAX

ANNUAL AVERAGE OVER 3 YEARS



2020 TARGET -20% OF EMISSION REF 2014



SOCIETE GENERALE HAS MADE COMMITMENTS FAVOURING THE CLIMATE



Crédit photo Peter Allan

Séverin Cabannes

“The adoption of a global climate policy marks a new stage in Societe Generale’s commitment to fight against global warming. As one of the world leaders in energy funding, the Group is committed to reducing its own carbon footprint and to supporting its clients’ projects to minimise their impact on the climate. In this way Societe Generale is contributing to the responsible financing of the global economy and intends to be one of the key players in the financing of energy transition.”

Séverin Cabannes, Deputy Chief Executive of Societe Generale

Faced with the many climatic and ecological changes, one of the challenges of this century will undoubtedly be the preservation of environmental balances. The interdependence of activities to address these increased risks shows that comprehensive, coordinated action is necessary.

COP 21 (21st conference of the parties that took place in Paris from 11th November 2015 to 7th December 2015) is a milestone in general mobilisation to stop the average temperature of the earth from increasing by more than 2°C, with concrete commitments from countries, local and regional authorities, businesses and financial partners worldwide.



On this occasion, Societe Generale adopted a range of new climate commitments aimed at ensuring that the bank’s actions by 2020 are in phase with the scenario of a 2°C limit on global warming defined by the International Energy Agency (IEA) and complementing the existing Environmental General Guidelines of the Bank.

These commitments strengthen the E&S general guidelines and sectoral policies comprising the Group’s E&S legal framework, which sets out


the acceptability standards for operations and clients individually for each E&S issue and in each business sector, particularly in terms of strict criteria on coal mining (Mining policy), emissions from the energy sector (policies on Thermal Power Plants and Coal-fired Power Plants), or deforestation (Forestry, Palm Oil and Biodiversity policies) (see p. 26, Sector and cross-sector E&S policies). Thus Societe Generale is generally committed to reducing its coal-related activities to ensure that by 2020 it will be in phase with the IEA’s 2°C scenario, and it has announced that it will no longer help to finance coal-fired power plant projects in high-income OECD countries or to fund coal mine development projects. In addition, Societe Generale has strengthened its commitment to forest conservation by adopting the Soft Commodities Compact of the Banking Environment Initiative (backed by the Consumer Goods Forum), which aims to mobilise the banking industry to help transform supply chains for agricultural commodities in order to help major customers in the sector to achieve their goal of zero net deforestation by 2020 (see p. 6, Commitments, Challenges and Ambition).

Those commitments are accompanied by a proactive policy in the renewable energy sector, with a twofold increase in the funding of renewable energy projects and the capacity to access up to EUR 10 billion in funding for projects in the renewable energy sector by 2020, in addition to the desire to reduce its own carbon footprint.

Societe Generale has set a new objective compared to 2014 to reduce its CO₂ emissions by 20% by 2020. In order to achieve this objective the Group is extending its “internal carbon tax” incentive scheme based on the emissions made by each Group entity, which are then redistributed to finance internal environmental efficiency initiatives.

As such, Societe Generale will strive over the first half of 2016 to implement a framework to steer and monitor its actions that is consistent with the “Principles for the integration of actions in support of climate in financial institutions” which it supports. These principles help guide financial institutions as they take climate change issues into consideration in their funding strategy, investment and risk management procedures alike, as well as in the disclosure of information.

SUPPORTING OUR CLIENTS WITH THEIR LOW-CARBON INVESTMENTS

 | Societe Generale wishes to be a key player in the funding of the energy transition by focusing on:

- the diversification of sources of energy production with increased funding of the renewable energy sector;
- the reduction in customers' energy consumption;
- the increase in our energy transition actions in developing countries, specifically in Africa where Societe Generale has a strong presence, and attracting investors to these projects.

All this can only be achieved by strengthening its partnerships with the players in energy transition and the low carbon economy.

+ info

> **SOCIETE GENERALE COMMITS TO THE FIGHT AGAINST CLIMATE CHANGE**

> **SUSTAINABLE COMMITMENTS**

> **FIND SOCIETE GENERALE COMMITMENTS ON NAZCA**

> **FINANCING THE ENERGY TRANSITION**


> **ZERO EXCLUSION, ZERO CARBON, ZERO POVERTY**

> **FIND MORE ABOUT SOCIETE GENERALE'S COMMITMENTS (NON AVAILABLE IN ENGLISH)**

> **VIDEO S. CABANNES**

> **VIDEO J DEFLESSSELLES (NON AVAILABLE IN ENGLISH)**

GREEN FINANCE AND SERVICES

 | In 2015, in terms of funding activities of private or public sector companies, Societe Generale's environmentally-friendly funding amounts to nearly EUR 2 billion, and 66% of the global portfolio of the Corporate and Investment Banking division's power generation sector consists of renewable energy assets (compared to 60% in 2014). As for green funding in favour of individual customers, it amounts to EUR 173 million and for local authorities EUR 24 million. Green funding is up about 82% compared to 2014, thanks to a more dynamic market. This includes wind farms, all renewable energy production, waste and recycling, public transport projects, alternative fuels and clean vehicles. They benefit from the bank's capacity to fund complex projects.

The ambition consists of doubling financing towards renewable energy projects to reach as much as EUR 10 billion of funding for projects from the renewable energies (RE) sector by 2020.

FUNDING FOR LARGE-SCALE CLIMATE PROJECTS

The bank has been particularly active in the funding of renewable energy projects and is a major player in the funding of energy infrastructures. The Investment Bank has extensive experience in the environmental and renewable energy sector (solar, biomass, wind, etc.). With a global presence and acknowledged sectoral expertise, the bank has continuously supported its customers for over ten years in the development of these sectors. In 2015, 76% of new project funding in the electricity production sector was dedicated to renewable energy assets for the Group (compared to 70% in 2014).



Jérôme Deflesselles

"Ten years ago many questions were hanging over renewable energies: the maturity of the technologies, the scale of the costs, the grant mechanisms, the acceptability of surcharges by governments and citizens, etc. Today, in light of the technological advances, the subsequent reduction in costs and the climate issues, nobody doubts any longer that a long-term path and a real paradigm shift are necessary for the energy world. Year after year record investments are made in the sector. In 2015 EUR 330 billion was invested in renewable energies worldwide.

Thanks to having a clear and proactive strategy in the renewable energy sector for over a decade, the bank is able to give its clients long-term support for their developments across all asset classes and jurisdictions.

In onshore, offshore, solar and biomass energy alike, Societe Generale has experienced strong growth in its advisory and financing activities over the past few years. Furthermore, backed by its position as a leader in the energy sector and its recognised expertise drawn from teams based throughout the world, therefore as close as possible to its markets, the Group supports its clients across all sectors.

In 2015 76% of our new loans for electricity generation projects related to renewable energies."

Jérôme Deflesselles, European Head of Renewable Energy Advisory and Financing Services



The bank specifically played a decisive role in the USD 248 million funding of the 30 MW Block Island (USA) offshore wind power project, the first offshore wind farm in the USA, representing a major technological breakthrough. This debt-based funding has established a new funding model for the country's future offshore wind farms.

In Europe, the Group, amongst others, assisted in the largest offshore wind project to date in the United Kingdom, known as the Galloper project, with a capacity of 336 MW located in the Thames Estuary.

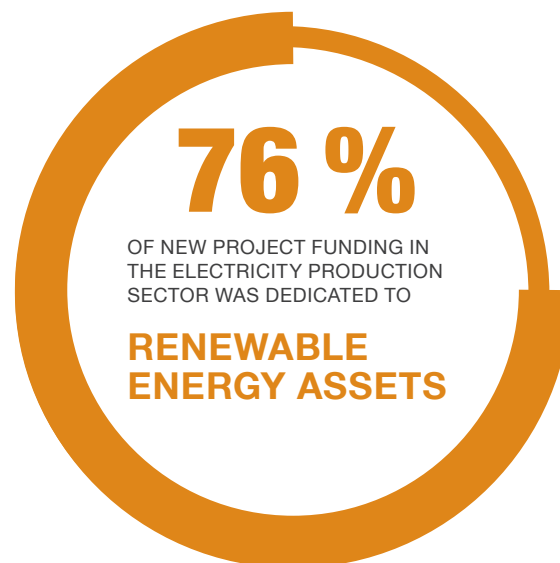
The Group has been a leader in implementing a financial solution for the 100 MW Hornsdale wind power project in southern Australia.

In addition, Group subsidiaries abroad are also present in the sector. Internationally, Societe Generale helps local communities to grow while preserving their ecosystem. This type of funding comprises improved public transport routes, the installation of solar panels or dedicated infrastructures.

For example, in 2015:

- SGEF Poland and SGEF Czech Republic contributed EUR 1.2 million and EUR 17 million respectively to the acquisition of buses to improve public transport;
- SGEF UK (United Kingdom) funded the installation of solar panels in several cities for the benefit of the Aspirations Academy Trust. This charitable trust promotes education based on the development and personal ambitions of students;
- Societe Generale Algeria awarded funding of EUR 63.7 million to a company specialising in the assembly of trams in order to provide public transport solutions in major Algerian cities;
- Komerční Banka (Czech Republic) provided funding of EUR 4.4 million to install several infrastructures enabling better access to water and heating for those populations with systems tailored to preserve the ecosystem, as well as funding for 25 multi-source energy production projects using solar energy, hydro energy and biogas amounting to EUR 160 million;
- SG Express Bank (Bulgaria) provided EUR 0.66 million for low carbon emission buses and in 2015 continued to fund several solar energy production plants for EUR 10 million;
- Rusfinance (Russia), the consumer credit subsidiary in Russia, arranged funding loans amounting to EUR 26 million for individuals to buy their own vehicles with a guarantee by the Societe Generale Group;
- Fidelity (Italy) provided funding of EUR 9.5 million to a thousand individuals for renewable energy production projects.

Among the innovative transactions seen this year, KB (Czech Republic) was the first European bank to establish a partnership to encourage investment in the field of energy efficiency and renewable energies (PF4EE, Private Finance for Energy Efficiency), which combines a financing line with a risk-sharing and technical assistance scheme.



A SPECIFIC OFFER OF SERVICES

SOGEPROM: integrated and innovative urban solutions

In 2014 SOGEPROM, the Group's property development subsidiary, announced the launch of the "E+" programme for "Positive Energy" and the signing of a series of long-term partnership agreements with major industrial groups such as OTIS, RENAULT and SCHNEIDER ELECTRIC, the objective being to harness positive synergies based in particular on renewable energies.

At the first edition of its «New Uses» Award, the corporate property fair SIMI (Salon de l'immobilier d'entreprise), held in December 2015 in Paris, chose to single out Lucibel and Sogeprom in the "User Services" category for this LIFI bi-directional broadband technology, the transmission of data through lighting.

ALD: a responsible utilisation offer of automobile fleets

Under the ALD newmobility programme launched in 2012, ALD Automotive, the Group's automobile leasing subsidiary, deploys concrete, innovative actions to meet its customers' new mobility expectations by developing company car-sharing (ALD sharing), flexibility (ALD switch), and multi-mode (ALD Release, ALD companybike, etc.) solutions and more recently a "mobility budget" (ALD mobility card) solution, allowing its user to opt for the most appropriate means of transport for a given journey (public transport, taxi, vehicle hire, etc.).

ALD Automotive also continues to develop its ALD Bluefleet offer aimed at the everyday reduction of CO₂ emissions and fuel consumption of its fleets by promoting it to companies.

As of late September 2015, ALD Automotive managed a fleet of some 6,700 electric vehicles in 13 countries. With the addition of rechargeable hybrid vehicles and conventional hybrid vehicles, the fleet of new-technology vehicles managed by ALD Automotive was close to 30,000 vehicles, an increase of 48.9% in 12 months. Closely following emerging technologies, ALD Automotive also funded 8 fuel cell vehicles powered by hydrogen on the same date.

+ info

- > **NEOEN A FRENCH LEADER IN RENEWABLE ENERGY**
- > **100 MW HORNSDALE WIND FARM**
- > **TIMELY FINANCING FOR THE FIRST US OFFSHORE WIND FARM**
- > **A WIRELESS INTERNET CONNECTING USING LIGHT**
- > **VIDEO (NON AVAILABLE IN ENGLISH)**

ENVIRONMENTAL BANKING OFFER IN FRANCE

In its French banking networks, Societe Generale promotes funding aimed at improving energy efficiency.

SUSTAINABLE DEVELOPMENT SAVINGS ACCOUNT (LDD)

As of 31st December 2015, the deposits in these accounts amounted to EUR 8 billion. The bank mostly uses the amounts paid into these savings accounts to finance SMEs and sustainable development projects.

ECO-PTZ AND OTHER LOANS GENERATING ENERGY SAVINGS

The Group distributes green products and loans designed for its individual customers. Since being introduced in France over 26,000 interest-free eco-loans and sustainable development loans have been granted, representing more than EUR 410 million.

LOANS TO PURCHASE OF ELECTRIC OR HYBRID VEHICLES

Since September 2012, a preferential "Clean Vehicles" schedule is reserved for clients who wish to finance the purchase of new or second-hand electric or hybrid vehicles via an Expresso loan.

In 2015 2,750 Expresso loans totalling EUR 33.6 million were granted. Since this specific schedule was put in place, a total of 6,695 "Clean Vehicles" Expresso loans have been granted, for an overall amount of EUR 87.5 million.

At the same time, Societe Generale's clients can benefit from a 5% discount on their motor insurance premium (for vehicles emitting less than 120g of CO₂/km) for the entire duration of their contract, regardless of the option selected.

CGI, the Group's consumer credit entity (Car Financing France) signed a partnership agreement with the world leader in electric cars, TESLA, regarding the retail funding of the brand's electric vehicles. This agreement has been effective since October 2014. CGI will also take part in the manufacturer's CSR approach by promoting access to "green" cars via extremely competitive lease-to-purchase offers.



Jonathan Weinberger

"SG's leadership in green bonds is clearly demonstrated by the high standard of the debut issuance. The bank's Positive Impact Finance bond is a funding vehicle that supports high quality, low carbon projects, providing a substantial improvement to the energy production mix, and gives investors clear and robust reporting, providing an audited and transparent means for investors to monitor the environmental attributes of the asset."

Jonathan Weinberger, Head of Capital Markets Engineering

ENVIRONMENT BUSINESS CARD WITH THE ONF

Through its Environment Business Card dedicated to corporate customers, the bank has reiterated its commitment until the end of 2016 by contributing EUR 5 cents for each payment made with the card. This offer includes making paperless card statements available to company employees to enable them to track their expenditure, which can be consulted on Societe Generale's secure website (www.sogecartenet.fr).

In 2015, payments to the ONF, the French Forestry Commission, amounted to EUR 126,855, i.e. a 26% increase on 2014. These payments will permit the financing of 2 projects in 2016: the site layout of the "Salle de bal des demoiselles coiffées" in the Hautes-Alpes and a project raising public awareness and access for all to the forest in "Pays de Monts" in the Vendée region.

BOURSORAMA AND BLABLACAR

Since December 2015, Boursorama, the Group's online banking subsidiary, has sponsored the travel of customers of the carpool site who deposit funds with it. Along with the carpool specialist, they launched a joint promotion to encourage carpool fans to use online banking and vice versa.

+ info

- > **RESPONSIBLE ECONOMY AWARD FOR CGI**
(NON AVAILABLE IN ENGLISH)

INNOVATIVE SOLUTIONS TO RISE TO THE CHALLENGES OF THE ENERGY TRANSITION

Societe Generale uses its structuring and distribution expertise to provide innovative solutions responding to risk/profitability concerns and integrating the ESG criteria required by investors, particularly

through impact positive financing under the aegis of the UNEP-FI (see p. 28, Positive Impact Finance).

GREEN BONDS

In support of its Corporate customers, the Group is keen to contribute to the development of a Green bonds market, which allows them to finance projects and acquisitions in renewable energies and energy efficiency, taking part in the fight against climate change and bringing the Group's structuring and bond distribution solutions to the table, combined with its long-standing expertise in ESG management (Environmental, Social and Governance).

In 2015, Societe Generale contributed to the emission of 6 green bonds representing a total sum of EUR 2 billion.

Thus, the Group supported the City of Paris as it issued its first climate bond. The funds will be used to finance projects to combat climate change, in line with the city's Climate and Energy Plan 2020.

the Group supported
the City of Paris
as it issued its first
climate bond

THE FIRST POSITIVE IMPACT GREEN BOND

In order to meet the obligations of low-carbon investors, the Group issued a EUR 500 million bond with a twofold environmental and positive impact component (see p. 28, Positive Impact Finance).

FINANCIAL SOLUTIONS TO BENEFIT NEW TECHNOLOGIES

 | The Group's teams are dedicated to the search for financial solutions that foster new climate-friendly technologies, such as Carbon Capture & Storage (CCS). It advises on several of these essential climate change mitigation projects – for example, the White Rose Project in the United Kingdom, with EUR 300 million in funding provided as part of the European Union's NER300 programme, which aims to demonstrate the efficiency of carbon capture and storage techniques. This approach expands the range of available solutions whilst favouring progress and experimentation, paving the way to innovation.

Moreover, the Bank is a long-standing player on the carbon market, ranked second and fifth respectively in 2014 and 2015 by Energy Risk in terms of the European ETS, and has been rated first in terms of its research on the subject, both in 2014 and 2015.

STRENGTHENING PARTNERSHIPS IN DEVELOPING COUNTRIES

 | In accordance with its global strategy, the Group strives to forge and develop partnerships, in the other countries where it operates, with International Financial Institutions (AFD, EBRD, EIB, World Bank, etc.) to propose financing solutions responding to the needs of the local businesses and stakeholders it works with, with a particular focus on energy transition projects.

As a major player in Africa, Societe Generale is accompanying the development of this fast-growing continent. The Group is present in 18 countries and is one of the most established international banks on the continent, with 3 million customers, including 150,000 businesses. Given that 75% of Africa's population still has no access to electricity, the role of the bank is twofold:

- Project financing to give African countries access to electricity, with a role as an adviser or arranger in EUR 17 billion worth of investments over the past 5 years throughout the entire value chain (funding of generation equipment, distribution grids, production units and financial advice for major infrastructure projects).
- Green funding initiatives and offers for SMIs/SMEs and individuals to enhance the effort made by governments to promote the green economy (for instance a tax exemption on renewable energy in Burkina Faso, desire to break the cycle of dependence on oil in Tunisia, 6th green business forum in Congo).

Societe Generale has signed several partnership agreements (AFD, EBRD, EIB, etc.) specifically dealing with the energy transition with international financial institutions, and intends to strengthen these agreements as much as possible.

- Agreement with the EIB as part of the "France Energies Renouvelables" programme to promote investment in renewable energies (EUR 750 million) across the French territory between 2014 and 2016.
- In Senegal, SGBS and the French Development Agency (AFD) signed an agreement for EUR 5 million as part of the SUNREF programme, a facility to promote investment in energy efficiency and renewable energies in developing countries;
- The same type of partnership for EUR 6 million was signed between SGBCI and AFD in the Ivory Coast in July 2015. This line of funding facilitated the granting of credit to one of the country's leading corrugated board producers to finance the purchase of equipment that would reduce its energy consumption by 40% and improve its production capacity;
- In Macedonia, OBSG established a credit line of EUR 4 million with the Green Growth Fund (GGF) to support the funding of projects related to energy efficiency and renewable energies.

Relations with the EIB (European Investment Bank) continued to flourish (see p. 74, Supporting financial institutions and development agencies).

+ info

- > **PRESS RELEASE CITY OF PARIS ISSUED ITS FIRST CLIMATE BOND (NON AVAILABLE IN ENGLISH)**
- > **FIRST POSITIVE IMPACT BOND**


> VIDEO

REDUCING THE GROUP'S CARBON FOOTPRINT

The bank also generates impacts on the environment through its activity. Aware of this responsibility, Societe Generale is pursuing its own environmental policy, which involves the control and improvement of its direct impacts on the environment, in association with its various stakeholders. At the same time, each division and business seeks to contribute to the Group's environmental policy by developing its own initiatives, including within its business lines.


Similarly the Buildings and IT Infrastructures divisions incorporate and steer the environmental aspects of their activities.

CARBON REDUCTION PROGRAMME

 | The 2012-2015 carbon reduction programme came to an end in late 2015. At COP 21, Societe Generale set a new target compared to 2014 to reduce its CO₂ emissions by 20% per occupant by 2020. The Group's carbon footprint incorporates energy consumption, business travel, freight transportation (covering banking transportation (mail and parcels), cash transportation and transportation due to relocation), total paper consumption and consumption of data hosted in France.

The 2012-2015 programme aimed:

- to reduce greenhouse gas (GHG) emissions per occupant by 11% compared to 2012 by the end of 2015 (excluding the purchase of green electricity);
- to increase energy efficiency by 13% compared to 2012 by the end of 2015.


 | By the end of 2015, GHG emissions per occupant were reduced by 11.4% compared to 2012, surpassing the 11% goal, and energy consumption has been reduced by 11.3% compared to 2012, instead of the established 13% goal. The reduction of energy consumption per occupant of 4.3% observed between 2014 and 2015 was not sufficient to make up for the delay identified. The year 2015 was particularly successful in terms of CO₂ reductions since the number of job positions was reduced between 2014 and 2015.

... a new target to reduce its CO₂ emissions by 20% per occupant by 2020

 | The Group's carbon footprint amounts to 2.19 tCO₂/occ. (7.6% reduction compared to 2014).

Since 2005, the Group has performed an inventory of greenhouse gas emissions in accordance with the GHG Protocol (an international standard). The monitoring of environmental indicators is enhanced from year to year as a result of using a CSR reporting tool (Planethic Reporting) to manage information. The data collected via this inventory serves as a basis for calculating the internal carbon tax.

INTERNAL CARBON TAX

 | The carbon reduction programme is based on the implementation of an innovative scheme: each Core Business and Corporate Division pays an internal carbon tax according to their carbon footprint (EUR 10/tCO₂) and the revenue from this tax is allocated to internal environmental efficiency initiatives via the Environmental Efficiency Awards.



This scheme, based on a twofold incentive, encourages each entity to:

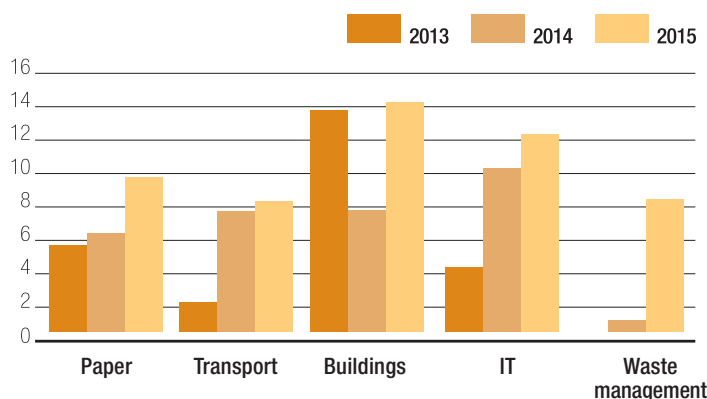
- cut its CO₂ emissions to reduce the amount of the tax;
- implement environmental efficiency initiatives, for which they may receive funding.

The goal of this scheme is to show that environmental measures are also opportunities to create value and innovation for the bank. A committee makes the selection, ensuring that each initiative implemented has demonstrated its environmental additionality and represents an economic interest for the Group.

In 2015, 56 initiatives won awards totalling EUR 3.4 million.

Over the three years of this scheme's existence, all 119 winning initiatives, involving building, IT, paper, transport or waste (since 2015), enabled annual recurring savings of an average of EUR 13 million on overheads, an average of 4,700 tonnes per year of CO₂ and an average of 30 GWh of energy savings.

Environmental efficiency awards Initiatives rewarded



+ info

> 3RD EDITION OF ENVIRONMENTAL EFFICIENCY TROPHY
(NON AVAILABLE IN ENGLISH)

> VIDEO UNE INITIATIVE PRIMEE «DEMAT +» (NON AVAILABLE IN ENGLISH)

> VIDEO UNE INITIATIVE PRIMEE «RECYCLAGE DES BACHES»
(NON AVAILABLE IN ENGLISH)

MEASURES TAKEN TO IMPROVE ENVIRONMENTAL EFFICIENCY

BUILDINGS

Reduction of energy consumption

With floor space of over 4 million sq. m., in 2015 the Group made a commitment to continually enhance the performance of its buildings by implementing an environmental strategy for its building stock.

To this end, one of the objectives it has set is to increase the energy performance of its central buildings (excluding branches and subsidiaries) in 2015 by 15% in comparison to 2012. This objective strongly contributes to the reduction of energy consumption achieved since 2007.

Several tools have been implemented to reach this objective. An Environmental Diagnostic Tool (EDT) has been developed to evaluate the environmental performance of the building stock. A collection of

environmental profiles on buildings over 5,000 m² was completed in early 2015. This made it possible to set a benchmark for these buildings against the Group building standard (Responsible Building Benchmark – RBB) for the purposes of deploying consistent and effective action plans at country or entity level and improving the energy performance of the building stock as a whole.

A management tool (GREEN) allowing the real-time monitoring of a given building's energy and water consumption and waste management is currently being rolled out. It was rolled out in 2015 at the main central buildings in France, and is used to manage the energy efficiency of these buildings and to monitor energy management on all buildings certified ISO 50001 for a period of three years (19 central buildings in France that represent 167 GWh of energy consumed in 2014, the benchmark year).

The GREEN tool was also deployed in the United States (a building in New York), India (Bangalore and Chennai) and Luxembourg, and is being deployed in other Asian countries as well as the UK.

The DUNES real estate project located east of Paris, with an area of 89,000 sq. m. and the capacity for up to 5,500 people, is under way. It is built according to RT (Thermal Regulations 2012) rules, and is undergoing HQE Construction and LEED certification, meaning that by the end of 2016, there will be a sharp improvement in the Group's environmental and energy performance as older generation buildings are replaced.

Specific measures are also being taken with respect to the existing buildings at the level of the corporate services and the branch and subsidiary networks in order to gain better control of consumption and even greater energy savings, namely:

- managing consumption data: there were 192 branches equipped with a remote meter system at the end of 2015. In the buildings in Paris and the Paris region, an Environmental Management System (EMS) with incentives for saving energy and fluids is in place with the operator. The energy consumption of the central buildings fell by 1.7% in 2015 versus 2014;

GREEN was rolled out at the main central buildings in France to manage the energy efficiency of these buildings and to monitor energy management on all buildings certified ISO 50001

- renovating buildings: major work and upgrading are continuously carried out in Societe Generale branches and buildings. This has led to a reduction in energy consumption of around 3 GWh/year;
- using renewable energy: in 2015, 26% of the Group's electricity consumption was from renewable sources, thanks partly to generating renewable energy in our buildings (solar panels and the anaerobic digestion of the food waste of some of the Group's in-house restaurants, totalling 1.4 GWh in 2015), and partly to acquiring green certificates. The Bank of Polynesia installed a solar and wind hybrid power plant at the "Head office and Pomare branch" in Papeete.

Decreased Water Use

The Group's water consumption was 2 million m³ in 2015, showing a slight increase in consumption compared to 2014 due to a broadening of the scope of coverage.

In the buildings, water management is done in conjunction with energy management. It is boosted by consumption-cutting measures (motion detectors, replacement of leaky air conditioning units, etc.).

Waste management

Societe Generale strives to reduce the direct impact of waste on the environment through recycling. At Group level, waste production is estimated at about 16,000 tonnes in 2015, down 1.7% compared to 2014.

The objective of the new 2014-2020 carbon reduction programme is to incorporate waste into the Group's carbon footprint. A large number of measures for improving waste management are in place within the Group. Efforts are focused especially on reducing waste (printing reduction, an eco-design scheme for designing equipment in collaboration with the manufacturer), reusing waste (reselling office equipment that is in good condition) or recycling waste (the management of Electrical Waste and Electronic Equipment; the anaerobic digestion of 455 tonnes of food waste in some buildings in the Paris region, which has produced 160 MWh of thermal energy; recycling waste paper in branch networks - 1,265 tonnes of recycled paper and 150 tonnes of recycled cardboard processed by the protected sector).

IT INFRASTRUCTURES

The IT Division has adopted an environmental strategy that gives greater consideration to environmental aspects when managing its IT stock. The aim underpinning this strategy is twofold: to improve the management of energy consumption data for equipment and to systematically integrate environmental considerations into project design and management.

Multiple levers for action are used to reduce the environmental footprint of the Group's IT stock:

- consolidation: a highly focused strategy to consolidate the number of datacentres by increasing their occupancy rates and making "cloud" solutions systematic both internally and externally with the aim of making 80% of applications virtual by 2020;
- wider use of pull printing and a "zero paper" by 2020 objective thanks to the "digital for all" programme;

13 initiatives
have led to savings of
11.3 GWh/year

- reducing travel through the establishment of new video-conferencing technology, phone software and telecommuting;
- technology watch: identifying the technologies with the most efficient performance in environmental terms as part of an ongoing process to improve equipment;
- an annual analysis of equipment: identifying obsolete or redundant equipment to cut down on energy wastage.

In 2015, 13 out of 56 rewarded initiatives received funding on the grounds of environmental efficiency (see p. 45, Internal carbon tax). They have led to savings of 11.3 GWh/year.

TRANSPORT

Societe Generale has long since implemented measures for reducing the environmental impact of personal and business travel as well as of the transportation of goods.

Business travel

Group employees travelled 504 million km by train, airplane and car in 2015, representing 3,358 km per occupant. The Group therefore recorded a 0.5% decrease in travel per occupant compared to 2014, with an increase in kilometres travelled by car which are emitting less and less CO₂, and a reduction in distances travelled by airplane and by train.

The Group's Sourcing Division, in collaboration with Group entities in France, has endeavoured for four years to reduce the Group's carbon footprint by listing the vehicles with the lowest emissions on the market. In order to accelerate its work and achieve the ambitious objective of reducing its CO₂ emissions, the "EdisOn" project was launched, with a target of 5% of electric vehicles in the Group's fleet within 3 years. At the end of 2015, 27 new electric vehicles were ordered by the Network's Regional Divisions. To continue this growth, the Sourcing Division decided to launch, in the second quarter of 2015, a draft listing of electric charging stations to ensure the optimal business conditions for recharge infrastructure purchases for the entire Group.

It also encourages the use of good practices, such as sharing company cars and applying a threshold of 10,000 km/year for travel by private car, below which an alternative mode of transport must be considered.

Commuting and telecommuting

Targeted measures are deployed to promote alternative solutions to the personal use of vehicles. At Head Office a carpool platform and a car-sharing scheme are in place. Measures have also been implemented in the subsidiaries. In particular, CGI and ALD International have made bicycles and electrically assisted bicycles available to their employees, used for commuting to work as well as for some business trips.

The implementation of telecommuting solutions in several Group entities also helps to limit the amount of daily travel. 5,000 people are involved in telecommuting, of which half are in France (see p. 57, Developing new ways of working and organisation models).

PAPER

Paper is the top consumable used by the departmental activities. It represents a significant economic issue and a sensitive environmental theme (waste management, fight against climate change and pollution).

It is a constant concern for the Group and an increasing number of initiatives are being implemented to rationalise consumption, which stood at 16,545 tonnes in 2015. This figure has gone down compared to 2014 (-6.4%). The consumption of office paper has been decreasing since 2007. In 2015, it was 54.5 kg per occupant, a 6% drop compared to the previous year. Recycled paper represents 48% of office paper used, a 20% increase compared to 2014.

The progress achieved is the result of various measures implemented throughout the Group, such as good use of printers, conversion of paper materials to digital materials and use of recycled paper. For instance, the winning measures for the past 3 years in the "Paper" category in the Environmental Efficiency Awards – which only represent a portion of the measures in place at Group level – enable annual recurring savings of 101 tonnes of paper.

As part of its environmental commitments, Societe Generale not only joined EcoFolio⁽¹⁾ but also supported its creation by becoming a shareholder alongside other companies representing different sectors of the economy. It has been on the Board of Directors of this eco-organisation since 2012. It promotes the circular economy through this eco-organisation.

The consumption
of office paper
has gone down

6.4%

compared to 2014

BIODIVERSITY

Within its subsidiaries abroad, initiatives to raise awareness about preserving biodiversity and maintaining ecosystems are growing in number. This is particularly the case with SGAL in Albania, DeltaCredit in Russia, SGCB in New Caledonia, and ALD Automotive in Brazil and Hungary which all participate in reforestation operations and support biodiversity programmes.

+ info

> SOCIETE GENERALE: THE FIRST EUROPEAN BANK TO BE ISO 50001 CERTIFIED

(1) Since 2006, French legislation has stipulated that issuers of unsolicited printing for business purposes (publicity, free press advertisements, corporate publications, etc.) aimed at individual consumers must contribute to the financing of the recycling, recovery and destruction of such material by local authorities. EcoFolio, a state-approved private company, was set up in 2007 to enable companies to uphold this obligation.

(1) The Group's environmental issues cover a wider scope than the consolidated subsidiaries. This figure includes employees outside the HR and financial scope of the following subsidiaries: ALD Automotive Brazil, ALD Automotive India, ALD Automotive Turkey, ALD Automotive Ukraine, Concilian France and SG Mauritanie. These subsidiaries are not consolidated on the HR and financial level.

(2) In order to ensure the comparability of the data and in order to present the environmental indicators on the basis of constant criteria, the reference year has been changed to factor in the integration of Newedge. Historical data has been restated as follows: new indicators integrated into the calculation of CO₂ emissions have also been integrated into the historical data.

The restatements do not correct the variations related to the growth or the reduction of the activity within the entity itself.

(3) Coverage represents entities having contributed to data in proportion to their FTE (full-time equivalent) workforce.

(4) Includes office paper, documents for customers, envelopes, account statements and other types of paper.

(5) Includes own data centres hosted in France. Only the energy consumption of own data centres is included in total electricity.

(6) Greenhouse gases (GHG).

(7) CO₂ emissions avoided through generation and consumption of electricity from renewable sources.

(8) Includes direct emissions related to energy consumption and emissions of fluorinated gases.

(9) Includes indirect emissions related to energy consumption.

(10) Includes GHG emissions related to overall paper consumption, business travel, transport of goods and energy consumption of data centres hosted in France.

ENVIRONMENTAL DATA

				Ref. year
Environmental information	Units	2015	2014	2012 ⁽²⁾
GENERAL ENVIRONMENTAL POLICY				
Total number of Group employees⁽¹⁾	Employees	146,492	148,324	149,812
Total number of occupants covered in the reporting	Occupants	153,512	152,391	143,464
Coverage data collection scope	%	100%	99%	89%
Total surface area counted	m ²	4,029,343	4,046,680	3,921,013
POLLUTION AND WASTE MANAGEMENT				
Waste	Tonnes	16,071	16,346	15,503
Coverage ⁽³⁾	%	90%	86%	62%
Business travel	M de km	504	508	437
Coverage ⁽³⁾	%	98 %	99 %	90 %
Business travel per occupant	Km	3,358	3,374	3,101
Plane	Millions of km	238	248	168
Train	Millions of km	49	52	51
Car	Millions of km	217	207	219
SUSTAINABLE USE OF RESOURCES				
Water consumption	Millions of m³	2.00	2.01	1.64
Coverage ⁽³⁾	%	98%	94%	71%
Total paper consumption⁽⁴⁾	Tonnes	16,545	17,676	17,249
Coverage ⁽³⁾	%	100%	100%	91%
Total paper consumption per occupant	Kg	108	116	125
Office paper consumption	Tonnes	8,367.36	8,856.41	8,774.43
Coverage ⁽³⁾	%	100%	100%	89%
Office paper consumption per occupant	Kg	54.5	58.1	63.4
of which recycled office paper	%	48%	38%	38%
Total energy consumption	GWh	861	904	916
Coverage ⁽³⁾	%	100%	100%	90%
Total consumption per occupant	KWh	5,661	5,915	6,385
Total electricity consumption	GWh	617	635	666
Total electricity consumption per occupant	KWh	4,052	4,151	4,640
Electricity production from renewable sources	MWh	1,432	304	434
Consumption of energy by data centres ⁽⁵⁾	GWh	99	111	213
CLIMATE CHANGE				
GHG emissions⁽⁶⁾	T CO₂ e	326,377	355,079	346,416
Coverage ⁽³⁾	%	97%	98%	98%
GHG emissions per occupant	T CO₂ e	2.19	2.37	2.47
GHG emissions avoided ⁽⁷⁾	T CO ₂ e	32,815	17,898	32,736
SCOPE 1 ⁽⁸⁾	T CO ₂ e	30,839	33,035	32,702
SCOPE 2 ⁽⁹⁾	T CO ₂ e	202,418	215,927	216,046
SCOPE 3 ⁽¹⁰⁾	T CO ₂ e	93,121	106,117	97,668


[> FIND ALL THE DATA OF THE REPORT](#)

COMMITTING TO BEING A RESPONSIBLE EMPLOYER

EMPLOYMENT

15,155
EMPLOYEES
RECRUITED
ON PERMANENT
CONTRACTS
WORLDWIDE



23,385
INTERNAL
MOBILITY
MOVEMENTS



CULTURE

4 **VALUES**
TO SHAPE
BEHAVIOUR
TOWARDS
CUSTOMERS



DEVELOPMENT

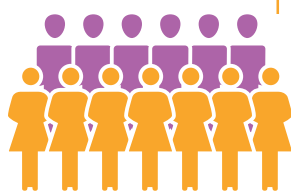
25.2
TRAINING
HOURS



PER EMPLOYEE

DIVERSITY

59%
WOMEN
WITHIN
THE GROUP



50%
WOMEN
ON THE
BOARD



122
NATIONALITIES

AGREEMENT AND CHARTER

1 **INTERNATIONAL**
FRAMEWORK
AGREEMENT
ON FUNDAMENTAL
RIGHTS

1 **CHARTER**
OF "15
COMMITMENTS FOR
WORK-LIFE
BALANCE"

A RESPONSIBLE EMPLOYER

Societe Generale aims to set the standard for relationship banking. This ambition shapes the Group's Human Resources policy, which closely links the human element to strategy, and corporate culture to performance, all in service of the customer. Accordingly, in order to gain the best understanding of the specific challenges facing the businesses and any changes in the environment, the HR Department has the following strategic priorities:

- Supporting the Group's rapidly changing businesses. The banking landscape is undergoing profound change: the evolution of customer and stakeholder expectations, the emergence of new technologies, and the regulatory framework are transforming Societe Generale's businesses and the skills required to work in them. The Group must anticipate the skills that its businesses will require in the medium and long term and the skills that are no longer essential. It must also allow employees to develop their employability through training and the formulation of clear career paths while recruiting the best profiles for its growing or emerging businesses. Lastly, the digital transition is opening the door to new ways of working and new interactions both internally and with customers. For Societe Generale, this means seizing this opportunity to grow and develop its employees. Their ability to adapt their skills and ways of working is critical to the sustainability of the businesses.
- Developing a relationship banking culture based on common values. Societe Generale's corporate culture is based on its values (team spirit, innovation, commitment, responsibility), the behaviour and skills they inspire, and the conduct to be followed by the employees working in these businesses. It has been shaped by more than 150 years in service of its customers. The focus is on the customer, and all employees are guided by the Group's fundamental values. Societe Generale's new Leadership Model contributes to this approach, in particular through its integration into all HR processes. It is this corporate culture that makes the Societe Generale Group unique and enables it to properly meet the expectations of all its stakeholders.
- Fostering employee commitment. The Human Resources Department pays close attention to employee commitment, which is intrinsically linked to team performance. Recognising each individual's contribution to the Group's long-term performance, ensuring well-being at work and drawing on the strength of the teams' diversity are all essential to maintaining employees' ties to the company and improving efficiency.

THE SOCIETE GENERALE GROUP'S TEAMS AT THE END OF 2015

The Societe Generale Group employed 145,703 people⁽¹⁾ at the end of 2015, i.e. a 1.7% decrease in total headcount compared with 2014. This headcount represents 131,572 full-time equivalents (FTE).



145,703

EMPLOYEES LOCATED

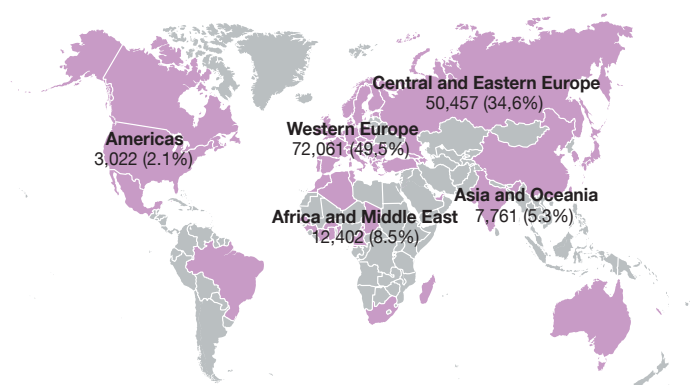
in
66
COUNTRIES

Group headcount (at end of period, excluding temporary staff)

2015	145,703
2014	148,322
2013	147,682
2012	154,009
2011	159,616
2010	155,617

(1) Total number of employees on permanent contracts or fixed-term contracts, including work-study contracts, whether they are present or absent.

Geographic breakdown



145,703 employees located in 66 countries, including:

Mainland France	40.3%, (i.e. 58,712 people of which 43,228 at Societe Generale SA)
Russia	13.6%
Czech Republic	6.7%
Romania	6.3%

Mix of countries in which Societe Generale has operations:

10.5% of the workforce in low-income or lower-middle income countries⁽¹⁾11.6% in middle-income countries⁽²⁾

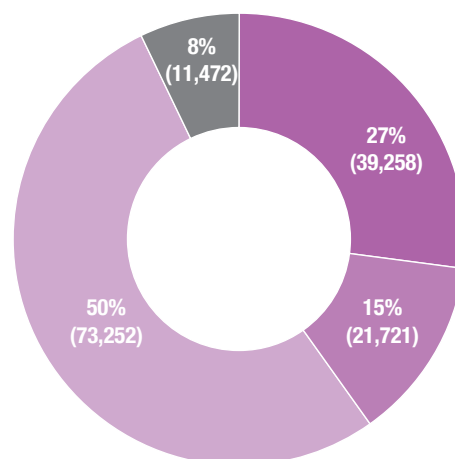
(1) As defined by the World Bank: "Low-income + Lower-middle income economies (\$4,125 or less)", mainly Ivory Coast, Ghana, Georgia, India, Madagascar and Morocco.

(2) As defined by the World Bank: "Upper-middle-income economies (\$4,126 to \$12,735)", mainly Algeria, Brazil, Bulgaria, Romania, Serbia and Tunisia.

+ info

> DATA.WORLDBANK.ORG

Breakdown of staff by core business



■ French Retail Banking

Functions of Societe Generale branch network, Credit du Nord and Boursorama

■ Global Banking and Investor Solutions

Functions from corporate and investment banking, private banking, asset management and securities services

■ International Retail Banking and Financial Services

Functions of retail banking outside mainland France, and specialised businesses (insurance, operational vehicle leasing and fleet management, vendor and equipment finance)

■ Central Divisions

Expert and resource functions for the Group (finance, risk management, information technology, human resources, legal, compliance, audit, communication...)

Breakdown of workforce by status

	2015	2014
Overall headcount on permanent contracts at 31 st December	135,050	136,759
Overall headcount on fixed-term contracts (including work-study participants) at 31 st December	10,653	11,563
Temporary staff	10,891	11,028

SUPPORTING CHANGING PROFESSIONS

Today, the banking profession is experiencing profound economic, regulatory and technological changes. The Group's Human Resources policy supports this transformation so that each of the Group's businesses has the skills required to serve the needs of its customers, while enabling its employees to develop their employability over the long term.

ANTICIPATING AND SUPPORTING CHANGES IN THE BUSINESSES

341,000
JOB APPLICATIONS PROCESSED

15,155
PERMANENT CONTRACTS RECRUITED

23,385
INTERNAL MOBILITIES

85.6%
RETENTION RATE OF EMPLOYEES ON
PERMANENT CONTRACTS

9.2 YEARS
AVERAGE LENGTH OF SERVICE

STRATEGIC WORKFORCE PLANNING: A KEY TOOL

The strategic workforce planning in place since 2013 is a key tool to support the current and future development of the Group's businesses: it corresponds to a strategic management approach that gives the Group the skills its business lines will need in the medium and long

term. This approach is based on implementing the right HR policies, particularly with respect to training and filling vacant positions. It gives employees the resources to examine their motivations and ambitions in light of the organisation's new requirements.

This Group-wide strategic workforce planning has a three-pronged approach:

- a three- to five-year forward-looking macro vision to anticipate major qualitative trends in key professions undergoing change or in which the Group is having difficulties filling vacant positions; it is based on the Group's strategic plan and on market trends/the market environment;
- a one-year strategic management plan, in conjunction with each business line's operational plan; this enables the Group to draw up collective development, mobility and recruitment plans for the full year;
- an individual development plan for each employee, which relates back to the individual management process (training, professional development) and the performance management process.

Through the Societe Generale job trends observatory in place since 2013, the Group was involved in 10 studies with the Branch Observatory (AFB - Association française des banques, the French banking association); as such, close attention was paid to the impact of digital technology on the banking professions.

AN EMPLOYMENT DYNAMIC THAT RESPONDS TO THE GROUP'S CHANGES

Movements: arrivals and exits	2015	2014
New hires on permanent contracts	15,155	16,061
New hires on fixed-term contracts (including work-study participants)	9,627	9,753
Departures of employees on permanent contracts	19,402	18,212
Turnover of employees on permanent contracts ⁽¹⁾	14.4 %	13.3 %

(1) Exit rate for permanent contracts (ratio between all departures and end-of-period headcount for permanent contracts).

Recruitment: attracting talent that the group needs

In the 2015 financial year, the Group's recruitments broke down as follows:

- 15,155 permanent contracts, including 50.6% women;

- 9,627 fixed-term contracts, including 67.3% women.

In France, Societe Generale recruited:

- 3,901 permanent contracts (of which 2,541 for Societe Generale SA in France);
- 3,859 fixed-term contracts (including work-study contracts).

The recruitment and talent attraction policy is adapted to the characteristics of each business line and activity, in addition to the specific regional environment.

The careers.societegenerale.com website is the key tool for interaction with candidates. Since 2013, it has provided the Group with a unified recruitment process in 20 countries. In 2015, 341,000 applications were submitted via the Careers website, which had received more than 3.4 million hits.

Focus: growth in the IT professions

Specific efforts have been made over the course of several years to recruit employees across the entire IT function (central divisions and business divisions, particularly Global Banking and Investor Solutions and French Retail Banking). For example, Societe Generale SA in France recruited 600 IT professionals during 2015, including nearly 300 on permanent contracts. Promoting the Bank's attractiveness to these candidates is a key recruitment challenge, which is why Societe Generale has sought out additional opportunities to interact with them, whether on the social networks (e.g., via the @SG_InsideIT account, where every week an employee from the IT function describes a typical workday at Societe Generale) or at specific events (hackathons, conferences, presentations at schools and universities, etc.).

The growth in the number of IT employees responds to the needs brought about by new practices associated with the digital transition (social interactions, mobility, instantaneousness, etc.). These trends hold true on several levels and have a direct impact on the Group's businesses, such as the evolution of the relationship and interactions with current and prospective customers, the transformation of products and services, and the transformation of operational models and the working environment for employees.

Departures and turnover

In 2015, a total of 19,402 employees on permanent contracts left the Group, for an overall Group turnover rate for employees on permanent contracts of 14.4% (up 1.1% compared with 2014). The main reasons for departure were, in descending order of importance: resignations (49%), redundancies (38%, of which 60% at the Russian entities) and retirements (10%).

The voluntary turnover rate for employees on permanent contracts (due to resignations only) was 7% (versus 8.4% in 2014). This rate was 5.2% excluding the Russian entities (where, in addition to significant structural adjustments, turnover rates are traditionally high), with rates that are particularly subdued in key countries such as France (3.3%) and the Czech Republic (3.6%). Nevertheless, voluntary turnover varied by business and geographical area: highly competitive financial markets (especially in Asia) and countries with a dynamic labour market have higher voluntary turnover rates than most of the Group's entities. Specific, targeted actions have been undertaken to retain the best talent.

The average length of service within the Group is 9.2 years.

Specific focus on inducting young people

One of Societe Generale's HR challenges is attracting, recruiting and retaining the best talent, particularly junior employees, whose academic experience matches the Group's skill requirements. The Group is therefore committed to a proactive approach to the professional integration of young people. Accordingly:

- at the end of 2015, nearly 3,300 work-study participants and Volunteers for International Experience (VIEs) were stationed within the Group's French entities, a figure in line with the legal requirement. A total of 5,056 work-study participants were hosted Group-wide during the year;
- in the 2015 financial year, 3,990 interns were welcomed in France (including subsidiaries). These training courses, most of which are mandatory for graduation, allow students to be immersed in the business world, while benefiting from the support and guidance of their training supervisor. Globally, the Group welcomed 11,094 interns during the year.

Societe Generale's former interns, VIEs and work-study participants represent a priority recruiting ground for recent graduates. To attract the best candidates and retain the loyalty of the recent graduates who make up this talent pool, Societe Generale has, for example:

- partnered with a number of schools and institutes of higher education worldwide. In France and Europe, for example, the Group has partnered with more than 50 schools and institutes of higher education (university, engineering or business training);
- held "1 contrat en 1 jour" recruitment events, where applicants can sign a work-study contract in one day;
- funded educational programmes and research through 11 chairs, with a EUR 1.5 million commitment in 2015 (e.g. Energy & Finance Chair with HEC, Financial Risk Chair with the École Polytechnique, UPMC and the École Nationale des Ponts et Chaussées);
- established the Global Banking and Investor Solutions' GenerationNext (interns, VIEs and apprentices) and Junior Programme (recent graduates) support and development programmes, which serve as in-house launching pads (development of the professional network, mentoring, in-depth introduction to the businesses, training seminars, etc.). These programmes each have more than 1,500 members worldwide;
- promoted the entry exam to join the General Inspection Department. The 2015 edition of this entry exam enabled 34 recent graduates of 13 different nationalities to join the Group's General Inspection Department.

These initiatives demonstrate the Group's determination to attract and recruit talent by raising their awareness, from their very first contact with the company, of the challenges and responsibilities of the banking sector and its professional realities. They also reflect the Group's determination to guide students as they formulate their professional goals and give them the keys to understanding their future working environment.

INTERNAL MOBILITY, A VECTOR FOR IMPLEMENTING TRANSFORMATION

MOBILITY RATE:

17%

OVER 60% OF PERMANENT POSITIONS FILLED THROUGH INTERNAL MOBILITY

Societe Generale is determined to develop an active, effective internal mobility policy in order to promote the ongoing adaptation of employee skills to the rapid changes in the economic, regulatory and technological environment.

In 2015, the Group's internal mobility rate was 17% with 23,385 employees moving worldwide. In total, more than 60% of permanent positions were filled through internal mobility during the year.

At Societe Generale SA in France, internal mobility is steered by the "Campus Métiers Mobilité" (Job Mobility Campus) which centralises the positions to be filled for the core businesses⁽¹⁾ and corporate divisions. It offers employees greater visibility on internal opportunities and gives them priority for filling positions. In total, more than 8,700 employees were moved internally at Societe Generale SA in France in 2015 (i.e. a mobility rate of 21%), including 2,500 via the Campus.

Group-wide, the mapping produced since 2013 of all professions and the identification of possible connections between different professions have made it possible to offer employees better guidance regarding their mobility options. A "jobs" intranet allows them to simulate various clear paths depending on their experience. By offering internal opportunities for advancement, this mobility policy also promotes loyalty among employees, who become deeply attached to the Group:



the 2015 Employee Satisfaction Survey measured a rate of pride of belonging to the Societe Generale group of 84% among employees (up 6 points from 2013).

International mobility is also encouraged to support the company's intercultural dimension. At the end of 2015, the Group had approximately 1,000 international mobility employees (all origin and destination countries combined), including 60% within Global Banking and Investor Solutions (London, New York, Singapore, Hong Kong, etc.), 30% within International Retail Banking and Financial Services (mainly on the African continent and in Eastern Europe) and 10% in the corporate divisions. The Group has simultaneously developed short-term assignments abroad, lasting a few months, for employees on international teams. These assignments are more flexible than an expatriation contract and can increase synergies and facilitate relationships within multicultural teams. The employees involved overwhelmingly supported the testing

conducted in the Information Technology Division of Global Banking and Investor Solutions since mid-2014.

+ info

- > [CAREERS.COM WEBSITE](#)
- > [SOCIETEGENERALE.COM WEBSITE : HACKATHON](#)
- > [TWITTER ACCOUNT @SG_INSIDEIT](#)

DEVELOPING THE SKILLS AND EMPLOYABILITY OF STAFF MEMBERS

25.2 HOURS
OF TRAINING PER EMPLOYEE

4 MOOCs
DEPLOYED INTERNALLY

4TH RANKED COMPANY IN THE CAC 40 IN
TERMS OF DIGITAL MATURITY

ADAPTING THE TRAINING POLICY TO MEET CURRENT BUSINESS AND CUSTOMER NEEDS

Societe Generale puts a great deal of effort into training to enable its employees to develop their skills and employability, taking into account the needs of the company and its customers and their future development. Strategic training initiatives are analysed and prioritised by the Learning Board, composed of Executive Committee and Management Committee members. In 2015, the emphasis was on:

- overhauling management training in conjunction with the Group's Leadership Model (see page 58);
- developing innovative solutions to disseminate knowledge, particularly through digital (see page 57);
- continuing specific support initiatives.

In 2015, 77% of the Group's employees were able to finish at least one training programme, for a total of close to 4 million hours, of which 14% were completed remotely (e-learning, virtual classes, etc.). This represents an average of 25.2 hours of training per employee, compared with 24.4 in 2014. A total of EUR 93 million was earmarked for training expenses (3% more than in 2014, due in particular to the integration of Newedge's training programmes and the increased use of work-study contracts, see page 55). Most of the training provided

(1) Excluding internal movements within the French Retail Banking Network, which are managed in a decentralised manner in light of its organisation and geographic breakdown.

was related to business-specific expertise, with a focus on technology; the remainder involved the Group's cross-business modules, including the risk management, regulatory, managerial, behavioural and personal development components.

Development and professional training with internal academies

Societe Generale continued to expand its development courses and professional training for the functions in 2015. Designed to improve skills and knowledge, these programmes are grouped into academies, which provide reinforced support and help to align practices abroad. Some of the current initiatives include:

- the Banker's Academy programme, led by senior bankers and internal experts in advising large corporates and designed for employees with experience in the sales functions across the Group;
- the Retail Banking Academy course, which certifies participants to an international standard, is recognised by the Chartered Bankers Institute and targets strategic and sales managers in Retail Banking;
- "FACs" (Favouring Acquisition of Competence), intended for salespeople (branches, call centre agents) as soon as they start working at French Retail Banking. These training modules cover the related behavioural, technical, business-specific and risk aspects;
- the HR Academy, which helps disseminate the HR operational model and fosters professionalism among the HR Business Partners (HRD and HR managers) and HR experts in France and abroad.

Internal promotion: cursus cadre and passerell'e

The long-established Cursus Cadre and Passerell'E initiatives, vectors for employability and internal promotion in France, were renewed in 2015, in a format that places a greater emphasis on working collaboratively through the use of digital tools:

- the "Cursus Cadre" is an 18-month training programme that enables high-potential employees to obtain "cadre" status, thereby preparing them for greater responsibility and, in some cases, team leadership;
- Passerell'E, a 10-month qualifying course, is designed to help employees with their skills development in order to achieve France's banking classification Level E.

In 2015, a total of 380 employees of Societe Generale SA in France successfully completed the Cursus Cadre and Passerell'E courses.

SUPPORTING THE DIGITAL TRANSITION

Technological developments have shifted practices towards greater mobility and created new ways to interact. Societe Generale sees these technological changes as an opportunity to transform and improve its relationship with its customers and employees across all Group business lines.

Development of a digital culture

In 2014, Societe Generale launched its "Digital for All" programme with the aim of relying on all employees to accelerate the bank's digital transition by encouraging everyone to adopt digital tools. Most Group employees worldwide now have collaborative tools available at their workstation, and 70,000 tablets have been distributed. These tablets come with a suite of application tools that make it easier for employees to do their daily work. A community of early adopters, equipped before the project rollout, helped promote this digital culture by sharing best digital practices. A variety of internal events (conferences, hackathons, etc.) also gave employees opportunities to learn about digital innovations.

Societe Generale also confirmed its position as the fourth-ranked company in the CAC 40 in terms of digital maturity at the second annual eCAC40 awards organised by *Les Échos Business* and Gilles Babinet.

Digitisation of training

Societe Generale has committed to an ambitious strategy to rethink training in the digital age. New procedures are emerging within the Group and give employees the opportunity to grow in areas of their choosing, at their own pace and at the location that suits them best (using mobile tools or from a virtual desktop, for example). In 2015, the Group gave employees access to:

- 4 MOOCs⁽¹⁾: covering digital technology, project management, financial analysis, risks and compliance. Through numerous self-tests, videos and interactions with the learning communities, they help employees delve deeper into the different topics available;
- more than 100 self-study videos on the intranet (general economic and banking culture, data protection, IT tutorials, employee savings, management control, etc.);
- 1,900 hours of training through virtual classes, which use short (one to two hours), effective formats and provide the interactivity necessary for sharing practices, while limiting travel;
- nearly 100 new Rapid Learning modules⁽²⁾, designed strategically and in response to specific needs by Societe Generale experts in France and abroad, using a solution implemented throughout the Group since 2012.

DEVELOPING NEW WAYS OF WORKING AND ORGANISATIONAL MODELS

Telecommuting and redefining the workspace

Telecommuting serves a dual purpose: to develop innovative operating procedures in the digital age and help employees achieve a better work-life balance (see interview page 65). It is therefore a motivating factor (98% satisfaction rate among telecommuters in France), a source of empowerment, and a performance lever that several Group entities are experimenting with via policies aligned with the local environment. At end-2015, the number of regular telecommuters in the Group almost tripled compared with 2014, increasing from 1,800 to nearly 5,000 people, half of whom work for Societe Generale SA in France. Telecommuting is also widespread in the United Kingdom (nearly 800 employees), Czech Republic (500) and Russia (300), as well as in Germany, Belgium and Romania (200 each).

(1) Massive Open Online Course.

(2) 15-20-minute long e-learning modules designed internally by business line experts.

The Group is also experimenting with new approaches to the workspace that encourage mobility, interaction and cooperation. Involving employees in the design process (when they move, for example) makes it easier for them to make the space their own, when offices are more modular and less formal. This is the case, for example, in Luxembourg, London, New York and, shortly, Val-de-Fontenay, where the new real estate complex “les Dunes” will house all the Ile-de-France IT teams in 2016. This eastern Paris technology park will give Societe Generale the opportunity to test FlexWork, which is based on the principle that everyone should choose their workspace according to their needs at the time, whether this means on-site at Societe Generale or off-site.

Experimenting with new working methods

The open innovation initiative undertaken by the Group in 2015 gives the teams the chance to collaborate with the external innovation ecosystem (startups, FinTech, experts) to increase their creativity, agility and speed in their project development process. In addition to promoting alternative working methods (“pizza teams”, continuous improvement through the Test & Learn method or user experience), the Group encourages teams to immerse themselves in innovative communities so they can bounce their ideas off experts in this

ecosystem. Societe Generale therefore draws on collective internal and external innovative capacity and strength to reinvent banking.

In Africa, a good example of the open innovation initiative in 2015 was the creation of the PanAfrican Valley Community, which involves Strategic Talents (see page 60) from subsidiaries in 14 African countries. Through daily multimodal exchanges (social networks, events, conference calls, etc.) and regular interactions with innovative local actors, members of this community become actors in the Bank’s transformation in Africa, working on concrete projects that relate to the challenges facing the business lines on the continent.

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> **PRESS PACK : OPEN INNOVATION**

DEVELOPING A RELATIONSHIP BANKING CULTURE BASED ON COMMON VALUES

ENGAGING THE TEAMS AROUND THE GROUP’S VALUES

Societe Generale wants to set the standard for relationship banking, be close to its customers and be chosen for the quality and commitment of its teams. Merely making customer satisfaction a priority will not turn this ambition into reality: customers must truly be at the forefront of everybody’s concerns. This means employees must work together, regardless of their job within the Group, with one shared objective: the customer.

To achieve this goal, in 2014 Societe Generale redefined its core values (commitment and responsibility were added to the long-standing values of innovation and team spirit) and then emphasised the behaviour and skills through which these values will be expressed by all employees in service of the customer.



Discussions about Societe Generale’s new Leadership Model were held among Group senior management (Executive Committee and Management Committee) and nearly 300 managers. They helped strengthen the corporate culture which combines the ambition to grow the business (innovation/customer)

and a desire for individual and collective excellence (commitment and team spirit, respectively), as well as attention to ethics and to compliance with rules (responsibility).

These values will bring employees together while also bringing them closer to their customers. Specific governance is being established at the highest level of the company to measure the change in the corporate culture over the long term with respect to values, behaviour and the conduct to be followed in all the businesses. The Board of Directors and the Executive Committee will be involved.

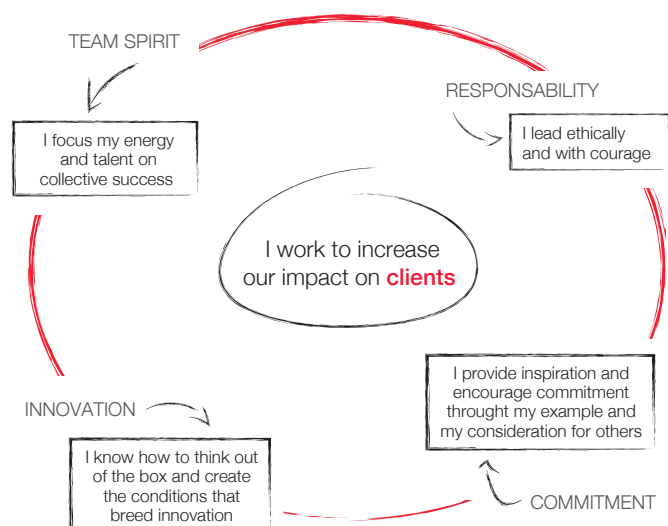
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> **SOCIETEGENERALE.COM WEBSITE : OUR VALUES**

TRANSLATING VALUES INTO BEHAVIOUR

Societe Generale’s new Leadership Model translates the customer focus and each of the company’s four values into the required skills. These are categorised for the three main levels of responsibility within the company: senior management, managers and employees, thereby

introducing a common language that provides everyone with the keys to their success at the Group. For example, for employees, the five areas of focus are reflected in the following behavioural skills:



EY | The new competency guide resulting from the Leadership Model then provides concrete and practical examples of the behaviours that stem from each of these skills and that are observable — and therefore measurable.

In conjunction with this guide, a self-assessment intranet tool is accessible to all. By answering 20 questions, the respondent can situate him or herself relative to the behaviour that is expected and can then use the development tools provided to improve in any areas that may be necessary.

The priority in 2015 was to raise all Group managers' awareness of this Leadership Model so they can in turn explain it to their teams by the beginning of 2016.

EY | More than 100 workshops and seminars were held in all Group business lines and functions to ready all the teams to integrate the Leadership Model into the HR processes that everyone comes in contact with over time.

TAKING EXPECTED BEHAVIOUR INTO ACCOUNT IN THE HR PROCESSES

CANDIDATE EVALUATIONS

The tasks assigned to each new employee require specific behavioural skills that have been identified and are consistent with the new Leadership Model.

EY | These skills are clearly detailed and are sought in candidates through a common matrix that is used during recruitment interviews. After a test phase in France in mid-2015, this initiative became more widely used at the end of 2015, for each position to be filled at the company. Recruiters have therefore been a priority target for training on the new Leadership Model, as hiring

candidates evaluated according to the Leadership Model is one of the keys to changing the corporate culture over the long term.

FOCUS ON "RESPONSIBILITY"

The core of the expertise of Societe Generale's businesses lies in knowing and understanding risks and knowing how to control and manage them. Risk management is a key aspect of the "Responsibility" focus of the Leadership Model.

Since 2011, one of the components of the Enterprise Risk Management (ERM) programme has been tied to the corporate culture through the Group's "Culture RISK" initiative.

EY | This is based on several HR mechanisms, including the systematic assessment of the "sense of risk" of candidates in the recruitment process, put in place in France since 2012 and in certain subsidiaries abroad since 2013. The goal is to select candidates who show behaviour from the start that is suitable for the Group's demanding nature with regard to risk management and to rule out those whose attitude would be inconsistent with this aspect. This initiative has now been incorporated into the more comprehensive analysis of candidates' behavioural skills (see above).

EY | Since 2013, the behaviour of employees and managers whose professional activities have a significant impact on the Group's risk profile have also been assessed by the Risk Management Division and by Compliance to complement the performance management process (see infra). Furthermore, non-compliant behaviour may be reported via the support functions working directly with market participants. As a result of these measures, there are now several ways to sound the alarm about employees whose behaviour does not meet the Group's risk and compliance expectations.

EY | Their variable remuneration could be affected, if necessary.

More broadly, **EY** | the awareness and training components of the Culture RISK initiative is of the utmost importance, with, to date, an awareness-raising e-learning course successfully completed by more than 52,000 employees around the world.

The success and the impact of the Culture RISK programme were confirmed by the 2015 Employee Satisfaction Survey: 86% of employees believe that risks are accurately measured when any major decision is made (15 points higher than in 2013) and 80% think that the Culture RISK action plan has been adequately implemented within their team to avoid any damage to the Group's reputation (question not asked in 2013).

Moreover, **EY** | in 2015, a self-assessment conducted by 400 managers worldwide showed how deeply entrenched the Risk Culture has become in the Group's processes, for example in terms of risk management and taking risk control into account in remuneration.

Lastly, the "Responsibility" focus of the Leadership Model also reflects Societe Generale's requirement that employees meet the highest standards of integrity in everything they say and everything they do. As such, the Code of Conduct (see page 20) is a critical tool, regarding which employees — particularly those at Global Banking and Investor Solutions — once again received training in 2015. In particular, the Code of Conduct defines the Group's expectations of all its employees and provides the information required to manage its businesses ethically and in compliance with the laws of the countries in which the Group operates.

INTEGRATING THE LEADERSHIP MODEL INTO THE MANAGERIAL CULTURE

In 2015, the managerial development programmes in place at the different Group entities were reviewed. The Group's training teams and the different business lines, divisions and countries collaborated to develop a common programme. This new participatory managerial programme — focused entirely on the challenges facing the business lines — is centred on the Leadership Model. It will be rolled out Group-wide over the course of 2016 with separate modules for local, middle and strategic managers.



CHANGES TO THE PERFORMANCE MANAGEMENT PROCESS

To ensure that this new Leadership Model is firmly rooted in the daily professional work of every employee, it has now been incorporated into the performance management process. Aligning the annual appraisal with the Leadership Model is considered a key component of the transformation.

Societe Generale's performance management process uses common criteria to recognise each employee's skills and foster employee development and the emergence of Strategic Talents. It assesses not only the achievement of operational results, but also the manner in which these results are obtained. Starting in January 2016, one to two development objectives will have to relate to the areas of focus of the Leadership Model, drawing on the concrete and measurable examples provided in the new Group skills guide (see "Translating values into behaviour", page 58).

In 2015, a total of nearly 116,900 Group employees had an evaluation interview, i.e. 93% of the headcount on permanent contract (up four points from 2014).

IDENTIFYING, TRAINING AND PROMOTING THE NEXT GENERATION OF MANAGERS

The first people who will have to embody Societe Generale's new Leadership Model are the Group's current and future senior managers. This model is thus now central to several key initiatives to identify, train and promote the leaders of tomorrow.

Detection of and support for strategic talent

The aim of the Strategic Talent approach is to detect, develop and build the loyalty of high-potential employees to prepare the next generation of managers. A Strategic Talent is defined as an employee who embodies the Group's values, performs well over the long term, and has strong potential for advancement. With its systematic approach, the Strategic Talent policy identifies individuals around the world on an objective basis defined by the Leadership Model, gives them the same chances to bring out their potential and enables them to advance within the Group. This initiative involves both the managerial line and the HR line and is supported by a transparent communication process vis-à-vis the employees in question. The talent pool created represents 2.5% of Group headcount; it consists of emerging, confirmed Strategic Talents and potential executives.

Corporate university, dedicated to developing leadership

The Corporate University is an internal centre of expertise launched at the end of 2010 dedicated to developing leadership qualities in the most senior managers, Strategic Talents, and the Group's senior leaders. The modules it offers focus on the development of behavioural skills, which explains why its programmes have been reworked to fully incorporate the Leadership Model as adapted for senior managers. The Corporate University offers a true forum for dialogue and networking among senior managers and between peers, for participants from more than 50 countries, in a teaching environment that promotes cooperation and teamwork.

In 2015, more than 600 Group employees attended its programmes.

Succession plans

Societe Generale is paving the way for the next generation of managers with the succession plans in place for the Group's various scopes, both in France and abroad. The plans for 300 Group key positions are monitored by General Management. The plans for 1,500 strategic Group positions are approved and monitored by the Core Businesses and Corporate Divisions. The behaviour and interpersonal skills of the people identified as potential successors are analysed through the lens of the Group's new Leadership Model based on a matrix similar to that used when hiring new employees (see "Candidate evaluations"). One of the criteria used to identify potential successors for a Group key position is whether this behaviour is consistent with the new Leadership Model.

MEASURING BEHAVIOURAL CHANGE

Employee satisfaction survey

The Employee Satisfaction Survey (“Employee Barometer”) is a comprehensive and anonymous internal survey conducted every two years that is used to develop improvement action plans. In 2015, the survey questions were revised with the Leadership Model in mind and a more streamlined questionnaire was developed such that each question could be tied to one of the Group’s four values. The results of the survey show how employees’ feelings and experiences compare with the practices and behaviours associated with the company’s values. They will also be used to measure the forward movement and change in the corporate culture over time, based on future surveys.



The 2015 Employee Satisfaction Survey was carried out among 132,500 Group employees in 76 countries, for a participation rate of 68% (a rate that has increased steadily since the first survey was conducted in 2009). Its results were communicated to all employees, both in general (Group results) and for their specific scope (entity results).



The Group results highlighted strong subscription to the “Responsibility” (79%) and “Team Spirit” (76%) values. They showed significant progress on commitment (70%, 5 points higher than in 2013), an improvement that could relate to the numerous initiatives implemented since 2013 (e.g. enhanced managerial practices at various entities, internal roadshow by the Executive Committee to share the medium-term strategy, celebration of the Group’s 150th anniversary around the world, etc.).

The “Innovation” value (72%) emerged as an area with room for improvement, although some of its components scored quite well, such as managers’ strong listening skills when employees go to them with ideas and suggestions (82%).

Action plans for all the values are being developed jointly by managers, HR and teams in the different scopes. Some were launched in the fall of 2015 and the rest will be implemented over the course of 2016.

360° evaluation of group key positions

A new 360° questionnaire was designed on the basis of Societe Generale’s Leadership Model. It evaluates the holders of 300 Group key positions worldwide and nearly 1,000 managing directors in Global Banking and Investor Solutions. This annual evaluation, first conducted at the end of 2015, is used to analyse how the daily actions and behaviour of key managers are perceived by their employees, peers and superiors. It also gives the subjects of the questionnaire an idea of their impact on their colleagues and shows them where they stand in relation to the expectations of the Leadership Model, while fostering a discussion with their managers about avenues for development when they have their performance management interviews (see page 60).

Individually, the results of these assessments shed additional light on the performance management process, while the consolidated results will provide a way to measure changes in managerial practices over time.

INTEGRATING THE RELATIONSHIP BANKING CULTURE INTO THE TEAMS’ DAILY LIFE

ENCOURAGING THOUGHTFUL BEHAVIOUR

The rationale for the cultural transformation is first and foremost to build closer relationships with our customers by meeting their expectations and furthering Societe Generale’s stated “Relationship Banking” ambition. To achieve excellence in customer satisfaction, however, the same attention must be paid to the relationship with and among employees: developing relationships of trust within a team and with its manager is vital to developing this same relationship with its customers.

That is the reasoning behind the launch of an “attention symmetry” initiative, initially developed in the French networks (Societe Generale and Crédit du Nord) and Corporate Resources (IT, Purchasing, Real Estate, Innovation) and then gradually expanding to the entire Group via the rollout of the Leadership Model. This programme, in which the quality of employee relations mirrors customer satisfaction, thus seeks to encourage manager accessibility, direct contact and employee empowerment, as well as to foster a listening culture at every level of the organisation.

The effectiveness of this initiative and the degree to which it has been successfully implemented are assessed for different scopes. For example, within the Corporate Resources and Innovation division, a semi-annual internal survey showed that managerial practices have improved, particularly with respect to supporting employees’ ideas and recognising team successes (69% favourable opinion in 2015, up 1 point in 18 months) and managers’ constructive response to possible mistakes (69% favourable opinion in 2015, up 3 points in 18 months). User satisfaction with the services provided by these teams improved at the same time, including for services related to IT infrastructure (70% satisfaction rate in 2015, up 7.3 points in two years). More broadly, at the Group level, the 2015 Employee Satisfaction Survey showed that 82% of Group employees believe there is a strong mutual respect among members of their team.

PROMOTING A QUALITY EMPLOYER-EMPLOYEE DIALOGUE

All the structural and cultural transformations underway at the Group require a high-quality, constructive and broad-based social dialogue, which in 2015 was demonstrated by three milestones:

- the ongoing strategic dialogue between the union organisations and Group Management;
- the reorganisation of the representative bodies at the European level;
- the signature of the first global agreement on fundamental rights and trade union rights.

Constructive social dialogue and international structure

With the establishment since 2013 of bodies for dialogue and consultation on the corporate strategy, Societe Generale and the national union organisations anchored the social dialogue in three key principles: agility, shared visibility and responsibility. In 2015, this took the form of:

- 2 meetings with the Chief Executive Officer;
- 6 meetings of the dialogue and consultation body, attended by Executive Committee members, to discuss strategic directions and the basis for any projects under consideration;
- 1 combined seminar for managers, HR and social partners on well-being at work;
- an ongoing constructive dialogue on the 12 agreements negotiated (for Societe Generale SA in France), including major agreements such as those on working conditions, gender equality and the reorganization of the dialogue bodies at the European level.

Also, in June 2015, Societe Generale and the global union federation UNI Global Union signed a worldwide agreement on fundamental human rights and trade union rights, thus becoming the first French bank to sign such an agreement. This agreement applies to all Group entities. (see "human rights", p.8).

Beforehand, in 2014, the Group's Human Resources Division established a global structure that coordinates, for each country in which the Bank operates, respect for information from employee representative bodies or employees and application of the local legal provisions for implementation of social procedures that guarantee employee rights during restructuring projects. This coordination helps ensure the same principles are applied throughout the Group. It also ensures that the international framework agreement signed with UNI Global Union is properly implemented at the subsidiaries.

Lastly, the dialogue bodies were simplified in 2015 with the creation of the European Group Works Council through the merger of the Group Works Council and the European Works Council. This body operates in such a way as to boost the positioning of the Group's social communications at the European level, with representation that is consistent with the Group's organisation within the European Union and with its transnational transformation challenges.

The quality of the social dialogue within the Group can be measured by the opinions expressed in the 2015 Employee Satisfaction Survey, where only 15% of employees believe that change is occurring too quickly in their entity (a 2-point improvement from 2013).



Agreement signed on 1st June 2015 by Philip Jennings, UNI Global Union General Secretary and Edouard-Malo Henry, Group Head of Human Resources at Societe Generale

"For Societe Generale, 2015 was marked by our first global framework agreement, signed and jointly drafted with the global union federation UNI Global Union. We chose to make its theme fundamental human rights, focusing particularly on freedom of association. We are pleased to be the first French bank to sign such a ground breaking agreement. More than just a strong commitment, it is a further concrete step in our policy of social dialogue: this agreement reflects our commitment to ensuring the quality of this dialogue around the world through, among others, the introduction of regular exchanges with UNI Global Union. It also sends a strong message to our 146,000 employees, confirming our respect for individuals and human rights."
Edouard-Malo Henry, Group Head of Human Resources

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> **PRESS RELEASE: SIGNING**

FOSTERING EMPLOYEE COMMITMENT

RECOGNISING EACH PERSON'S CONTRIBUTION TO THE COMPANY'S PERFORMANCE

To support its development, Societe Generale needs to attract, motivate and retain its employees, particularly by offering them a competitive remuneration package. This includes monetary remuneration, which aims to recognise each person's contribution to the company's development, and employee benefits. The Group also offers a long-term profit-sharing programme aimed at motivating and increasing the loyalty of certain categories of employees, in particular key executives and Strategic Talents. Lastly, an active employee share ownership policy is in place with the aim of involving employees in the Group's development and promoting cohesion.

AN ATTRACTIVE AND REWARDING REMUNERATION POLICY

Monetary remuneration includes a fixed salary, which rewards the ability to satisfactorily hold a position using the requisite skills and is determined in a manner consistent with market practices. It also includes, where applicable, variable remuneration which aims to recognise collective and individual performance. Variable remuneration is contingent on operational and behavioural goals set at the beginning of the year and as a function of the environment, results and how these results were achieved (in connection with the Leadership Model – see page 58 - starting in 2016). A company agreement implemented on 1st January 2014 eliminates the individual commission system for the Retail Banking and Private Banking sales forces in France, replacing it with gross overall annual pay and the variable portion.

The Group's monetary remuneration policy is based on Group-wide principles applied in all the countries and is adjusted to the economic, social and competitive environment of the local markets as well as to the legal and regulatory obligations in force. Where the size of the workforces permits, a cross-business review between functions and business lines is carried out to ensure consistent, objective remuneration levels between the Group's different activities and facilitate cross-business cooperation.

The principles governing the Group's remuneration policy, in particular for the categories of staff whose professional activities are liable to have a significant impact on the Group's risk profile, are detailed in the compensation policy and principles report, published each year prior to the General Meeting and transmitted to the Autorité de contrôle prudentiel et de résolution (ACPR—French Prudential Supervisory and Resolution Authority).

For the 2015 financial year, personnel expenses for the Group totalled EUR 9,476 million. For Societe Generale SA in France, the average gross annual remuneration⁽¹⁾ amounted to EUR 53,371, an increase of 1.25% as compared to 2014, showing moderate growth

in remuneration.

TRANSPARENCY AND COMMUNICATION

The principles governing the Group's remuneration policy, in particular for the categories of staff whose professional activities are liable to have a significant impact on the Group's risk profile, as per the European Capital Requirements Directive No. 2013/36/EU (CRD IV), are detailed in the compensation policy and principles report. Detailed quantitative information on those persons likely to have a significant impact on the Group's risk profile is also sent to the ACPR.

For the employees, a Total Reward Statement (TRS) is sent electronically every year to staff on permanent contracts and to work-study participants at Societe Generale SA in France. This personalised HR informational document provides employees with a complete view of the components of their overall remuneration for the previous year and gives them a better understanding of these components. Other Group entities have also provided their teams with such a document, such as Crédit du Nord and certain Societe Generale branches abroad.

EMPLOYEE SHARE OWNERSHIP

At the end of 2015, current and former employees of Societe Generale, representing approximately 90,000 people, held a total of 6.83% of the share capital and 11.52% of the voting rights under the Company and Group Savings Plans. This high employee share ownership demonstrates the ongoing commitment of the workforce.

6.83%

OF THE SHARE CAPITAL

11.52%

OF THE VOTING RIGHTS HELD BY CURRENT
AND FORMER EMPLOYEES

(1) Average overall remuneration includes fixed and variable components as well as bonuses, excluding financial remuneration (employer contribution and profit-sharing) and employer matching contributions. The average is calculated for all employees excluding those that are regulated (whose professional activities are liable to have a significant impact on the Group's risk profile), who are subject to monitoring and disclosure elsewhere (see "Transparency and Communication").

FREE SHARE PLAN

To involve each employee closely in the Group's earnings and future, a "free share plan granted to all employees" was implemented in 2010. All employees were awarded 40 shares subject to their continued employment within the Group, performance conditions, and an increase in customer satisfaction. These shares were delivered in two instalments for employees who are French residents for tax purposes (in 2013 and 2014); for non-residents of France for tax purposes, the first instalment was delivered at the end of March 2015 and the second is planned for 2016.

MANDATORY EMPLOYER CONTRIBUTIONS, VOLUNTARY PROFIT-SHARING AND COMPANY SAVINGS PLAN

In France, employees are involved in the long-term development of the Group via profit-sharing and/or employer contribution schemes. These schemes enable employees to finance projects or earn additional income. They are tied to the company's overall performance (financial and extra-financial) and regulated by Societe Generale agreements signed with the trade unions every three years. For Societe Generale SA in France, under the agreement signed with the social partners in June 2014, the total amount of mandatory employer contributions and voluntary profit-sharing for financial year 2014 rose by 30% from the previous year.

The company savings plan proposes medium- and long-term savings, offering employees the opportunity to build up assets under preferential financial conditions⁽¹⁾ and tax rates through tailored management of a diversified portfolio of investment securities. It comprises a diversified range of seven funds, including the employee share ownership fund (Fonds E). Financial remuneration (consisting of the employer contribution and profit sharing⁽²⁾) may be invested in the company savings plan. See also "SRI employee savings" on page 30.

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> 2015 REMUNERATION POLICIES AND PRACTICES REPORT

CARING ABOUT EMPLOYEES' WELL-BEING AT WORK

PROMOTION OF WELL-BEING AT WORK

In addition to the ethical responsibility, Societe Generale considers the health and, more broadly, the well-being at work of its employees to be a long-term driver of performance and critical to its attractiveness, effectiveness and sustainability. According to the 2015 Employee Satisfaction Survey, 79% of employees said they were satisfied with their work environment. The Group is convinced there is a very strong link between well-being at work and quality of work. It therefore formalised an ambitious corporate project on well-being at work and in 2015 launched the "Life at Work" programme, which focuses on six specific themes:

- individual and collective efficiency (promotion of efficient working methods);
- health and prevention (relating to the risks inherent in the Group's businesses);
- telecommuting and new organisational models (see page 57);

- work environment (see page 58);
- support during key life events (services that facilitate work-life balance);
- developing the managerial culture (training and awareness initiatives in connection with the Leadership Model).

For Societe Generale SA in France, this programme was launched in conjunction with discussions with employees and their representatives. An agreement on working conditions signed in 2015 defines a framework for rethinking operating procedures. It also promotes the expansion of best practices by encouraging new initiatives on the ground as well as ways to share and test them. This agreement also requires that well-being at work be integrated into organisation or reorganisation projects that have a high impact on the teams. It will be monitored regularly by the Well-being at Work Observatory (joint forum for discussion), chiefly by means of quantitative and qualitative indicators to measure working conditions, which will be established starting in 2016.

5,000
TELECOMMUTERS

74%
OF TOTAL HEADCOUNT COVERED
by initiatives on stress prevention

RATE OF ABSENTEEISM DUE TO ILLNESS
1.9%

INDIVIDUAL AND COLLECTIVE EFFICIENCY

At end-2014, Societe Generale's Executive Committee signed the "15 Commitments for Work-life Balance" Charter. This charter, introduced by the French Ministry of Social Affairs, Health and Women's Rights and the French Work-Life Balance and Corporate Parenthood Observatory, proposes that signatory companies work to improve their employees' work-life balance. Implementation of the Charter was accompanied by concrete actions in 2015, including heightened awareness of scheduling meetings and sending emails outside working hours, and the dissemination of self-assessment tools to improve practices and their effectiveness, but also initiatives to support employees on a daily basis (conferences and services relating to parenthood, launch of a dedicated space on the HR intranet to provide information for employee caregivers).

This charter also resonates outside France with the following initiatives conducted in 2015:

(1) Employer matching contribution and discount on the Societe Generale share in the event of a reserved capital increase.

(2) In addition to Societe Generale SA in France, most French subsidiaries belonging to the Company Savings Plans are subject to an employer contribution and/or profit-sharing agreement.

- establishment of a flex-time policy at several Group entities (in Romania, Belgium, Luxembourg, Germany, Spain, Serbia Scandinavia, the United Kingdom, India, Taiwan, Canada);
- requirement that managers pay greater attention to employees' workload (in several Asia-Pacific entities in particular).

HEALTH AND PREVENTION

Social protection

Societe Generale fulfils its social responsibility by actively contributing to the social protection of all its employees, particularly in terms of healthcare, pension, death, invalidity and incapacity benefits.

As compulsory benefit plans vary according to the legislation and regulations which apply in each country, each Group entity is responsible for defining the degree of local additional cover needed, in accordance with the objective defined by the Group to offer a minimum level of cover at least comparable to local market practices. Working alongside their regulatory authorities (and potentially with other Societe Generale entities in the same country), Group entities must also factor in their development strategy, remuneration policies, and financial position when defining employee cover. For example, Global Banking and Investor Solutions makes every effort to harmonise employee benefits with the current local Societe Generale policy when staff are integrated due to an acquisition. In 2015, harmonisation of employee benefits between Societe Generale and Newedge affected about 2,000 employees in 12 countries.

International Retail Banking pays particularly close attention to the social protection schemes at its subsidiaries, including in Africa. Consequently, all African subsidiaries generally offer health cover to employees and their beneficiaries, personal protection insurance for beneficiaries should the employee die and, in certain cases, complementary pension plans. At the end of 2015, more than 12,000 employees in the Mediterranean Basin and Sub-Saharan Africa (i.e. 99% of the local workforce) had easier access to care and benefited from the company's contribution to their healthcare expenses.

In France, the Societe Generale Group health plan covered nearly 119,500 people (participating members and beneficiaries).

Prevention of psychosocial risks and stress in the workplace

Stress prevention initiatives are conducted in 85 Group subsidiaries and branches in France and abroad, covering 74% of the Group's workforce in total. They seek to inform, train and support employees likely to encounter situations that could cause stress. This is reflected differently in different countries:

- free assistance programmes established in partnership with healthcare or insurance sector specialists, which allow employees to speak freely with an outside expert (France, Germany, United States, United Kingdom, Romania, Ireland, Singapore, Taiwan);



Olivier Brun

"Societe Generale is one of the first groups in the French banking sector to have embarked on teleworking in 2013. This new form of work organisation responds to employees' aspirations towards a better work-life balance, the need for companies to be flexible and agile and the problems of transport congestion and the reduction of CO₂ emissions.

Among Societe Generale's 2,500 teleworkers in France, more than nine out of ten feel they have found a better work-life balance since they have been working from home, especially as it has saved them on average almost two hours of travelling time.

Teleworking is part of a more global move to improve the quality of work life. Societe Generale's commitment to this issue goes way beyond simple convenience or the services offered to employees: it is playing a full role in the area of work organisation. In particular, telework aims to enhance job content and improve the quality of management and the social environment.

These initiatives will improve both the social and economic performance of the company as they encourage cultural changes which curb risky behaviour, improve collective operations and drive creativity and innovation. The resulting satisfaction and well-being lead to more transparent and collaborative group practices. Now calm and constructive working relationships within the company are an essential part of high quality customer relationships: interacting with a positive employee who is ready to listen has a significant impact on the customer experience."

Olivier Brun, Associate Director of Greenworking Training and advisory firm for managerial and organizational innovation

- training on psychosocial risks and/or awareness-raising through workshops (France, Italy, Luxembourg, Poland, Czech Republic, Russia, Romania, United Kingdom, Slovenia, Hong Kong, China, Japan, Morocco, Tunisia);
- stress surveys and evaluations (France, Spain, Austria, Germany, Denmark, Italy, United Kingdom, Scandinavia);
- leisure and relaxation activities (France, Montenegro, Romania, United Kingdom, Hong Kong, Morocco).

Under the Agreement on Working Conditions signed in 2015, Societe Generale in France continued the efforts made since 2008 with all corporate actors and with the support of external stakeholders specialised in the prevention and management of psychosocial risks. It has set two priorities: preventing internal risks (stress, harassment) and external risks (aggression, armed assault).

The internal risk training and awareness modules rolled out since 2009 (and updated in 2015) have been used to train more than 7,000 employees (including HR, managers and senior management) on psychosocial risk management. In 2016, the stress observatory will be replaced by a working conditions evaluation survey (see above). The results of the new questionnaire sent to all employees (addressing both psychosocial risk factors and protection factors) will enable Societe Generale to continue its efforts on the ground to improve working conditions. Lastly, a sexual and psychological harassment prevention initiative and a specific procedure (listening, mediation, investigation and discipline, if necessary) have been in place since 2005.

A company agreement on the prevention and management of aggression was signed in 2008. This led to the implementation of mandatory training on conflict situations (taken by all network employees) and specific psychological support programmes (partnership with the Institut National d'Aide aux Victimes et de Médiation - National Institute for Victim Support and Mediation, INAVEM - to provide post-traumatic support to employees who have been victims of armed assault or aggression).

Prevention measures

The Group continually monitors the possibility of any risks liable to affect the health of its staff, anywhere in the world. It conducts large-scale prevention campaigns managed at the hyper-local level to respond pragmatically to the needs and concerns of the affected populations. In 2015:

- periodic (annual or every two years) medical check-ups and pandemic disease vaccination campaigns were available to employees in most entities on all continents (covering 77% of Group headcount);
- Societe Generale SA in France organised prevention campaigns on sleep, sight, preservation of health, addiction and incentives for participating in sports activities;
- pandemic information and prevention campaigns in the African subsidiaries, primarily on malaria and HIV/AIDS, were continued. The HIV/AIDS programme implemented involved all employees and their families in each country concerned; it focused on education, testing, provision of treatment and the fight against all forms of discrimination;

- in the Algerian and Moroccan subsidiaries, campaigns were conducted to promote breast cancer screening, which was offered to female employees and, in Algeria, to male employees' wives.

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> PRESS RELEASE : LIFE AT WORK

PROMOTING TEAM DIVERSITY AND AN INCLUSIVE CULTURE

In addition to the ethical responsibility, the diversity of Societe Generale's employees and its inclusive culture address a performance challenge. The diversity of profiles and skills combinations can generate a variety of ideas and help the Group identify weak signals to anticipate risks and opportunities, adapt and act quickly. First and foremost, they enable the bank to better understand and serve its customers, in all markets in which it operates.

Two priorities:
promoting women
and international profiles
to positions of responsibility
within the Group's
management bodies

DIVERSITY AT THE HEART OF BUSINESS LINE CHALLENGES

In terms of diversity, the Group has made it a priority to promote women and international profiles to positions of responsibility and seats within the Group's management bodies.

To this end, a Diversity Board, composed of Executive Committee and Management Committee members, was established in 2013. It sets strategic directions by placing diversity issues at the heart of business line challenges and ensures progress in gender balance and internationalisation. This strategy has been adapted for the different entities, with each one implementing appropriate action plans to help the Group achieve its diversity goals. Some HR processes are therefore key drivers of success in this area, particularly the establishment of succession plans (see page 60) that include international candidates and profiles. Similarly, close attention is paid to ensuring diverse Strategic Talent profiles (see page 60): currently 39% are women and 44% international (non-French).

In addition to these priorities, Societe Generale is committed to other aspects of diversity, such as generations, social inclusion and disability. A variety of initiatives are determined locally, depending on the challenges and regulations in the different countries and business divisions.

RAISING AWARENESS TO CREATE AN INCLUSIVE CULTURE

Since 2011, Societe Generale has taken action to raise managers' awareness of unconscious biases. The aim is to heighten awareness of the challenges of diversity and inclusion and to deconstruct stereotypes in order to urge everyone to change their daily management behaviours (recruitment, promotion, evaluation, decision-making, etc.). At end-2015, 1,430 managers and employees had participated in one of these training sessions, in France and abroad.

The teams' awareness of diversity and inclusion is also raised through Societe Generale's support of key events, such as the European Diversity Conference, which Societe Generale sponsored and hosted in 2013 and 2015, and inter-company initiatives such as the JUMP forum (gender balance) and the EVE (gender balance) and OCTAVE (generations) programmes.

PROMOTION OF GENDER BALANCE

Gender balance reflects the company's ability to appoint and promote the person whose skills best match a given position without bias or cultural filters. For this reason, Societe Generale encourages all its managers to promote this balance within their teams, and adopts this approach at the highest level of the company.

SHARE OF WOMEN	2015	2014
Group	59.1%	60.2%
Managers	43.3%	44.0%
Senior management (top 1,000)	21.2%	21.6%
Management Committee (60 members) ⁽¹⁾	20.0%	18.6%
Executive Committee (13 members)	15.4%	15.4%
Board of Directors (14 members) ⁽²⁾	50.0%	42.8%
Executives (for Societe Generale SA in France)	45.2%	44.7%

(1) Management Committee: 12 women (compared with 11 at the beginning of 2014, 8 at the beginning of 2011 and 6 at the beginning of 2010).

(2) Board of Directors: 7 women (including 2 staff-elected directors).

Support initiatives

The number of support initiatives, the key means to developing female employees' skills, has risen significantly since 2006, with more than 800 women benefiting from one of the programmes established by the Group. Today, the Women in Leadership (WILL) development course is the driving force behind these actions. Designed for female Strategic Talent, it includes, over an 18-month period, group training, personal coaching and mentoring actions as well as participation in inter-company events.

The Group supports the women's and mixed networks formed within the company that actively and independently help promote gender balance. They have enabled their members to attend conferences, share their experiences, benefit from mentoring sessions and take part in personal development workshops which, since 2015, have also addressed subjects related to digitisation to help women advance in this area. These networks have more than 2,400 members worldwide, including France, the United States, Singapore, India, Luxembourg, Czech Republic, Senegal, Tunisia and Cameroon. In the United Kingdom, the "Women's Network" is part of the "UK Diversity Committee", which encourages the establishment of networks on various components of

diversity (family, multicultural, sexual orientation, etc.).

59%
WOMEN WITHIN THE GROUP

43%
WOMEN AMONG MANAGERS

50%
WOMEN ON THE BOARD

Gender equality measures

The Group's gender parity policy is adapted locally through specific measures and collective agreements.

For Societe Generale SA in France, two agreements signed in 2015 will have a direct impact on gender equality:

- the agreement on working conditions (see page 64);
- the agreement of 3rd December 2015 on equality in the workplace. It continues to uphold the commitments made in four priority areas of action: training, career development, remuneration and work-life balance. It sets out the 10 principles implemented within the company to make gender equality a reality (for example, using the same recruitment process for women and men, increasing the representation of women in management, and committing to encouraging the promotion of women). It defines concrete and measurable targets and actions, such as the targeted rate of 46% women executives by the end of 2018 (it was 45% at the end of 2015), measures that allow female employees on maternity, adoption or parental leave to keep up with the transformations underway in the businesses, the methodology for eliminating pay gaps, etc.

The company also decided to allocate EUR 1.7 million in 2016 to eliminating unjustified pay gaps between men and women doing equivalent jobs or at equivalent managerial or seniority levels within the company. This new allocation builds on the work done in this area in the last six years: between 2008 and 2015, corrective measures were taken in more than 6,600 cases, for an overall amount of EUR 10.9 million.



As a result of these numerous concrete actions, the bank has benefited from the "Label Égalité Professionnelle" (Professional Equality Label) awarded by French independent certification company AFNOR since 2007.

In addition, numerous initiatives have been implemented abroad, for example

- in the Czech Republic, the Group's subsidiaries are focused on establishing measures to smooth the return to work after maternity leave (by maintaining contact with the company, returning gradually and starting back with part-time work, benefiting from skills upgrades, etc.). The "Maternity Programme" at Komerční Banka has helped to increase the rate of women who return after maternity leave from 45% (in 2008) to 61% (in 2015);
- in Luxembourg, the "Opportunités égales pour hommes et femmes" (Equal Opportunities for Men and Women) project approved and supported by the Luxembourg Ministry for Equal Opportunities focuses on three topics: equal treatment between men and women, gender equality in decision-making processes and reconciling the work-life balance.

INTERNATIONALISATION

Reflecting the various facets of the group's establishments throughout the world

122
NATIONALITIES REPRESENTED

58%
OF EMPLOYEES ARE NOT FRENCH

To better represent the diversity of the business lines, customers, countries and communities in which the Group operates around the world, Societe Generale's diversity policy also emphasises promoting the diversity of origins and nationalities of its employees.

Within the Management Committee, 10 nationalities are represented, and 25% of members are not French (compared with 22% in 2014). This is also the case in the Group's various establishments around the world, where 27% of the members of management bodies (Management Committees and Executive Committees) do not have the local nationality.

The diversity of Strategic Talent, who make up a global talent pool that can be mined for succession plans for key Group positions, is a concrete lever for promoting the international dimension of the management teams. Today, 51% of emerging Strategic Talent, regarded as the next generation of managers in the medium term, are non-French.

GENERATION BALANCE

Within the Group:

- 24% of employees are under the age of 30;
- 26% of employees are over the age of 45;
- the average age is 37.7.

(1) Number of disabled employees at 31st December 2015, based on the Mandatory Annual Declaration of Employment of Disabled Workers (Déclaration Obligatoire des Travailleurs Handicapés) criteria.

(2) Comités d'hygiène, de sécurité et des conditions de travail, or committees for health, safety and working conditions

Intergenerational cooperation

The Group is committed to representing different generations and is working to improve cooperation among them, mainly through the organisation's digital transition. The "Digital for All" programme and the dissemination of new digital tools and media have led to the implementation of numerous initiatives on reverse mentoring and the transmission of know-how and knowledge between junior and senior employees (see also "Developing new ways of working and organisational models", page 57).

In addition, the Group focuses special efforts on the professional integration of young people, while overseeing the continued employment of its older employees and accompanying employees towards retirement. In France, as part of the effort to adapt the generation contract, all Group subsidiaries have established specific agreements and/or dedicated action plans to reflect these objectives. For example:

- Societe Generale SA set an annual target for the recruitment of young people on permanent contracts. In 2015, this target was 500 (a target that was met and exceeded: 914 young people under the age of 26 were recruited during the year). The generation contract also aims to develop training for seniors, implement health and prevention measures, and adjust seniors' working hours (progressive part-time and compensated half-time, dedicated to transmission of knowledge and skills or solidarity actions such as partnership/sponsorship with social entrepreneurs/charitable structures);
- Crédit du Nord set a 5% recruitment target for people over the age of 45 over the span of the Senior action plans (November 2013 to November 2016 — on the second anniversary of the plan, this rate was 11%) in order to ensure a balanced age and experience pyramid, including upon recruitment.

INTEGRATION OF PERSONS WITH DISABILITIES

As an employer, Societe Generale endeavours to take the measures required to ensure that disabled employees hold positions which match their qualifications and benefit from appropriate working conditions and training.

At the end of 2015, Societe Generale employed 2,302 disabled staff (as defined locally) around the world, accounting for 1.6% of the overall headcount. The highest proportions can be found in France, Italy and Germany.

In France, Societe Generale SA employs 1,149 disabled staff⁽¹⁾. The three-year agreement covering the 2014-2016 period reiterates the long-term commitment to the recruitment and professional integration of disabled employees, with an initial target of 150 hires over three years. Initiatives coordinated in 2015 by Societe Generale's Mission Handicap focused on the following four priorities:

- Integration and recruitment: specific mechanisms for promoting the integration of the disabled into the workplace, the **HandiFormaBanques** work-study programme, the seventh "Pass pour l'emploi" forum (one of the main recruitment forums in the Paris region, which offers personalised support for candidates and a place to discuss and interact on employment and disability topics), and partnerships formed with associations, schools and universities.
- Awareness-raising and training: actions to support employees and managers and eliminate unconscious biases, training for CHSCT⁽²⁾ representatives and multidisciplinary teams, awareness-raising for employees, mainly at the European Disability Employment Week.

■ Support and development: since 2007, nearly 2,500 adjustments made to work stations and working hours to keep disabled employees in their jobs.

■ Responsible sourcing: use of companies in the protected sector to help create indirect jobs (see “Responsible sourcing”, page 34).

In Serbia, the “Inclusive Academy” programme, led by employee volunteers from Societe Generale Srbija, helps young disabled people enter the job market by giving them new skills through workshops and internships. The programme has assisted 50 young people since its beginnings in 2011. More than half were able to transform their experience into long-term employment either at the bank or externally.

In Romania, the Czech Republic, Spain, Scandinavia, Algeria and Japan, recruitment, awareness-raising, induction and support programmes have been implemented to promote the employment of the disabled.

Societe Generale also makes sure its services are accessible to disabled customers. For example, in France:

■ almost all of Societe Generale’s and Crédit du Nord’s automated teller machines (ATMs) are equipped with voice synthesis and tactile sensors, and new facilities comply with accessibility standards for people with disabilities or reduced mobility;

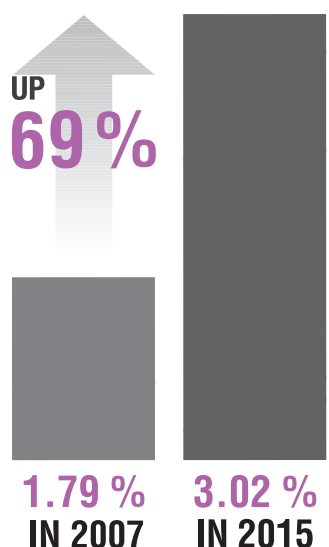
■ Societe Generale’s mobile application is accessible to the visually impaired;

■ a reduced-rate phone number puts visually impaired customers in direct contact with a customer call centre and 920 customers received their bank statements in Braille in 2015;

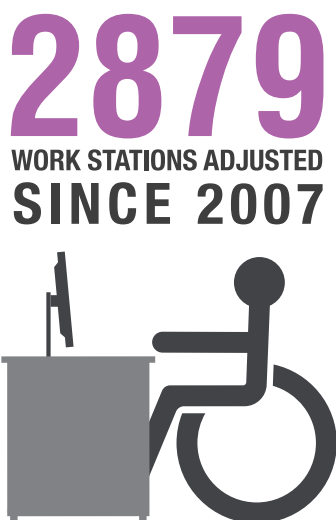
■ at the end of September 2015, two-thirds of Societe Generale and Crédit du Nord branches were declared accessible to persons with disabilities, one year ahead of the legal deadline. The goal is to achieve full coverage by 2021 (excluding historical heritage buildings).

REPORT OF SOCIETE GENERALE'S "MISSION HANDICAP" AT END 2015

INCREASE IN NEW HIRES



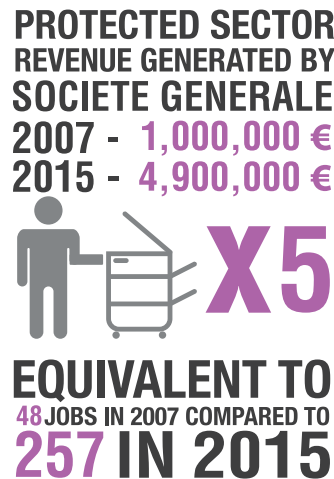
CONTINUED EMPLOYMENT



DIRECT HIRES

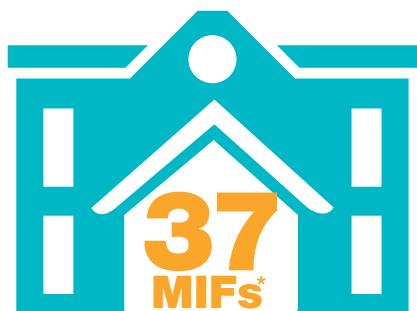


INDIRECT NEW HIRES

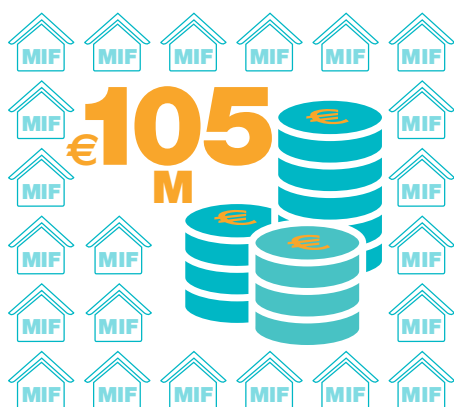


> [FIND ALL THE DATA OF THE REPORT](#)

SUPPORTING ENTREPRENEURSHIP AND THE SOCIAL AND SOLIDARITY ECONOMY

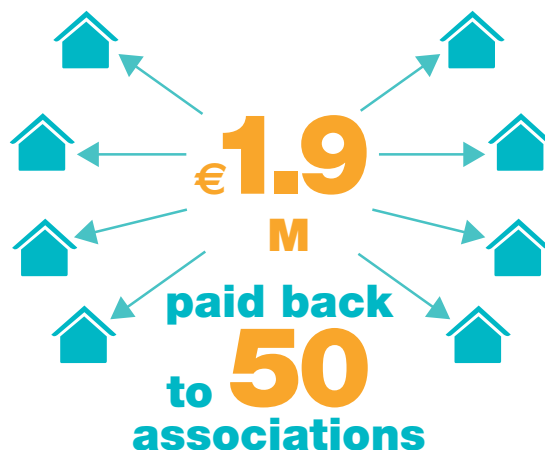


(PARTNERS "ADIE, ADVANS, SPEAR, ONF,...")
FINANCED BY THE BANK



IN MICROFINANCE CREDIT LINES

* MicroFinance Institutions



One Million Award
donated by Axylia
for its range
of solidarity products

33,000
CLIENTS

CARRIED OUT BY PLATFORMS
FOR AMICABLE NEGOTIATION

67%
AND
OF THOSE CLIENTS RETURN
TO A SOUND FINANCIAL SITUATION

GENERIS
38,500



CLIENTS

**SIGN UP FOR THIS BASIC
BANKING OFFER**

**THE SG SOLIDARITÉ FUND AND
THE SOLIDARITY SAVINGS SERVICES**



THE LABEL
GUARANTEES SAVING
PRODUCTS' SOLIDARITY
AND TRANSPARENCY



MOBILE BANKING

SUPPORTING EMERGING COUNTRIES AND NEW ECONOMIC ACTORS' DEVELOPMENT

SUPPORTING BUSINESSES AND INDIVIDUALS IN LOW- AND MIDDLE-INCOME COUNTRIES

Through its network of subsidiaries, the Group actively contributes to the development of the economy in the Group entities' respective countries by offering employment, supporting the creation and development of businesses, and assisting territorial communities with their projects. Its subsidiaries and branches fully assume their social and environmental responsibilities and undertake progressive initiatives.

As of the end of 2015, 59.7% of the Group's staff is located outside of mainland France, of which 10.5% are in low-income or lower-middle-income countries⁽¹⁾ and 11.6% in upper-middle-income countries⁽²⁾ according to the World Bank's definition.

Societe Generale constantly adapts its range of products and services to the maturity level of each market, proposing new and innovative solutions in countries where access to banking is extremely limited, i.e. most countries in Sub-Saharan Africa and, to a lesser extent, Eastern Europe.

The bank has a long-term strategy. Indeed, some of its subsidiaries have had a presence in Africa for more than 50 years (Senegal, Ivory Coast and Cameroon), and some for more than 100 years (Morocco). Since opening the subsidiary of Societe Generale Benin in Togo and its subsidiary in Mozambique in 2015, the Societe Generale Group has been established in 18 African countries and is uniquely positioned to offer its customers the benefits of an international bank and the proximity of a local bank.

In Africa, the Group serves close to 3.5 million customers, of which 120,000 are corporate. Several transactions illustrated this support in 2015:

- Societe Generale Cameroon participated in the funding of the Agricultural Investment and Market Development Project, with EUR 7.5 million. The aim of this initiative is to contribute to transforming "low productivity" agriculture into "commercial" agriculture. Nearly 300 cooperatives will be able to benefit from funding, i.e. 30,000 households and 120,000 direct beneficiaries;
- In Senegal, SGBS signed an agreement for EUR 9 million with SEDIMA, one of the leaders in agro-business in Senegal, to fund a unit for slaughtering and processing chickens.

Apart from the local development of the agro-business, rapid and efficient access to mobile telephony is a key issue for the Group in Africa:

- in Morocco, SGMA took part in a significant EUR 16.8 million funding deal with a mobile telephone operator for the installation of a submarine cable to improve the network infrastructures and to improve the performance, the speed and the cost-effectiveness of telecommunications;
- in Cameroon, Societe Generale is the privileged banker of the country's leading mobile telephone operators, Orange Cameroon and MTN Cameroon. In 2015 it was the lead manager in a EUR 114 million debt-financing transaction by Orange Cameroon, providing EUR 29 million. It was also involved, to the amount of EUR 12 million, in the EUR 91 million syndicated loan for MTN Cameroon;
- Societe Generale Algeria lent EUR 46 million as part of a EUR 374 million syndicated loan for the acquisition and rollout of a 3G telecommunications network in Algeria.

+ info

> AFRICA A CONTINENT OF GROWTH AND OPPORTUNITIES

SUPPORT FOR BUSINESS CREATION AND SMES

IN FRANCE

Societe Generale is a key player for corporates, very small businesses and entrepreneurship, with a customer base consisting of over 80,000 large and mid-caps and 260,000 very small businesses and professionals. The Group is committed to giving regional support to artisans, entrepreneurs and enterprises of every size throughout their life and their business cycle.

In this way it is able to give its corporate clients the benefit of its partnerships in order to foster their growth. To this end, Societe Generale signed several partnership agreements over the course of 2015:

- In March, Societe Generale renewed its commercial partnership with the company ELLISPHERE – formerly COFACE Services – the leader in company information in France in order to offer its clients a range of business information products.

(1) As defined by the World Bank: "Low-income + Lower-middle-income economies (USD 4,125 or less)", in particular Ivory Coast, Ghana, Georgia, India, Madagascar and Morocco.

(2) As defined by the World Bank: "Upper-middle-income economies (USD 4,126 to USD 12,735)", in particular Algeria, Brazil, Bulgaria, Romania, Serbia and Tunisia.

- In May, Societe Generale renewed its commercial partnership with Econocom, a key player in the management and financing of digital assets.
- Societe Generale and Crédit du Nord signed a new delegation agreement on the Bpifrance loan guarantee decision (in June and September respectively), delegating authority to branches to decide to extend the Bpifrance guarantee to loans of up to EUR 200,000 (within the scope of this agreement) per company or group of companies. The delegation of this decision enables them, together with Bpifrance, to support the projects of the companies concerned whilst reducing the timeframes for granting the related loans.

A local organisation

The bank has significantly reinforced its support programme for companies in terms of local networks or access to business expertise. In 2015, the SMEs' overall levels of satisfaction with Societe Generale confirm the momentum generated over the past few years. These positive results emphasise the relevance of the bank's programme based on the proximity of a national network with strong local roots combined with the power and expertise of a universal bank. By way of proof, 72% of Societe Generale's customers state that the bank puts its experts at their disposal, and 8 out of 10 of its customers are of the opinion that the commercial strategy that is deployed is a close fit for SME needs⁽¹⁾.

72%

OF SOCIETE GENERALE'S CUSTOMERS
STATE THAT THE BANK PUTS ITS EXPERTS
AT THEIR DISPOSAL

Support for company start-ups



In 2015, Societe Generale entered into relationships with 24,088 new businesses that were set up less than one year ago in France (+2.4% versus the end of December 2014), i.e. 62% of new professional customers as of 31st December 2015, to which it granted approximately 4,300 medium/long-term loans amounting to EUR 464 million.

The bank relies on specialist networks to ensure tailored help for its customers, which makes it possible to substantially boost the survival rate of new companies (three-year survival rate of 87% and five-year survival rate for business creators of 84% versus an overall national survival rate of 51.5%. Source: INSEE – 2011). It includes among its partners: Initiative France, the BGE network (Boutiques de Gestion), Moovjee (Mouvement pour les Jeunes et les Étudiants Entrepreneurs), Société Nationales des Meilleurs Ouvriers de France, Adie (Association pour le droit à l'initiative économique), IME (l'Institut du Mentorat Entrepreneurial) and Réseau Entreprendre. This year Societe Generale again took part in many events alongside its partners and organised various conferences on the theme of starting up and taking over a business.



Laurence Mouratille-Lévy

“Following discussions with Societe Generale ahead of the project, Unit-e (a group founded in 1985 by Hugues Albanet and an independent player in renewal energy generation in France) decided in 2015 to tap the euro private placement (EuroPP) market, in parallel with bank lending (project loans) and crowdfunding, with the aim of having the funds, through corporate financing, to develop new projects in the field of renewable energy.

Rather than carry out a “conventional” EuroPP issue, Societe Generale recommended creating a green bond that was attractive for those investors who wished to move towards this asset class, and that was simple for the company to monitor by the very nature of the latter's business (annual monitoring of the nature of the use of the funds for the purposes of validating their use for green projects).

The nature of the deal – i.e. a corporate financing deal on behalf of a holding company acting in the field of infrastructure – is one of the first of its kind in the EuroPP market, which explains why Societe Generale, as the arranging bank and the issuer, had to work to educate the investor market.

Furthermore the structure of the deal itself is innovative, since it is the first EuroPP in the form of a bond that gives the issuer the option of making the funds available in several drawdowns (bond in partial payments).

At the end of 2015 Societe Generale and Unit-e were able to announce the completion of an initial Green EuroPP tranche for EUR 10 million over six years, with a coupon of between 4 and 5%.”

Laurence Mouratille-Lévy, Director – Global Capital Markets Team

(1) Scope of the survey: the CSA institute carried out a telephone interview with 2,715 banking relationship managers within SMEs, including 602 Societe Generale customers, between January and March 2015.



The bank is a member of the national association Initiative France and a partner of 117 of its local platforms. The Initiative France platforms have enabled the start-up or takeover of 9,038 companies, which have themselves created or maintained 20,697 direct jobs during the first year. In addition to loans on trust (interest-free, unsecured loans) of 228 platforms, the bank granted 929 loans for EUR 59.6 million to entrepreneurs approved by Initiative France in 2014 (figures reported by Initiative France in 2015 in its activity report).

Through its partnerships, such as with SIAGI⁽²⁾ for example (which was renewed in 2014), Societe Generale also promotes access to credit for business start-ups and takeovers.

Support for the development of businesses

The Group, within its networks (Societe Generale and Crédit du Nord), reaffirmed its commitment to supporting the development of businesses and its mobilisation of resources to support collective efforts to stimulate the European and French economies by continuing the special credit offer (launched in September 2014) exclusively for SMEs, micro-enterprises and professionals in France, which promotes investment in France (this offer is based on the various support measures initiated by the European Central Bank).

Societe Generale, via the intermediary of its subsidiaries, is marshalling its resources to deploy the Group support strategy. The offers put in place in 2015 notably include the following:

- the launch, in July, of an offer to mobilise RTC (research tax credit) claims, both in respect of seed credit (credit that cannot yet be claimed, because the R&D has not been completed/is ongoing) and credit that is due from the State (credit that can be claimed, because the R&D has been performed), developed in partnership with its subsidiary CGA, has enriched its product range. It enables its innovative corporate customers to reap the benefits of the research tax credit in advance. Immediate funding of the credit constitutes a significant cash advance for any innovative company;
- the Group also offers a comprehensive and integrated range of Corporate and Investment Banking services (advice, financing by the bank or via the capital markets, capital investment) via the intermediary of Mid Capital Investment Banking, which gathers more than 110 professionals based in Paris and in the six provincial/regional delegations of the Societe Generale network, whose mission is to support listed and unlisted mid-cap companies with their development and their succession planning.

ABROAD

Support for financial institutions and development agencies in the implementation of their development policy

In accordance with its global strategy, in the other countries in which the Group has a presence, it is committed to forging and maintaining partnerships with international financial institutions (IFIs) in order to offer financing solutions that meet the needs of the businesses (of the local economy) that it supports. Relationships with the EIB (European Investment Bank) were strengthened in 2015, with the signing of 8 contracts for a total amount of EUR 550 million, credit lines generally dedicated to SMEs and Mid-Caps, including EUR 300 million at Societe Generale Equipment Finance (SGEF).

(2) Established in 1966 by the French Chambers of Trades and Crafts, SIAGI is involved in the crafts and local activities sectors. It guarantees the credit facilities granted by all the banking institutions in the marketplace.

in 2015,

THE SIGNING WITH THE EIB OF 8 CONTRACTS FOR A TOTAL AMOUNT OF EUR 550 MILLION

Notable major transactions of the year are as follows:

- The EIB and SGEF Czech Republic signed a new agreement for a EUR 100 million credit line to be used to promote youth employment under the "Jobs for Youth" programme. This is the second deal between the EIB and the Group for this programme, coming after the deal between the EIB and Group subsidiary KB (in the Czech Republic) in 2014 which, after the success brought about by the first deal, KB has signed off for a new credit line for the benefit of youth employment (EUR 70 million).
- SGEF Poland has likewise agreed to a new EUR 100 million credit line for the benefit of SMEs and Mid-Caps and to a EUR 100 million in funding agreement that has also been signed off by SGEF Germany.

+ info

- > **SOCIETE GENERALE AND BPIFRANCE TOGETHER TO FACILITATE THE ACCESS TO CREDIT TO PROFESSIONALS, VERY SMALL COMPANIES AND SMEs (NON AVAILABLE IN ENGLISH)**
- > **SOCIETE GENERALE'S COMMITMENT RECOGNIZED BY SMEs (NON AVAILABLE IN ENGLISH)**

FINANCING FOR STATES AND TERRITORIAL COMMUNITIES

Societe Generale has been helping to finance the public economy for over thirty years (public authorities, social housing, public institutions, urban planning). As of 31st December 2015, the Group's short, medium and long-term outstanding loans across these markets in France amounted to approximately EUR 16 billion. Societe Generale has diversified its range of products and services for local authorities by offering them co-financing in partnership with institutional investors.

In France as well as abroad, the Group respects the principles of the Gissler Charter (a charter on good conduct between banking institutions and local authorities) in its dealings with public authorities.

FINANCING OF THE ASSOCIATION SYSTEM IN FRANCE

Associations are important players in the French economy because of their production of intrinsic wealth: jobs created and services rendered.

For many years, Societe Generale has developed close relationships

with the world of associations across the country. With an overall market share of 10% and more than 100,000 customer associations, the bank puts its know-how at their service to allow them to achieve their objectives, by financing their projects, helping them to manage their assets and supporting them in their day-to-day management.

Along with CGA, its factoring subsidiary, Societe Generale enables

associations to anticipate the payment of their public subsidies.

Alongside these commitments, Societe Generale, in partnership with the law firm Fidal, organised some forty information meetings on current legal and tax-related subjects in order to cast an expert eye on the problems faced by the associations.

SOLIDARITY BANKING ACTIVITIES

SOLIDARITY BANKING OFFER TO INDIVIDUALS



This picture is not available in english

IN FRANCE

As one of the first banks to develop a range of solidarity banking products, Societe Generale forges closer links between its customers and social entrepreneurs, and accompanies them on their path of solidarity. In 2014, the bank continued to increase the number of its partner associations and to enhance its range of products and services, which is directed to all its customers – individuals, professionals and corporates –, enabling them to make contributions to a long list of general and public interest associations. Overall, Societe Generale facilitated contributions totalling more than EUR 1.9 million, up 6% compared to 2014, to more than 50 partner associations in 2015.



In the Profit for Non Profit Awards 2015 organised by the consultancy firm Axylia, Societe Generale's range of solidarity finance products and services won the One million Award. This distinction rewards financial institutions that generate over EUR 1 million in donations per year.

Life insurance: Erable Essentiel

Launched in November 2015, Érable Essentiel is a life insurance policy that allows holders to save starting from EUR 25 per month and to invest in the SG Solidarité fund, which is certified by Finansol, a sharing and solidarity-based vehicle:

- solidarity-based because 5 to 10% is invested in solidarity enterprises of high social utility, and contributes to the social and economic development of the country;
- sharing because 50% of the annual revenues is donated to one of the following 4 partner associations: Les Restaurants du Cœur, Habitat et Humanisme, CCFD-Terre Solidaire and Fondation Recherche Médicale.

The first contributions to those associations will take place in October 2016.

Solidarity savings services

Solidarity Savings Services allow customers to contribute all or part (25, 50, 75 or 100%) of the interest on their savings passbooks (Livret A, Livret Développement Durable, Livret Jeune, CSL, Livret Épargne Plus, Livret BFM Avenir) to one or more charities or foundations supporting a humanitarian or social cause and acting for health care or the environment. Societe Generale makes a matching contribution. The Solidarity Savings Services benefit 40 partner associations.

As of the end of 2015, there are 44,267 Solidarity Savings Services (Societe Generale + Banque Française Mutualiste (BFM)) and EUR 273,000 in interest has been donated (i.e. -16.5% compared to 2014, mainly due to the fall in interest rates), broken down as follows:

- EUR 238,067 in customer donations (including EUR 42,971 from BFM customers);
- EUR 23,809 in matching contributions (including EUR 4,299 in matching contributions by BFM);
- EUR 11,215 in Societe Generale donations as part of the Solidarity CRCM (Centre de Relation Clientèle Multimedia-Multimedia Customer Relations Centre) operation.



In October 2015, the Solidarity Savings Services were certified by Finansol.

Charity bank cards

Societe Generale is currently offering a Charity Bank Card Collection, which is becoming increasingly popular with customers. These cards enable them to support causes that are dear to them, thanks to having expanded the number of beneficiaries, and to having given concrete aid to one of the 28 partner associations.

For each payment made with one of these cards, Societe Generale pays EUR 5 cents to the charity concerned.

Since the launch of these cards in May 2008, EUR 3,956,435 has been contributed to partner charities, including EUR 844,259 in 2015 (up 14% compared to 2014).

This collection was expanded with the launch of two new cards last June: Unicef and AFM-Téléthon.



Filigrane programme

Since the beginning of 2014, the Filigrane Loyalty Programme, part of the JAZZ package, has allowed customers to support the Secours Populaire Français humanitarian organisation and the French Red Cross.

Under the regulations governing sales with premiums, Societe Generale has decided to donate the EUR 0.25 financial contribution made by customers for each gift order to these two beneficiaries, split equally between them. As a result they collectively received EUR 140,301 in 2015.

Members of this loyalty programme also have the option of converting their loyalty points into donations to one of these two organisations of their choice, with Societe Generale making a matching contribution for each donation. In 2015, the total contribution to these two charities amounted to EUR 404,537.

Overall, Filigrane raised EUR 544,839 in 2015, i.e. 12% more than in 2014.

FILIGRANE INCREASED

12%

WITHIN 1 YEAR

Sponsorship scheme

Societe Generale launched the Sponsorship Scheme in January 2014: for every account opened under the Sponsorship Scheme, Societe Generale donates EUR 5 to Secours Populaire Français in

support of the most disadvantaged. This scheme raised EUR 145,640 for Secours Populaire Français in 2015.

SPEAR partnership

A partnership agreement with SPEAR (Société Pour une Épargne Activement Responsable – Society for Actively Responsible Saving) was signed in June 2012. SPEAR is a cooperative certified by Finansol that allows companies or charities wishing to carry out a solidarity project to obtain a bank loan thanks to savers who want to give meaning to their savings. Its activity consists of hosting projects responding to social, environment or cultural issues to allow them to secure financing under advantageous conditions by raising the necessary capital from individuals who wish to see their money put to good use.

Through its dedicated online platform (www.spear.fr), SPEAR positions itself as an easy-access tool providing a powerful solution for solidarity savings and ethical investment. Since 2012, Societe Generale has financed 6 projects with added social and environmental value amounting to EUR 967,000.

VOUS PRÉSENTE SON PARTENARIAT AVEC

Depuis 2012, Société Générale est partenaire de SPEAR (Société Pour une Épargne Activement Responsable), première plateforme française de crowdfunding qui permet à des épargnants de choisir la destination de leur épargne parmi une sélection de projets à fort impact social, environnemental ou culturel.

Pour Société Générale, ce partenariat innovant vient compléter sa gamme de produits et services solidaires, en phase avec sa stratégie RSE, et renforcer son rôle dans le financement de l'Economie Sociale et Solidaire.

SPEAR a collecté, depuis sa création en 2012, près de 4 000 000 € et soutenu une trentaine de projets avec l'aide de 500 épargnants - WWW.SPEAR.FR

LES AVANTAGES POUR L'ÉPARGNANT		LES AVANTAGES POUR LE PORTEUR DE PROJET	
SIMPLICITÉ du process	DONNER DU SENS à son épargne	ACCOMPAGNEMENT dans la mise au point de son projet	ACCÈS au crédit via les partenaires
SÉCURITÉ la banque porte les risques	RÉDUCTIONS D'IMPÔT 18 % sur l'IR 50 % sur l'ISF	CONDITIONS PRÉFÉRENTIELLES pour le prêt bancaire	VISIBILITÉ grâce à la plateforme web

This picture is not available in english

ABROAD

The foreign networks contribute to the number of banking products and services available to and used by local communities in countries where the level of "financial inclusion" is still relatively low. The innovative products and services they frequently launch on their domestic markets also make them a source of positive emulation for customers.

Societe Generale's International Retail Banking division constantly seeks to enhance the specific expertise needed to offer a service to small and micro-businesses that still do not have access to banking services (see p. 79, Financial inclusion).

The "your bank: here & there" offer for migrant customers

Introduced in 2007, Societe Generale's "Your Bank: Here & There" service is designed for foreigners or French citizens of foreign origin living in France who still have very close links with their native country (a group estimated to include 5 million people). At Societe Generale, they represent 8.7% of the account openings for individuals.

The concept was developed thanks to the Societe Generale Group's presence in countries where migratory flows to France are significant. It benefits from the synergies between French Retail Banking and International Retail Banking.

Solidarity offer in Morocco and Croatia

Modelled after the cards offered in France, Societe Generale Morocco (SGMA) is continuing to roll out the charity bank card SOS Villages, thereby supporting the association of the same name for the purposes of funding the schooling of children from disadvantaged backgrounds. In 2015, SGMA contributed EUR 2,295 to the association, which was able to provide 45 children with school supplies for the entire academic year.



In Croatia, Splitska Banka, as part of its child protection programme and in partnership with Unicef, has launched a new service: a direct debit scheme whereby customers make monthly donations to UNICEF and receive the title of “Champion of child protection” in return. Two years after its launch, 3,535 customers have subscribed to this service and have raised EUR 130,000 in donations.

+ info

- > SOCIETE GENERALE AND ITS CLIENTS STRENGTHEN THEIR COMMITMENT WITH ASSOCIATIONS (NON AVAILABLE IN ENGLISH)
- > INNOVATIONS IN SOLIDARITY FINANCING IN 2015 (NON AVAILABLE IN ENGLISH)
- > SOLIDARITY SAVINGS SERVICE
- > CHARITY CARDS
- > SOCIETE GENERALE'S CHARITY BANK CARDS, 2 NEW ASSOCIATIONS JOIN THE CHARITABLE COLLECTION (NON AVAILABLE IN ENGLISH)
- > FILIGRANE PROGRAMME

MICROFINANCE

Beyond its impact in terms of jobs and regional development, the Group has spent several years developing tools and products that contribute to the social cohesion of the communities and regions in which it is present with EUR 105 million in microfinance credit lines.

ABROAD

Refinancing of microfinance financial institutions

Committed to professional integration and providing entrepreneurs and start-ups with all the support they need, Societe Generale, via its overseas networks, is a major player in microfinance, helping to make banking available and to develop the local economic fabric.

The Group has chosen to focus its microfinance activities in those countries in which it has a presence as a universal bank. Since 2003, it has been lending its support, via its subsidiaries, to the microfinance sector in two ways: granting refinancing lines to MFIs (microfinance institutions) in local currency and acquiring minority stakes in MFIs. This strategy underpins the economic support given to the social and local entrepreneurs and meets the MFIs' need to find local sources of financing, especially in local currency, to ensure their development without being exposed to currency risk.

The MFI partners facilitate access to credit for communities that do not have access to banking facilities and, in doing so, feed their local economies.



“It’s an adventure of a lifetime to intend to start up a company that is consistent with one’s personal values. My plan was to reconcile ecological and ethical imperatives (organic farming, renewable energy) with current economic imperatives, and to show that this was not only desirable, but also profitable. It

was to create a convivial and festive place, where people from all over would come to drink, eat, celebrate and perhaps also be made aware of another way of going about things. This place is the brewpub “Au Nouveau Monde”, a Quebec pub where people can eat Quebec specialties and drink beer that has been brewed on the premises. Everything we serve, both food and drink, is the product of organic farming, which makes us the first (and maybe the only) bar in France to offer this. In addition we exclusively get our energy from renewable sources. We have also adopted an ethics charter to guide our practices and to steer our commitments towards greater consistency once the company is financially stable. It is not always easy for an entrepreneur to fund his projects. Eco-entrepreneurs often encounter incomprehension by financial institutions over some of their choices, such as having an exclusively organic product range or doing business with a green electricity supplier, for example. Indeed, such choices do not conform to conventional accounting standards. However, social, environmental and ethical projects are not based solely on the concept of economic profitability. After having been met with many rejections I then appealed to the crowdfunding platform SPEAR, which found the right words and arguments to convince its partner bank, Societe Generale, that projects that may be non-standard also deserve to be funded.

Thanks to the loan obtained and the support of 55 savers I created four jobs and was able to fund the takeover of a business as well as necessary brewing equipment. After being open for a few months and in light of the figures of the first quarter, I can already say that the adventure is getting off to a very good start.”

Etienne Charest, founder and manager of “Au Nouveau Monde”



As of the end of 2015, Societe Generale had granted EUR 95.8 million to 36 MFIs abroad, in Sub-Saharan Africa (Benin, Ghana, Senegal, Ivory Coast, Burkina Faso, Cameroon, etc.), in the Middle East, North Africa (Jordan, Morocco, Tunisia), in Eastern Europe (Serbia, Moldova, Albania, Georgia) and in Asia (India).

Synergies are developed with the various partners – for instance, in the area of electronic payment, with the development of co-branded cards by Societe Generale's subsidiaries, in partnership with Advans

MFI. These cards give MFI customers' access to ATMs (automatic teller machines) and to branches in the networks of Societe Generale's subsidiaries. This scheme has been in place in Cameroon since the end of September 2013 and in Ivory Coast since the end of 2014.

Since June 2015, and for the first time in the Ivorian banking landscape, an MFI (Advans CI) and a bank (SGBCI, a shareholder in Advans CI) share the same branch. Besides the objective of serving their respective customers, SGBCI and Advans CI regard this innovation as an opportunity to build on their complementarity in terms of financial solutions.

Acquisition of equity holdings in microfinance institutions



Through its subsidiaries in Africa, Societe Generale also holds a stake in 5 MFIs via active minority interests and in subsidiaries of internationally recognised microfinance groups (Advans Cameroon, Advans Ghana, Advans Ivory Coast, AccesBanque Madagascar and ACEP Burkina).

EUR 95.8 MILLION

IN CREDIT LINES

For the first time in the Ivorian banking landscape, an MFI and a bank share the same branch

THE LINE OF FUNDING AMOUNTED TO

EUR 9.2 MILLION

FOR MAINLAND FRANCE

IN FRANCE

Support for adie*

Societe Generale has been an active supporter of Adie since 2006, providing refinancing lines for its microfinance activity in mainland France and the overseas departments, and contributing to the financing of its support actions.

In 2015, the line of funding granted to Adie amounted to EUR 9.2 million, which included EUR 3 million for New Caledonia, Polynesia and the West Indies.

The bank made it possible for Adie to finance EUR 7.4 million in loans in 2015, corresponding to 2,139 micro-loans. More than 1,600 jobs have been created or maintained thanks to professional micro-loans, and around a further 500 jobs have been created or maintained thanks to personal micro-loans for employment. All in all, since 2006, the Group has refinanced 11,276 micro-loans for a cumulative amount of EUR 45.7 million (including EUR 5.1 million in New Caledonia, EUR 2.5 million in French Polynesia, EUR 2.8 million in Mayotte and EUR 2.5 million in the West Indies – Guadeloupe, Martinique and Guyana). The average micro-loan amount is EUR 3,041.

Furthermore, in 2015, Adie also received an operating grant of EUR 125,000 from Societe Generale, supplemented by a budget allowance of EUR 12,000 for its "Microcredit Week".

Personal microcredit

Societe Generale has been offering supported personal micro-loans throughout France since 2010, wherever there is a support network with which it has concluded a partnership agreement. Its main partners to date are CRESUS, Secours Catholique and Restos du Cœur.

These networks have a dual role: bringing in business and supporting borrowers in the period before the micro-loan is granted right up to the end of its term. This has enabled Societe Generale to approve 45 microcredit applications between the end of 2010 and the end of December 2015.

For its part, CGI, a Group specialist financing subsidiary in France, has implemented a Job Mobility initiative: the "CGI solidarity-based funding" initiative was launched in 2015 to give access to mobility – via access to a car – to individuals who are seeking a job or who need to be mobile to keep their job. Through this initiative, CGI opens up access to car loans to those who would normally be excluded.

+ info

> MICROCREDIT WEEK, SOCIETE GENERALE SUPPORTS ADIE (NON AVAILABLE IN ENGLISH)

> SOCIETE GENERALE SUPPORTS ADIE'S ACTIONS AND SIGNED A PARTNERSHIP WITH FRANCE ACTIVE (NON AVAILABLE IN ENGLISH)

> VIDEO (NON AVAILABLE IN ENGLISH)

* French Association for the Rights to Economic Initiative

COMBATING INSECURITY AND PROTECTING VULNERABLE POPULATIONS

FINANCIAL INCLUSION

SOME MEASURES ALLOWING EVERYONE TO HAVE ACCESS TO BANKING SERVICES IN FRANCE

In accordance with Article L312-1 of the French Monetary and Financial Code on the right to hold a bank account, Societe Generale and Cr dit du Nord provide customers who are entitled to this right with free “basic banking services”, such as these services are defined by law. The two institutions are thereby complying with the Moscovici law (law no. 2013-672 of 26th July 2013 on the separation and regulation of banking activities), which has reinforced the effectiveness of this right (including with respect to shorter account opening times and the exercise of the right to hold an account in the beneficiary’s name by the actors in the social sphere). As of 31st December 2015, 8,906 individual customers had access to basic banking services at Societe Generale.

Since 2005, Societe Generale and Cr dit du Nord have sought to “make banking easier” for everyone by offering a range of alternative means of payment (Gamme de moyens de paiements alternatives-GPA) to cheques for customers without a cheque book.

The entry into force of the Moscovici law and its implementing legislation in 2014 significantly reinforced commitments undertaken since 2005 in relation to customers in financially fragile situations for the entire financial sector.



Accordingly, Societe Generale and Cr dit du Nord, in keeping with their regulatory obligations as defined by Decree 2014-738, have implemented a detection and monitoring system, combining internal warning mechanisms and KYC intelligence, for customers meeting the criteria for determining financial fragility. This system enables them to write to these customers systematically and at the earliest opportunity to propose a meeting with their advisor in order to present them with a specific offer designed to limit costs in the event of an incident (at least once a year for all customers in a financially fragile situation, but also each time a new fragility is detected).

This everyday banking service (GENERIS) allows customers in a fragile financial situation to have, for a modest sum, the normal use of their bank account whilst benefiting from secure payment methods and capped costs in the event of an incident. Moreover, advisors have received training on these regulatory developments in relation to customers in a fragile financial situation.



As of end-2015, 37,234 Societe Generale customers had signed up for the GENERIS service and 1,293 Cr dit du Nord customers had signed up for that bank’s equivalent service.

ABROAD

In 2015, Societe Generale launched a new pan-African range of Mobile Banking and Mobile Payment services in Africa, which share the common objective to bring banking close to its customers, whether they have access to basic banking facilities or are in the process of being granted access to basic banking facilities, and to offer mobile payment solutions, including paying bills and paying retailers (See chapter 4.2, “Significant new products and services”).



Ande fathie sen adjoo

In this way, since 2013 Manko, the company in support of social inclusion, a wholly-owned subsidiary of Societe Generale, has been offering banking products and services to populations with modest incomes and those that do not as yet have access to the traditional banking system. In 2015, Manko entered a new phase of development with a model that is based on a lean structure, a strong presence on the ground and an advanced use of digital technologies. Manko is acclaimed by its customers, who state that they are very satisfied with the services offered (the simplicity of processes, pricing, proximity and the expertise of the staff). Two new branches were opened in 2015. Manko now has three branches and serves 5,000 customers. The total credit it granted over the course of 2015 amounted to EUR 8.4 million (FCFA 5.5 billion).

In Burkina Faso, the mobile branch concept, taking to the road to bring the bank to the people, was launched in April 2015. The initiative will be extended to other countries depending on the success of the pilot in Burkina.

+ info

> **MANKO ACCELERATES ITS DEVELOPMENT IN AFRICA**
(NON AVAILABLE IN ENGLISH)

> **VIDEO (NON AVAILABLE IN ENGLISH)**

MANKO NOW HAS
3 BRANCHES
AND SERVES
5,000 CUSTOMERS

CUSTOMERS WITH A SERIOUS HEALTH RISK

Societe Generale's goal has always been to develop products and services that match the needs and expectations of each individual.

Under the terms of the AERAS agreement (insurance and loans for individuals with an increased health risk) signed by professionals in France's banking and insurance sectors in 2007 and later amended in 2011, then again in 2015, opening access to insurance and credit for people with a serious health risk, Societe Generale and Crédit du Nord make it easier for such people to get a loan (home loans and consumer loans) and provide a scheme for sharing some of the costs of the additional premiums for customers in the lowest income brackets.

FOCUS ON OVER-INDEBTEDNESS

Since 2004, the Societe Generale France network has had the resources needed to identify over-indebted customers in order to be able to offer them a responsible solution.

The law governing consumer credit that entered into force in November 2010 modified the regulatory framework without radically affecting the system in place at Societe Generale, which was a precursor in this regard.

A PROCESS DEDICATED TO OVER-INDEBTEDNESS

Societe Generale introduced a dedicated process to ensure the responsible management of over-indebted customers as early as 2004.

It maintains the service of bank accounts in which income is domiciled, except in special cases, and informs over-indebted customers of alternative payment methods to cheques. Debtors continue to benefit from overdrafts that had been granted. Management of the customer relationship is based on a complementary system:

- account managers ensure the everyday monitoring of the account;
- back-office operators monitor outstanding credit prior to acceptance of applications and manage repayment schedules once they have been approved. Thanks to this procedure, the bank is able to avoid any increase in loans borne by over-indebted customers whilst still enabling day-to-day personalised monitoring.

Over-indebted individuals who cannot be granted any further credit are offered a bank account and appropriate payment methods to maintain a social life. They can then subscribe to the tailored offering that is designed to limit costs in the event of an incident (see p. 79, Some measures allowing everyone to have access to banking services in France).

SUPPORT FOR VULNERABLE CUSTOMERS TO PREVENT OVER-INDEBTEDNESS

The support scheme for vulnerable customers, via dedicated platforms, which has been operational across the entire network of branches in France since mid-2013, is based on:

- the identification of all customers meeting certain vulnerability criteria (exceeding authorised overdrafts and any other limits for a prolonged period, overdue loan repayments, etc.);
- the transfer of these customers to a platform of specialist advisors who temporarily take over the business relationship from the branch;

- the search, with the supported customers, for solutions for the gradual discharge of unpaid debts, favouring a path back to a healthy situation rather than litigation as much as possible;

- resumption of the customer relationship with their branch at the end of the discharge period.



As of the end of November 2015, the platforms for amicable negotiation lent support to more than 33,000 customers. Around 67% of them returned to a sound financial footing and their banking relationship in their Societe Generale branch has resumed.

Franfinance, a Group subsidiary specialising in consumer loans, has also introduced various measures to prevent over-indebtedness. In 2010, Franfinance and CGI signed a partnership agreement with CRESUS (regional agencies preventing over-indebtedness), a network of associations founded in 1992 that assists individuals with excessive or poorly structured debt. Against this background, these two French Group subsidiaries, consumer credit specialists, recommend that any of their customers showing signs of financial fragility should contact their local CRESUS association. The signing of a support charter between the association and the voluntary customer leads to the implementation of a budget and a social evaluation, followed by close support aimed at enhancing the safeguarding of the customer's financial balance.

SUPPORT PROGRAMMES

In France, Societe Generale and CRESUS have jointly launched a budget education programme conducted as part of a skills sponsorship initiative. Furthermore, a large number of initiatives are being put in place abroad (see p. 84, Financial education).

TOOLS TO SUPPORT FINANCIAL EDUCATION



In the interests of transparency and education, Societe Generale makes a large number of simulation or financial calculation tools available to its customers and partners, either online or via partner applications.

In France, Societe Generale has also teamed up with the Playbac Group to offer a financial education website dedicated to 6-11 year olds. This website "abcbanque.fr" offers educational content via games, videos, news and various tools enabling children to learn while having fun. The site contains a Parents' Corner with advice and topics for reflection so parents can support them in this learning process as best they can. All this is topped off by an educational guide backed by a commercial guide that is handed out when a relationship is initiated.

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> ABC BANK WEBSITE (NON AVAILABLE IN ENGLISH)



> FIND ALL THE DATA OF THE REPORT

SOCIETE GENERALE'S SOCIAL COMMITMENT: SPONSORSHIP AND PARTNERSHIPS

CITIZENSHIP

Societe Generale is committed to civil society and pursues a corporate commitment policy that is built around three strategic priorities: citizenship, sport and culture via three separate entities. These areas of involvement drive on a daily basis – in the teams and among customers and third-party beneficiaries – the four core values that have been backed by the Group: team spirit, innovation, responsibility and commitment.

The Societe Generale Group is engaged in two key areas of intervention: professional integration, education and social inclusion through culture and sport. Civic engagement is a major focus of the Group's solidarity policy and is notably expressed via the Societe Generale Corporate Foundation for Solidarity and its programme for involving Group employees.

PHILANTHROPY

The objective of the Societe Generale Corporate Foundation for Solidarity is to implement and support general interest measures aimed at fostering the development of solidarity in society, in particular by promoting access to education, by working to achieve professional integration, by helping young people to get their careers off the ground and by fighting illiteracy. In 2015 and 2016, the Societe Generale Foundation elected to also support non-profit projects using sporting or cultural activities as a means of promoting education and/or integration for people in difficulty. Since its creation in 2006, through the Societe Generale Corporate Foundation for Solidarity, close to 800 non-profit projects have been supported in 26 countries amounting to over EUR 18.5 million.

FOUNDATIONS ABROAD

In the countries in which it is based the Group supports civic actions to actively promote the integration of people in difficulty. It acts via the actions of its Corporate Foundation and those of Societe Generale solidarity-based structures (akin to a foundation) at the local level.

In order to be closer to the needs of the beneficiaries Societe Generale solidarity-based structures also support non-profit organisations for integration locally by seeking to involve their employees on a voluntary basis as well as their customers. The Societe Generale Corporate Foundation for Solidarity regularly reinforces the financial involvement of solidarity-based structures among those non-profit organisations that have already received support. Thus it seeks both to create synergies and to find opportunities to strengthen the links between Societe Generale solidarity-based structures and the Foundation: this is the case with the foundations in Brazil and Morocco; solidarity-driven actions in the United Kingdom; Talents & Partage (an association of employees and retirees of the Group) and the Fondation 29 Haussmann (a foundation for Private Banking customers).

In 2015, the Societe Generale group contributed close to EUR 11 million with respect to solidarity sponsorship.

+ info

> FONDATION

EMPLOYEE INVOLVEMENT

One of the objectives of the Citizenship policy is to make the most of the solidarity commitment of Societe Generale employees by offering them a chance to give their time and energy to benefit partner associations of the Group that use sporting or cultural activities as vectors of education or integration.

In 2015 within the Group, nearly 13,000 employees got involved in a solidarity action proposed by the bank.

CITIZEN COMMITMENT

A highlight of the Group's solidarity programme, Citizen Commitment is an event that is organised every year to strengthen and reap the benefits of employee commitment worldwide. This key event affords an occasion to maintain even greater consistency over sponsorship initiatives overseas and to capitalise on collective civic actions.

In 2015, nearly 7,000 employees from 39 countries in which Societe Generale is based (including Paris and all the French regions) took part in a wide variety of solidarity-related actions as part of the Citizen Commitment Time initiative. A notable event in which employees participated was the sporting and solidarity challenge, where the objective was to run as far as possible to raise money for partner associations. Thanks to their effort the company contributed over EUR 430,000 to voluntary projects related to integration through sporting and cultural activities.

SKILLS SPONSORSHIP

Skills sponsorship is a means of making employees available on an ad hoc basis and free of charge during their working hours to associations that are partners of the Foundation or supported by Societe Generale. Over 2015 as a whole, including actions initiated by the Foundation and all the initiatives backed by local Group entities, employees devoted nearly 4,000 days to solidarity-related actions via 3 commitment programmes.

Pro Bono Days

The objective of these Pro Bono initiatives is to support a selected association for a day in keeping with the Group's citizenship strategy. Employees then apply their value-added know-how to address a clearly defined need on the part of the association (communications, marketing, HR, finance, IT, etc.). This skills sponsorship also serves to highlight the job expertise of the volunteers. Since 2012, 40 Pro Bono

days have been organised, involving 213 employees and more than 2,000 Pro Bono hours given to non-profit projects.

Overseas, skills sponsorship takes the form of Societe Generale employees helping associations or schools during their working hours. This is the case, for instance, in Romania, where employees commit to two involvement programmes linked to working with schools to prevent and fight against instances of children and youths dropping out of school and to the personal development of secondary school pupils.

Mentorship

Mentoring involves an employee of the company providing support to a person who is socially marginalised or far removed from the labour market in his or her schooling, orientation or job search by sharing experience and advice.

In 2015, nearly 300 employees of Societe Generale France acted as mentors within 6 of the Foundation's partner associations (Proxité, Nos Quartiers ont des Talents, Solidarités Nouvelles face au Chômage, Frateli, Mozaïk RH and Capital Filles).

SOCIETE GENERALE IS A PARTNER OF THE FRENCH ASSOCIATION "NOS QUARTIERS ONT DES TALENTS"

Societe Generale has been a partner of the French association "Nos Quartiers ont des Talents" since 2007, championing equal opportunities and the professional integration of young graduates. In just eight years, 394 Societe Generale mentors have helped young graduates from underprivileged areas in the Paris region, Aquitaine, Nord Pas de Calais, Picardie, Rhône Alpes, and Provence Alpes Cote d'Azur. This makes Societe Generale the leading company in terms of the number of professional employee mentors.

Aware of its role in civil society and of the importance of strengthening the ties between the company and young people, the Group encourages its employees to get involved in a wide variety of actions to sponsor and support young people worldwide. In the United Kingdom, for example, Societe Generale involves its employees to a significant extent in initiatives to boost educational aspirations and prospects of employment for young people. In 2015, over 500 volunteers devoted more than 3,800 hours to helping young people prepare for the business world.

Financial education

Convinced that the intelligent use of banking products and services requires a financial "education" and the provision of clear information on these products and services, Societe Generale's network uses tools to improve customers' level of financial awareness.

Societe Generale and the CRESUS association have devised and implemented a budget education programme, which is delivered within the framework of skills sponsorship. Since 2013, the Financial Education project has been seeking to make young people more aware of the issues of good budget management and takes the form of joint actions in the Apprentice Training Centres (CFA – Centres de Formation d'Apprenti(e)s) and the Second Chance Schools (E2C – Ecoles de la 2ème Chance) in France. In 2014-2015, the awareness of 1,935 CFA

apprentices and E2C students was raised thanks to the commitment of more than 150 employees.

Societe Generale affirms its social responsibility by giving its employees an opportunity to showcase their professional skills through solidarity commitment on an international scale. For example, a financial education programme has been developed in Poland to assist young people with budget management within the scope of the "BAKCYL" project. Financial education programmes are also offered in Morocco (SGMA - 44 branches participating for 100,000 beneficiaries, 5,000 of which are students), Albania (SGLA), the Czech Republic, Spain, the United States, Benin, Senegal, etc.

Disabled sports

Societe Generale strives on a daily basis to integrate people with disabilities into its staff, committing itself alongside local and international events or committees and clubs. The Group has been working with the Paralympic Movement since 2003 and shares its values with the French Disabled Sports Federation (Fédération Française d'Handisport (FFH)) and the French Adaptive Sports Federation (Fédération Française du Sport Adapté (FFSA)); two French federations for sports dedicated to people with disabilities.

As a partner of the French Disabled Sports Federation, Societe Generale acts over the years to intensify its relationships around shared values. Whether it is a question of long-term support at national level – such as on the occasion of big sports gatherings for young people –, ad hoc assistance for a specific action or proactive involvement for a local event, for Societe Generale this partnership relationship is the best illustration of its team spirit, the value at the core of the bank's DNA, via support for all the athletes of the Paralympic Movement, on a daily basis and on its special occasions.

This partnership is reverberated on an international level through the commitments taken with subsidiaries such as in Algeria, the Czech Republic, United Kingdom, Singapour, etc.

For 10 years now, Societe Generale Algeria (SGA) has been partners with the Algerian Disabled Sports Federation and has renewed its support, for the year 2016, particularly for the occasion of the disabled sports world championships.

CULTURAL SPONSORSHIP

Societe Generale's cultural sponsorship commitment goes back several decades. In the two fields of its cultural sponsorship policy, Societe Generale is seeking to combine standards and sharing. On the strength of this conviction, Societe Generale is opening its Contemporary Art Collection to more and more visitors from various backgrounds, while supporting initiatives aimed at developing classical music listening and practice among groups usually dissociated from this domain. These represent long-term cultural commitments and are managed either centrally or locally by the Group's subsidiaries.

CONTEMPORARY ART: TWENTY YEARS OF ENGAGEMENT

Started in 1995, Societe Generale's contemporary art collection now comprises close to 1000 works. Structured around three axes (painting, sculpture and photography), it combines pieces by renowned artists alongside newcomer creations.

With a continuous acquisition policy and steadfast support from Group Executive Management, over the years the Collection has become one of the largest bank-owned contemporary art collections in France.

From the outset, all Collection pieces have been displayed on the Societe Generale premises at La Défense, in the center of Paris Boulevard Haussmann and Val de Fontenay, coexisting alongside the on-site employees. A range of events have boosted interactions between the art and business worlds, bringing internal and external audiences together on an increasingly regular basis. Thus, in 2011, independent curators were invited to choose Collection pieces for a unique hanging in a special space among the La Défense towers. In November 2015, on the occasion of the Collection's twentieth anniversary, Societe Generale's cultural sponsorship arm invited David Grimal, violinist and artistic director of the musical ensemble Les Dissonances, partner of the association Mécénat Musical Société Générale, to set twenty or so works of art to music, thereby creating a dialogue between the visual arts and classical music.

The Societe Generale Collection is open to all audiences, and especially to young audiences through an educational and interactive approach. For example, various forms of mediation have been developed: "Parcours découverte", "Carnet d'exploration" and "Ateliers artistiques" (Discovery Trails, Explorer's Notebook and artistic workshops, respectively) for children aged between 6 and 12 are organized at Societe Generale's head office several times a month; these trails play on the distribution of the works of art throughout the various areas in the La Défense towers, which makes them playful.

For the 1st time, a musical discovery trail has been organised in collaboration with Societe Generale musical sponsorship (Mécénat Musical Société Générale), which will make the Collection accessible to young disabled visitors.

Societe Generale's artistic sponsorship pursues its commitment to culture by supporting young artists and projects targeting a broader public. In the continuity of its commitment to Marseille-Provence, the Maeght Fondation (2013) and the "Musée Passager" (2014), the Collection has been supporting the ARTAGON project since 2015 - enabling art school students in France, Belgium and Switzerland to participate in an annual competition and exhibition.

The Collection pieces are regularly removed from the bank premises for exhibitions in regional museums (Nantes, Dunkirk, etc.) or in Europe (Belgium, Luxembourg, the Czech Republic, Russia, etc.).

Internationally, Societe Generale directly supports contemporary artistic creation, particularly in North Africa through its historical Collection of over 1,000 works of art in Morocco as well as those more recent in Tunisia and Algeria.

At the same time Societe Generale is the main partner of the Victoria & Albert Museum in London in 2016 and 2017, for its flagship exhibitions, such as Botticelli Reimagined, as well as of the National Gallery in Prague. The Group also supports other cultural places and events in Croatia, Romania and Bulgaria.

CLASSICAL MUSIC: A COMMITMENT ENGRAINED IN THE BUSINESS

The Societe Generale group has become one of the leading sponsors of classical music, particularly through the Association Mécénat Musical Societe Generale created in 1987.

MECENAT MUSICAL SOCIETE GENERALE

In 2015, Mécénat Musical Societe Generale provided support to 20 orchestras and ensembles. In the continuity of the partnership with Salle Pleyel - Paris, the association is since January 2015 "Grand Mécène" of The Philharmonie de Paris. It also pursues its collaboration with the music seasons of the Théâtre des Bouffes du Nord and the Collège des Bernardins in Paris, as well as the concert season of the Musée de Grenoble.

Aware of the difficulties encountered by young musicians at the beginning of their career, Musical Musical Societe Generale attributes scholarships to students of the National Conservatories of Paris and Lyon each year- 40 scholarships in 2014-2015.

Additionally, Mécénat Musical Societe Generale strives to facilitate the access of the young public to classical music by supporting the practice of music and mediation operations: the association is the founding sponsor of the Demos project- in 2015, 800 children benefited from an intensive and collective apprenticeship conducted by professional musicians; The Concerts de Poche - 5000 musical workshops and 500 concerts in ten years. Mécénat Musical Societe Generale is

also partner of multiple orchestra and choir projects in educational institutions in France.

Mecenat Musical Societe Generale has just participated, as the main sponsor, in the French National Library's acquisition of the manuscript – which has been declared a national treasure – “The Trojans”, the version for voice and piano, by Hector Berlioz, thereby contributing to the enrichment of the French heritage.

Playing for Philharmonie de Paris, a unique initiative in the world of business

After the success of previous editions in 2013 and 2014 of “Playing for salle Pleyel” (symphonic choir and orchestra bringing together Societe Generale employees associated with the orchestra Les Siecles), Societe Generale decided to renew this unique initiative in the world of business, by associating itself for a third year to The prestigious Philharmonie de Paris.

Innovation for this new edition: “Playing for Philharmonie de Paris 2016” is composed of about fifty chorus members from Morocco and Cameroon. Concerts will take place on the 6th and 7th November 2016 directed by François-Xavier Roth - the Grande Salle - Philharmonie 1 - Philharmonie de Paris.

Prestigious partnerships in France and abroad

Societe Generale supports diffusion venues such as the Festival of Glyndebourne and The Royal Albert Hall (Great Britain), or the National Theatre of Prague (Czech Republic). In France, the Group is partner of the International Lyric Festival of Aix-en-Provence and a few stages such as Le Volcan in Havre, the Scène nationale in Albi, the Royal Opera of Versailles or the Operahouse of Avignon.

The Group also commits to the domain of professional reinsertion of young musicians through actions stemming from a partnership with the Princess Margarita Foundation of Romania and the Prietenii Muzicii Serafim Antropov Foundation, in Romania, and the Fondazione Scala in Milan, in Italy.

+ info

> WWW.MECENATMUSICAL.SOCIETEGENERALE.COM

> WWW.COLLECTIONSOCIETEGENERALE.COM

SPORTS SPONSORSHIP

The Societe Generale group has a sport partnerships policy to accompany the development of its activities all over the world. Alongside champions for international competitions, during for instance the Rugby World Cup 2015 in England, or meeting the young players at the beginning of their careers, Societe Generale is a privileged partner of multiple entities ranging from national federations to local clubs with emphasized support for rugby and golf.

RUGBY: 2015, 5TH RUGBY WORLD CUP FOR SOCIETE GENERALE

Since 1987, Societe Generale has been a loyal partner of rugby in France, from amateur rugby to the highest level. Integrated in the lives of more than 450 clubs, Societe Generale is one of the major partners of professional rugby and the French team. The Group, through its subsidiaries and implantations, also accompanies rugby in numerous countries around the world, from Luxembourg to China, going through Senegal and Serbia as well. Every four years since 2007, Societe Generale is a major partner of the Rugby

World Cup and particularly during the last edition in England. Rugby Sevens supported by Societe Generale since 2001, Olympic sports starting in 2016, also allows the Group to raise awareness among new populations, scholars or students, to the practice of rugby.

GOLF: A GROWING DEVELOPMENT

Societe Generale has been helping golf since 2001 through its partnership with the French Union. Convinced that the practice of sport must be accessible to the majority of people, Societe Generale also supports the Handigolf association.

In parallel, the Societe Generale business lines, from Private Banking to Retail Banking to Global Banking and Investor Solutions, are becoming more and more visible on the courses. The Group accompanies this international dynamic by being partners to the only major Ladies' tournament taking place in continental Europe known as the Evian Championship.



> **FIND ALL THE DATA OF THE REPORT**

APPENDICES

NOTE ON METHODOLOGY

The purpose of this note is to explain the reporting methodology used by Societe Generale for matters relating to Corporate Social Responsibility (CSR). This methodology is set out in detail in the Group's reporting protocol, available on request.

REPORTING PROTOCOL

The information contained in the reference document, on the Group's website and in other communication media, as well as in the Group's activity and sustainable development report, whether pertaining to the 2015 financial year or to previous years, was prepared on the basis of contributions from the Group's internal network of sustainable development officers and in accordance with the Group's CSR reporting protocol and CSR initiatives programme. It is also prepared on the basis of data from the "Planethic Reporting" tool, used for the standardised collection of the indicators used to keep track of the various initiatives. All the reporting is coordinated by the Group Sustainable Development Department, which reports to the Group Corporate Secretary.

Regular efforts are made to bring contributors and managers on board and familiarise them with the reporting protocol and the tool in the interest of increasing data reliability.

This reporting protocol is updated on a regular basis.

REPORTING PERIODS

SOCIAL, SPONSORSHIP AND BUSINESS DATA

Subject to exceptions, quantitative indicators are calculated for the period running from 1st January 2015 to 31st December 2015 (12 months), with data taken up until 31st December 2015.

ENVIRONMENTAL DATA

Subject to exceptions, quantitative indicators are calculated for the period running from 1st October 2014 to 30th September 2015 (12 months), with data taken up until 30th September 2015.

CSR CONSOLIDATION SCOPE

Entities included in the reporting scope meet at least one of the following criteria:

- entities in which the parent company, Societe Generale SA (SGSA), directly or indirectly holds a controlling interest exceeding 50%. The branches are by definition wholly owned, since they are not capitalistic;

- all entities that are fully consolidated in the Societe Generale Group and that have more than 50 employees.

The CSR consolidation includes 155 companies within the Group's financial consolidation scope up until 31st December 2015. It particularly includes the various Newedge entities worldwide, which were not included in the scope of up until 31st December 2014.

DATA COLLECTION

The following data collection methods are used for the scope defined above:

- for social, environmental, business and corporate sponsorship data, most quantitative indicators are collected by each Group entity via the "Planethic Reporting" tool by collectors who enter the data at the level of their subsidiary, which is validated by validators who check the input data at the level of their entity before validating it, administrators who check and validate the data at the level of the core business and central administrators (Sustainable Development Department), at group level, who carry out the final checks prior to consolidation;
- other data is collected directly from the business lines' CSR correspondents or from the relevant departments (Sourcing Department, Risk Division, Human Resources Department) by the Group Sustainable Development Department.

INDICATORS

During a formal communication campaign, all contributors were informed of the data collection schedule, a Group Instruction and a protocol for each category of indicators. The protocol serves as a reminder of indicator definitions and application criteria.

The 2015 indicators were chosen particularly in respect of information requirements under the "Grenelle II" Law (in accordance with Article L. 225-102-1 of the French Commercial Code) as well as in light of the Group CSR strategy and the determination to fulfil a core ambition as closely as possible with regards to the GRI-G4.

The indicators are largely reported for a global scope. However, some of these indicators cannot be consistently applied to a global scope. In such cases, the indicators were analysed for the scope of France or Societe Generale SA in France (excluding subsidiaries).

SCOPE AND RULES FOR CALCULATION OF SOCIAL INDICATORS

The workforce considered within the social indicators (apart if explicitly stated otherwise) corresponds to the total number of employees under permanent contracts or fixed-term contracts, including trainee contracts, be they present or absent.

The frequency rate of accidents in the workplace is the ratio of the number of accidents in the workplace (as defined by local regulations) to the total number of hours worked, (workforce present with permanent or fixed-term contract multiplied by the time worked annually in the entity in hours), multiplied by 1,000,000.

The rate of absenteeism is the ratio of the number of reported days absent paid to the total number of days paid, as a percentage. It is counted in calendar days and is calculated based on the total number of employees (multiplied by 365).

The scope of the charts "Breakdown of staff by age bracket" (page 55) and "Breakdown of staff by length of service" (page 68) is the CSR consolidation scope as defined above, excluding the headcount of entities in Germany (GEFA, PEMA GmbH, On Vista, SGSS GmbH), South Korea (SG Securities), Morocco (Sogelease, Eqdom) and Tunisia (UIB), for which this information is not consolidated.

SCOPE AND MAIN MANAGEMENT RULES FOR ENVIRONMENTAL INDICATORS

In 2015, the data collection scope changed due to the incorporation of Newedge and the addition of new indicators.

The environmental data collection scope takes into account subsidiaries not consolidated for accounting purposes. The number of the Group's employees included in the environmental reporting scope is 146,492 (compared to 145,703 in accounting terms). It includes, in addition to the subsidiaries belonging to the consolidated financial perimeter, the

following subsidiaries: ALD Automotive Brazil, ALD Automotive India, ALD Automotive Turkey, ALD Automotive Ukraine, Concilian (France), and SG Mauritanie.

Coverage of the total data collection scope corresponds to the ratio of the headcount of all entities that participated in the data collection campaign to the total headcount of Societe Generale. With 146,580 employees counted, Societe Generale estimates that the total data collection scope – i.e. accounting for at least the data on occupants and surface area – covers 99.93% of the workforce; as a reminder, this figure was 99.4% in 2014.

RESTATEMENT OF HISTORICAL DATA

Starting from 2007, Societe Generale had already set itself the objective of reducing its CO₂ emissions per occupant by 26% over the period 2007-2012. As a result a 15% reduction was observed over this period based on the reference year 2007. This objective was then applied to the period 2012-2015. It was considered that a further 11% reduction needed to be achieved by 2015.

In 2015, Societe Generale incorporated Newedge, which was not taken into account in the 2014 reporting. To ensure the transparency of communication and the comparability of data, the emissions for the reference years in the period 2012-2015 are presented in the emissions table and were subject to further manipulation so that the historical data were presented within a comparable perimeter to the 2015 data. Similarly, the new indicators taken into account for the calculation of the CO₂ emissions have been incorporated into the historical data. The restatements do not correct the variations related to the growth or the reduction of the activity within the entities themselves.

The details of the main restatements are set out in the following table:

Indicator	Restatement for the years 2014 and 2012
Environmental management system	
Perimeter and scope	For the year 2012, integration of relative data Newedge
Transport	
a) Distances covered for business travel, by train	Method alteration so as to improve the exhaustiveness of the data gathered for the network in 2015. Application of this change in method to the previous years as well.
b) Distances covered for business travel, by airplane	Method alteration so as to improve the exhaustiveness of the data gathered for the network in 2015. Application of this change in method to the previous years as well.
c) Distances covered for business travel by privately owned cars	Method alteration so as to improve the exhaustiveness of the data gathered for the network in 2015. Application of this change in method to the previous years as well.
Energy Consumption	
All types of energy	For the year 2012, integration of relative data Newedge
Paper	
a) Quantity of paper used for account statements for customers and quantity of personalised envelopes.	2015 data used (for the entities that reported data for the first time in 2015) and evaluated depending on the number of occupants for the previous three years.
b) Other types of paper used	Change of perimeter for France, recuperation of all types of paper. Calculation of the difference between the new and old perimeter and application of this difference to the previous years per occupant via pro-rata calculation.

ENVIRONMENTAL DATA: GENERAL RULES

Environmental data is calculated on the basis of invoices, direct readings, information received from suppliers and estimates. The following checks and ratios are used so as to manage the reported data:

- in 2015, checks on variation compared to the previous year were performed for all environmental indicators. Contributors received alerts asking them to check the recorded data if the variation was greater than 30%;
- the data collected on energy, office paper and transport was compared to the number of occupants declared by entity;
- energy consumption (electricity, steam, chilled water, oil, gas) is also reported in terms of the surface area (in m²);
- in the optic of a permanent increase of reliability, qualitative questions (expected answers via written comments) allow for the visualization of the different perimeters of the data, an inventory of best practices and a better understanding of the variations from year to year.

Wherever possible, the number of occupants implicated corresponds to the average number of Societe Generale employees or contractors working on-site during the reporting period or by default the number of occupants up until 30th September 2015.

Coverage of the data collection scope for each indicator is the ratio of the headcount of all entities having completed the indicator to the total headcount of Societe Generale employees.

New indicators were incorporated or modified in 2015:

- cheque books and cheque remittance slips have been incorporated in the paper indicators;
- the indicator for the total quantity of photocopy paper for which we previously only recovered reams of 80 grammes in France has been modified in order to meet the "Ecofolio" reporting requirement and now covers all types of paper that is equal to or below 224 grammes.

With the exception of the Societe Generale France network, most of the subsidiaries consolidate the data directly in the Group's reporting tool. The data on transport and paper for France are subject to centralized reporting by the Sustainable Development Department via data received from the Purchasing Department.

CALCULATION OF CO₂ EMISSIONS

Calculation of the Group's CO₂ emissions is broken down into three categories:

- Scope 1 includes direct emissions related to energy consumption and fugitive emissions of fluorinated gases by the central departments;
- Scope 2 includes indirect emissions related to energy consumption (external electricity, steam and chilled water);
- Scope 3 includes GHG emissions from office paper consumption and business travel, since 2012. The scope has been widened to include the overall paper consumption, the transport of goods and the energy consumption of data centres hosted in France.

CO₂ emissions are calculated according to the GHG Protocol method.

INDEPENDENT VERIFIER'S REPORT ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT

SOCIETE GENERALE – FINANCIAL YEAR ENDED 31ST DECEMBER 2015

To the Shareholders,

In our capacity as an independent verifier accredited by the COFRAC⁽¹⁾ under number 3-1050, and as a member of the network of one of the statutory auditors of Societe Generale, we present our report on the consolidated social, environmental and societal information established for the financial year ended on 31st December 2015, presented in chapter 5 of the management report (hereafter referred to as the "CSR Information") pursuant to the provisions of Article L.225-102-1 of the French Commercial Code (Code de commerce).

RESPONSIBILITY OF THE COMPANY

It is the responsibility of the Board of Directors to draw up a management report including the CSR Information referred to in Article R. 225-105-1 of the French Commercial Code, in accordance with the protocols used by the company (hereafter referred to as the "Criteria"), a summary of which is included in this Reference Document, appended to chapter 5 ("Note on methodology").

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulations, the Code of Ethics of our profession as well as the provisions in Article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality control system, which includes documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

RESPONSIBILITY OF THE INDEPENDENT VERIFIER

It is our role, based on our work:

- to attest to whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of Presence of CSR Information);

- to express a limited assurance conclusion that the CSR Information, overall, is fairly presented in all material aspects in accordance with the Criteria (Limited Assurance on CSR Information).

Our verification work was undertaken by a team of seven people between September 2015 and February 2016 for an estimated duration of fifteen weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13th May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the Reasoned Opinion on the Fairness of the CSR information, in accordance with the international standard ISAE 3000⁽²⁾.

1. ATTESTATION OF PRESENCE OF CSR INFORMATION

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the CSR Information presented in the management report with the list as provided for in Article R. 225-105-1 of the French Commercial Code.

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions of Article R. 225-105, paragraph 3, of the French Commercial Code.

We verified that the CSR Information covers the consolidated perimeter, namely the entity and its subsidiaries within the meaning of Article L.233-1 of the French Commercial Code and the entities that it controls within the meaning of Article L.233-3 of the same code with the limitations specified in the Note on methodology in chapter 5 of this registration document.

Based on this work, and given the limitations mentioned above, we confirm the presence in the management report of the required CSR Information.

2. LIMITED ASSURANCE ON CSR INFORMATION

Nature and scope of the work

We conducted about 30 interviews with the people responsible for the preparation of the CSR Information in the departments BDDF, IBFS and GBIS, and the Sustainable Development, Compliance, Human Resources and Purchasing departments in charge of the data collection process and, where applicable, the people responsible for internal control processes and risk management, in order to:

- assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality and understandability, taking into consideration, if relevant, industry standards;
- verify the implementation of the process for the collection, compilation, processing and control in respect of the completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information in relation to the characteristics of the Company, its social and environmental issues, and its strategy in relation to sustainable development and industry best practices.

For the CSR Information that we considered the most important⁽³⁾:

- at the level of the consolidated entity and the business lines we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a random basis, the calculations and the consolidation of the data, and also verified its coherence and consistency with the other information presented in the management report⁽³⁾;
- at the level of the representative sample of entities that we selected⁽⁴⁾, based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify the correct application of the procedures and carried out detailed tests on the basis of samples, consisting of verifying the calculations made and linking them with supporting documentation. The sample of entities thus selected represents 38% of the total workforce for the social data, 12% of energy consumption for the environmental data and 9% of the consolidated GNP for the business lines data.

For the other consolidated CSR Information, we assessed its consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations in light of, where appropriate, the partial or total absence of certain information.

We consider that the sampling methods and sizes of the samples that we considered by exercising our professional judgement allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be totally eliminated.

CONCLUSION

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken as a whole, has not been fairly presented, in compliance with the Criteria.

OBSERVATION

Without qualifying our conclusion above, we draw your attention to the following points:

The application of the Equator Principles is mature within the Investment banking's activities. In order to ultimately cover the entire group's financing and investment activities, there has been a formalisation of new procedures to follow through with Societe Generale's environmental and social (E&S) commitments. However, the application of the E&S General Principles is not yet homogeneous in its various business lines and geographic locations.

Paris La Défense, 4th March 2016

Independent Verifier

ERNST & YOUNG et Associés

Eric Duvaud

Partner, Sustainable Development

Hassan Baaj

Partner

(1) The scope of the accreditation is available at www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

(3) **Societal and business information:** regional, economic and social impact (support for SMEs, the range of solidarity products and services, financial inclusion in France and microfinance in other countries, the Positive Impact Finance initiative), business ethics (measures undertaken in favour of consumers' health and safety, especially the prevention of over-indebtedness, digital security and data protection), the group's environmental and social commitments when conducting its business (sector policies, the Equator Principles, E&S evaluations of transactions and clients, green financing to companies), relationships with the stakeholders (customer satisfaction and the ombudsman), factoring social and environmental issues into the sourcing policy.

Environmental information: the general policy on environmental matters, greenhouse gas emissions (emissions of CO₂ per occupant).

Social information: employment (total headcount, new hires and dismissals), training policies, total number of hours of training, leadership model implementation and the results of the employer barometer.

(4) The entities selected are: For social data: SGPM (France) and Rosbank (Russia)

For environmental data: Rosbank (Russia)

For societal and business data: SG London GBIS (UK), SG New York GBIS (United States), SG GSC Bangalore (India) and Rosbank (Russia).

2015/2016
REPORT

Societe Generale Towers
75886 PARIS CEDEX 18 - TÉL. +33 (0)1 42 14 20 00
SOCIETEGENERALE.COM

Societe Generale
Société Anonyme with a capital stock of EUR 1,007,799,641.25 as of 31 December, 2015.
552 120 222 RCS PARIS



contact.dvptdurable@socgen.com