2

GROUP MANAGEMENT REPORT

2.1 SOCIETE GENERALE GROUP'S MAIN ACTIVITIES

SIMPLIFIED OWNERSHIP STRUCTURE AT 31 DECEMBER 2021

Societe Generale Group

Corporate Centre		International Retail Banking and Financial Services (IBFS)	
FRANCE			
Société Générale*		Sogessur	100%
Généfinance	100%	Sogecap	100%
SG Financial SH	100%	CGL	99.9%
Sogéparticipations	100%		
Société Générale SFH	100%	Banque Française Commerciale Ocean Indien	50%
Société Générale SCF	100%	SGEF SA	100%
		ALD	80%
Sogefim Holding	100%		
Galybet	100%		
Genevalmy	100%		
Valminvest	100%		
Sogemarché	100%		
Sogecampus	100%		
EUROPE			
		Hanseatic Bank *Germany*	75%
		Komercni Banka A.S *Czech Republic*	60.7%
		BRD-Groupe SG *Romania*	60.2%
		PJSC Rosbank *Russia*	100%
		Fiditalia S.P.A *Italy*	100%
AFRICA - MEDITERRANEAN			
		SG Marocaine de Banques *Morocco*	58.7%
		Société Générale *Algeria*	100%
		Société Générale *Ivory Coast*	73.2%
		Union Internationale de Banques	55.1%
AMERICAS			
ASIA - AUSTRALIA			

* Parent Company
Notes:
- the percentage given indicate the percentage of capital held by the Group in the subsidiary;
- the groups are listed under the geographic region where they carry out thier principal activities.

Societe Generale Group

French Retail Banking (RBDF)		Global Banking and Investor Solutions (GBIS)	
FRANCE			
Société Générale*		Société Générale*	
Crédit du Nord	100%	CALIF	100%
Boursorama	100%	SG Factoring	100%
Franfinance	100%		
Sogefinancement	100%		
Sogelease France	100%		
Sogeprom	100%		
Société Générale Capital Partenaires	100%		
EUROPE			
		Société Générale Luxembourg *Luxembourg*	100%
		SG Kleinwort Hambros Limited *United Kingdom*	100%
		SG Investments (U.K.) Ltd *United Kingdom*	100%
		Société Générale International Ltd *United Kingdom*	100%
		Société Générale Effekten *Germany*	100%
		SG Issuer *Luxembourg*	100%
		SGSS Spa *Italy*	100%
		SG Private Banking *Switzerland*	100%
		SG Private Banking *Monaco*	100%
		Societe Generale* branches in: London *United Kingdom*, Milan *Italy*, Frankfurt *Germany*, Madrid *Spain*	
AFRICA - MEDITERRANEAN			
AMERICAS			
		Banco SG Brazil SA *Brazil*	100%
		SG Americas, Inc. *United States*	100%
		SG Americas Securities Holdings, LLC *United States*	100%
		Societe Generale* branches in: New York *United States*, Montreal *Canada*	
ASIA - AUSTRALIA			
		Société Générale (China) Ltd *China*	100%
		SG Securities Asia International Holdings Ltd *Hong Kong*	100%
		SG Securities Korea Co, Ltd *South Korea*	100%
		SG Securities Japan Limited *Japan*	100%
		Societe Generale* branches in: Seoul *South Korea*, Taipei *Taiwan*, Singapore, Mumbai, Sydney	

2.2 GROUP ACTIVITY AND RESULTS

Definitions and details of methods used are provided on page 41 and following.

Information followed by an asterisk (*) is indicated as adjusted for changes in Group structure and at constant exchange rates.

The reconciliation of reported and underlying data is provided on page 42.

ANALYSIS OF THE CONSOLIDATED INCOME STATEMENT

(In EURm)	2021	2020	Change	
Net banking income	**25,798**	**22,113**	**16.7%**	**17.7%***
Operating expenses	(17,590)	(16,714)	+5.2%	+5.8%*
Gross operating income	**8,208**	**5,399**	**52.0%**	**55.1%***
Net cost of risk	700	(3,306)	-78.8%	-78.6%*
Operating income	**7,508**	**2,093**	**x 3.6**	**x 3.7***
Net income from companies accounted for by the equity method	6	3	100%	100%*
Net profits or losses from other assets	635	(12)	n/s	n/s
Impairment losses on goodwill	(114)	(684)	83.3%	83.3%*
Income tax	(1,697)	(1,204)	41.0%	43.2%*
Net income	**6,338**	**196**	**x 32.3**	**x 43.8***
o.w. noncontrolling interests	*697*	*454*	*53.5%*	*53.6%**
Group net income	**5,641**	**(258)**	**n/s**	**n/s**
Cost-to-income ratio	68.2%	75.6%		
Average allocated capital[(1)]	52,634	52,091		
ROTE	**11.7%**	**-0.4%**		

(1) Amounts restated compared with the financial statements published in 2020 (See Note1.7 of the financial statements).

Net banking income

Net banking income was substantially higher in 2021, up +16.7% (+17.7%*) *vs*. 2020, and +16.1% (+17.2%*) *vs*. 2020 on an underlying basis, with a very strong momentum in all businesses.

French Retail Banking posted a solid performance in 2021. As a result, net banking income (excluding PEL/CEL provision) increased by +4.8% *vs*. 2020, driven by the recovery in net interest income and by buoyant fee income, particularly in respect of financial fees.

International Retail Banking & Financial Services enjoyed strong revenue growth (+9.9%* *vs*. 2020), underpinned by the excellent momentum in Financial Services (+32.0%* *vs*. 2020) and Insurance (+8.6%* *vs*. 2020). International Retail Banking benefited from a rebound in its activities (+2.8%* *vs*. 2020).

Global Banking & Investor Solutions delivered a remarkable performance, with revenues up +25.2% (+26.1%*) *vs*. 2020. Financing & Advisory posted a record performance, with growth of +14.8% (+15.8%*) *vs*. 2020, while Global Markets & Investor Services posted substantially higher revenues than in 2020, up +35.6% (+36.9%*).

Operating expenses

In 2021, operating expenses totalled EUR 17,590 million on a reported basis and EUR 17,211 million on an underlying basis (adjusted for transformation costs), i.e. an increase of +4.3% *vs*. 2020.

The increase can be explained primarily by the rise in variable costs associated with revenue growth (EUR +701 million) and the increase in the contribution to the Single Resolution Fund (EUR +116 million). The other operating expenses declined by EUR 70 million, excluding structure effect.

Driven by a very positive jaws effect, underlying gross operating income grew substantially (+51.0%) to EUR 8,470 million and the underlying cost to income ratio improved by nearly 8 points (67.0% *vs*. 74.6% in 2020).

Excluding the contribution to the Single Resolution Fund (SFR), the underlying cost to income ratio is expected to be between 66% and 68% in 2022 and improve thereafter. This aggregate, excluding the contribution to the SRF, amounts to 64.7% in 2021, bearing in mind that SFR contribution totalled EUR 586 million in 2021.

The contribution to the Fund is expected to rise until the end of 2023.

The radical transformations that were announced for the Group in 2021 have led to changes in the 2023 cost outlook. The various initiatives in progress will help push down the Group's underlying cost-to-income ratio beyond 2022, excluding the Single Resolution Fund contribution year after year.

Cost of risk

In 2021, the cost of risk declined to a low 13 basis points, which was lower than the 2020 level of 64 basis points, i.e. EUR 700 million (*vs.* EUR 3,306 million in 2020). The amount breaks down to a provision on non-performing loans of EUR 949 million and a provision write-back on performing loans of EUR 249 million.

The Group's provisions on performing loans amounted to EUR 3,355 million at end-2021.

The Group granted government-guaranteed loans ("PGE") to support its clients during the crisis. At 31 December 2021, the residual amount of government-guaranteed loans represented around EUR 17 billion. In France, this loan category totalled approximately EUR 14 billion, while net exposure stood at around EUR 1.5 billion.

The doubtful loan ratio stood at 2.9% at 31 December 2021, a decline on the end-September 2021 level of 3.1%. The gross coverage ratio on doubtful loans for the Group was 51% at 31 December 2021.

The cost of risk is expected to be below 30 basis points in 2022.

Operating income

Book operating income totalled EUR 7,508 million in 2021 compared with EUR 2,093 million in 2020. Underlying operating income came to EUR 7,770 million compared with EUR 2,323 million in 2019.

Net profits or losses from other assets

Net profits or losses from other assets totalled EUR 635 million in 2021, of which EUR 439 million from the disposal of Lyxor's asset management activities and EUR 185 million in capital gains from the disposal of real estate.

Impairment losses on goodwill

On back of the review of International Retail Banking's financial trajectory, the Group recorded an impairment loss on goodwill of EUR 114 million in 2021 relating to the acquisition of the CGU Africa, Mediterreanean Basis and Overseas.

Income tax

The Group recognised EUR 130 million in deferred tax assets in 2021.

Net income

(In EURm)	2021	2020
Reported Group net income	5,641	(258)
Underlying Group net income[1]	5,264	1,435

(In %)	2021	2020
ROTE (reported)	11.7%	-0.4%
Underlying ROTE[1]	10.2%	1.7%

(1) Adjusted for exceptional items.

2.3 ACTIVITY AND RESULTS OF THE CORE BUSINESSES

2.3.1 RESULTS BY CORE BUSINESSES

	French Retail Banking		International Retail Banking and Financial Services		Global Banking and Investor Solutions		Corporate Centre		Group	
(In EURm)	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Net banking income	**7,777**	**7,315**	**8,117**	**7,524**	**9,530**	**7,613**	**374**	**(339)**	**25,798**	**22,113**
Operating expenses	(5,635)	(5,418)	(4,203)	(4,142)	(6,863)	(6,713)	(889)	(441)	(17,590)	(16,714)
Gross operating income	**2,142**	**1,897**	**3,914**	**3,382**	**2,667**	**900**	**(515)**	**(780)**	**8,208**	**5,399**
Net cost of risk	(104)	(1,097)	(504)	(1,265)	(86)	(922)	(6)	(22)	(700)	(3,306)
Operating income	**2,038**	**800**	**3,410**	**2,117**	**2,581**	**(22)**	**(521)**	**(802)**	**7,508**	**2,093**
Net income from companies accounted for by the equity method	1	(1)	0	0	4	4	1	0	6	3
Net profits or losses from other assets	24	158	18	15	(10)	0	603	(185)	635	(12)
Impairment losses on goodwill	-	-	-	-	-	-	(114)	(684)	(114)	(684)
Income tax	(575)	(291)	(840)	(531)	(469)	100	187	(482)	(1,697)	(1,204)
Net income	**1,488**	666	**2,588**	1,601	**2,106**	82	**156**	(2,153)	**6,338**	196
o.w. non-controlling interests	*(4)*	-	*506*	*297*	*30*	*25*	*165*	*132*	*697*	*454*
Group net income	**1,492**	**666**	**2,082**	**1,304**	**2,076**	**57**	**(9)**	**(2,285)**	**5,641**	**(258)**
Cost-to-income ratio	72.5%	74.1%	51.8%	55.1%	72.0%	88.2%			68.2%	75.6%
Average allocated capital*	**11,149**	**11,427**	**10,246**	**10,499**	**14,916**	**14,302**	**16,324**	**15,860**	**52,634**	**52,091**
RONE (businesses)/ROTE (Group)	**13.4%**	5.8%	**20.3%**	12.4%	**13.9%**	0.4%			11.7%	-0.4%

* *Amounts adjusted compared with the financial statements published in 2020 (See Note1.7 of the financial statements).*

2.3.2 FRENCH RETAIL BANKING

(In EURm)	2021	2020	Change
Net banking income	**7,777**	**7,315**	**6.3%**
Operating expenses	(5,635)	(5,418)	4.0%
Gross operating income	**2,142**	**1,897**	**12.9%**
Net cost of risk	(104)	(1,097)	-90.5%
Operating income	**2,038**	**800**	**x 2.5**
Net income from companies accounted for by the equity method	1	(1)	n/s
Net profits or losses from other assets	24	158	-84.8%
Impairment losses on goodwill	-	-	n/s
Income tax	(575)	(291)	97.6%
Net income	**1,488**	666	x 2.2
o.w. non-controlling interests	*(4)*	-	*n/s*
Group net income	**1,492**	**666**	**x 2.2**
Cost-to-income ratio	72.5%	74.1%	
Average allocated capital	11,149	11,427	

Activity and net banking income

French Retail Banking’s commercial performance surged in 2021 after being heavily impacted by the pandemic in 2020.

The brands continued to grow their activity in core businesses.

French Retail Banking maintained its support for the economy, accompanying individual, corporate and professional clients.

In insurance activities, property and casualty premiums and protection insurance delivered sound performances, with premiums up +1.8% *vs.* 2020. The number of personal protection policies grew +6.7% *vs.* 2020.

Private Banking’s net inflow was very robust at EUR 4.1 billion in 2021.

Boursorama consolidated its position as France's leading online bank, with more than 3.3 million clients at end-December 2021. Client onboarding at Boursorama reached a record level, with around 800,000 new clients added to the books in 2021.

Average loan outstandings were -1% lower than in Q4 20 at EUR 210 billion and were 9% higher than in Q4 19. Average outstanding loans to individuals were up +2%, bolstered by growth in home loan production (+33% *vs.* Q4 20). The production of medium/long-term loans to corporate and professional customers climbed +45% excluding State Guaranteed Loans *vs*. Q4 20.

Private Banking’s assets under management totalled EUR 78 billion at end-December 2021.

Average outstanding balance sheet deposits[1] increased by +7% in Q4 21 *vs.* Q4 20 to EUR 241 billion, still driven by sight deposits. As a result, the average loan/deposit ratio stood at 87% in Q4 21 *vs*. 94% in Q4 20.

Revenues (excluding PEL/CEL) totalled EUR 7,738 million in 2021, up +4.8% *vs*. 2020. Net interest income (excluding PEL/CEL) was up +2.1% *vs.* 2020, underpinned by catch-up effects related to the TLTRO allowance and to State Guaranteed Loans. Commissions enjoyed a healthy momentum (+5.1% *vs.* 2020) against the backdrop of a recovery in activity following the lockdowns in 2020.

Operating expenses

Operating expenses were higher at EUR 5,635 million (+4.0% *vs.* 2020). The cost to income ratio (adjusted for the PEL/CEL provision) stood at 72.8%,an improvement of 0.6 points *vs.* 2020.

Cost of risk

The cost of risk amounted to EUR 104 million or 5 basis points in 2021, a substantial decline compared to 2020 (EUR 1,097 million or 52 basis points), which is broken down between -EUR 166 million of provision reversal in Stage 1/Stage 2 and EUR 270 million provision on Stage 3 (non performing outstandings).

Contribution to Group net income

The contribution to Group net income was EUR 1,492 million in 2021 (x2.2 *vs.* 2020). RONE (adjusted for the PEL/CEL provision) stood at 13.1% in 2021.

2.3.3 INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

(In EURm)	2021	2020	Change	
Net banking income	**8,117**	**7,524**	**7.9%**	**9.9%***
Operating expenses	(4,203)	(4,142)	1.5%	3.1%*
Gross operating income	**3,914**	**3,382**	**15.7%**	**18.3%***
Net cost of risk	(504)	(1,265)	-60.2%	-59.4%*
Operating income	**3,410**	**2,117**	**61.1%**	**65.2%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	18	15	20.0%	21.2%*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(840)	(531)	58.2%	62.7%*
Net income	2,588	1,601	61.6%	65.6%*
o.w. non-controlling interests	*506*	*297*	*70.4%*	*70.5%**
Group net income	**2,082**	**1,304**	**59.7%**	**64.4%***
Cost-to-income ratio	51.8%	55.1%		
Average allocated capital	10,246	10,499		

* *At constant structure and exchange rates.*

Revenues totalled EUR 8,117 million in 2021, up +9.9%* (+7.9%) *vs.* 2020.

Operating expenses totalled EUR 4,203 million, an increase of +3.1%* on an underlying basis (+1.5% on a reported basis) *vs.* 2020. The cost to income ratio stood at 51.8% in 2021.

The cost of risk stood at 38 basis points for a total o EUR 504 million) in 2021, compared with 96 basis points in 2020.

The contribution to Group net income totalled EUR 2,082 million in 2021 (+64.4%*, +59.7% *vs.* 2020). Underlying RONE stood at 20.3% in 2021 (*vs.* 12.4% in 2020).

International Retail Banking

(In EURm)	2021	2020	Change	
Net banking income	**5,000**	**4,902**	**2.0%**	**2.8%***
Operating expenses	(2,914)	(2,870)	1.5%	2.5%*
Gross operating income	**2,086**	**2,032**	**2.7%**	**3.3%***
Net cost of risk	(429)	(1,080)	-60.3%	-59.9%*
Operating income	**1,657**	**952**	**74.1%**	**74.4%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	18	4	x 4.5	x 4.7*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(405)	(227)	78.4%	79.1%*
Net income	1,270	729	74.2%	74.5%*
o.w. non-controlling interests	*334*	*198*	*68.7%*	*67.3%**
Group net income	**936**	**531**	**76.3%**	**77.2%***
Cost-to-income ratio	58.3%	58.5%		
Average allocated capital	5,750	5,882		

* *At constant structure and exchange rates.*

International Retail Banking's loan and deposit production provided confirmation in Q4 21 of its rebound in all geographical regions. Outstanding loans totalled EUR 93.6 billion and rose +6.0%* *vs.* end-December 2020. Outstanding deposits were 8.5%* higher than in December 2020, at EUR 89.5 billion.

For the Europe scope, outstanding loans were up +6.6%* *vs.* December 2020 at EUR 59.9 billion, driven by all the regions: +6.5%* in the Czech Republic, +11.1%* in Romania, and +5.4%* in Western Europe. Outstanding deposits increased by +6.0%* to EUR 50.8 billion.

In Russia, outstanding loans rose +13.3%* *vs.* end-December 2020, with a robust commercial performance particularly in home loans (+15%* year-on-year) and in the corporate customers segment (+22%* year-on-year). There was a significant increase in outstanding deposits (+20.8%*).

In Africa, the Mediterranean Basin and Overseas, outstanding loans rose +1.6%* year-on-year. Outstanding deposits continued to enjoy solid momentum, up +7.7%*.

In International Retail Banking, net banking income totalled EUR 5,000 million in 2021, an increase of +2.8%* *vs.* 2020 thanks to a rise in interest rates and robust commercial momentum.

In International Retail Banking, operating expenses were slightly higher (+2.5%*, +1.5%) than in 2020.

Insurance

(In EURm)	2021	2020	Change	
Net banking income	**963**	**887**	**8.6%**	**8.6%***
Operating expenses	(373)	(356)	4.8%	4.8%*
Gross operating income	**590**	**531**	**11.1%**	**11.1%***
Net cost of risk	0	0	n/s	n/s
Operating income	**590**	**531**	**11.1%**	**11.1%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	(1)	0	n/s	n/s
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(165)	(165)	0.0%	0.0%*
Net income	424	366	15.8%	15.9%*
o.w. non-controlling interests	*3*	*3*	*0.0%*	*6.5%**
Group net income	**421**	**363**	**16.0%**	**16.0%***
Cost-to-income ratio	38.7%	40.1%		
Average allocated capital	2,032	1,865		

* *At constant structure and exchange rates.*

In the Insurance business, the life insurance savings business saw outstandings increase +7%* to EUR 135 billion at end-December 2021 *vs.* end-December 2020. The share of unit-linked products in outstandings was 37%, an increase of +4 points *vs.* December 2020.

Protection insurance registered growth of +5%* *vs.* December 2020. Property/casualty premiums rose +8%* in 2021, as did personal protection insurance (+3%* *vs.* 2020).

The Insurance business posted net banking income up +8.6%* *vs.* 2020, at EUR 963 million in 2021.

Operating expenses were in line with the planned growth trajectory and rose +4.8%* *vs.* 2020.

Financial Services

(In EURm)	2021	2020	Change	
Net banking income	**2,154**	**1,735**	**24.1%**	**32.0%***
Operating expenses	(916)	(916)	0.0%	4.4%*
Gross operating income	**1,238**	**819**	**51.2%**	**64.1%***
Net cost of risk	(75)	(185)	-59.5%	-56.3%*
Operating income	**1,163**	**634**	**83.4%**	**99.8%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	1	11	-90.9%	-90.9%*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(270)	(139)	94.2%	x 2.2*
Net income	894	506	76.7%	90.8%*
o.w. non-controlling interests	*169*	*96*	*76.0%*	*79.3%**
Group net income	**725**	**410**	**76.8%**	**93.7%***
Cost-to-income ratio	42.5%	52.8%		
Average allocated capital	2,444	2,730		

* *At constant structure and exchange rates.*

Financial Services also posted robust growth. Operational Vehicle Leasing and Fleet Management registered 1.7 million contracts, including 1.4 million financed vehicles, i.e. an increase of +4.0% *vs.* end-December 2020. Equipment Finance’s new leasing business was up +12.1%* *vs.* 2020, while outstanding loans rose +1.1% *vs.* end-December 2020, to EUR 14.7 billion (excluding factoring).

Financial Services' net banking income grew strongly (+32.0%*) to EUR 2,154 million compared with 2020. This performance was driven primarily by ALD's activities which posted strong fleet growth and by the vehicle resale business (EUR 1,422 per vehicle in 2021).

Operating expenses in Financial Services increased by +4.4%* *vs.* 2020.

2.3.4 GLOBAL BANKING AND INVESTOR SOLUTIONS

(In EURm)	2021	2020	Change	
Net banking income	**9,530**	**7,613**	**25.2%**	**26.1%***
Operating expenses	(6,863)	(6,713)	2.2%	2.7%*
Gross operating income	**2,667**	**900**	**x 3.0**	**x 3.0***
Net cost of risk	(86)	(922)	-90.7%	-90.5%*
Operating income	**2,581**	**(22)**	**n/s**	**n/s**
Net income from companies accounted for by the equity method	4	4	0.0%	0.0%*
Net profits or losses from other assets	(10)	0	n/s	n/s
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(469)	100	n/s	n/s
Net income	2,106	82	x 25.7	x 27.8*
o.w. non-controlling interests	*30*	*25*	*20.0%*	*20.0%**
Group net income	**2,076**	**57**	**x 36.4**	**x 40.8***
Cost-to-income ratio	72.0%	88.2%		
Average allocated capital	14,916	14,302		

* *At constant structure and exchange rates.*

In 2021, Global Banking & Investor Solutions posted substantially higher revenues (+25.2%) than in 2020 at EUR 9,530 million, driven by a very strong momentum in all businesses. Revenues rose +9.5% compared to 2019. This solid financial performance reflects the successful execution of the strategic plan presented in May 2021.

Operating expenses totalled EUR 6,863 million in 2021, an increase of +2.2% *vs*. 2020 on a reported basis, and +4.7% on an underlying basis (operating expenses included a restructuring charge of EUR 157 million in Q4 20). This increase can be explained by the rise in variable costs related to the increase in earnings and IFRIC 21 charges. Thanks to a very positive jaws effect, the cost-to-income ratio improved significantly by 14 points (72% *vs.* 86% on an underlying basis in 2020).

The cost of risk was 5 basis points (or EUR 86 million) *vs.* 57 basis points in 2020, including a EUR -44 million provision for H1/H2 and another EUR 130 million provision for non-performing loans in H3.

The underlying contribution to Group net income came to EUR 2,076 million for 2021.

Global Banking & Investor Solutions registered very substantial RONE of 13.9% in 2021 (16.1% when adjusted for the impact of the Single Resolution Fund contribution).

Global Markets and Investor Services

(In EURm)	2021	2020	Change	
Net banking income	**5,648**	**4,164**	**35.6%**	**36.9%***
Operating expenses	(4,315)	(4,337)	-0.5%	0.1%*
Gross operating income	**1,333**	**(173)**	**n/s**	**n/s**
Net cost of risk	(1)	(24)	-95.8%	-95.8%*
Operating income	**1,332**	**(197)**	**n/s**	**n/s**
Net income from companies accounted for by the equity method	4	4	0.0%	0.0%*
Net profits or losses from other assets	(8)	11	n/s	n/s
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(281)	40	n/s	n/s
Net income	1,047	(142)	n/s	n/s
o.w. non-controlling interests	*27*	*23*	*17.4%*	*17.4%**
Group net income	**1,020**	**(165)**	**n/s**	**n/s**
Cost-to-income ratio	76.4%	104.2%		
Average allocated capital	7,967	7,960		

* *At constant structure and exchange rates.*

Global Markets and Investor Services turned in a very strong performance, registering EUR 5,001 million, up +40.2% on 2020 which was heavily impacted by the health crisis. Market conditions were favourable in the Equities market and more complex in the fixed income markets in 2021. The reduction in the risk profile of structured products was completed in the first half of the year, ahead of schedule.

The **Equities** activity enjoyed its best year since 2009 (EUR 3,150 million *vs.* EUR 1,275 million in 2020 and EUR 2,502 million in 2019), driven by buoyant market conditions and the successful repositioning of the Investment Solutions product offering.

Fixed Income and Currency activities posted revenues of EUR 1,851 million in 2021, down -19.2% compared to 2020 which was dominated by exceptional market conditions in the first half of the year.

Securities Services’ revenues grew significantly to EUR 4,586 billion in 2021, up EUR 271 billion year-on-year. Over the same period, assets under administration increased by EUR 59 billion to EUR 697 billion in 2021.

Securities Services' revenues increased strongly over the year, with the division posting revenue growth of EUR 647 million, up +8.4% relative to the 2021 performance.

Financing and Advisory

(In EURm)	2021	2020	Change	
Net banking income	**2,924**	**2,546**	**14.8%**	**15.8%***
Operating expenses	(1,746)	(1,563)	11.7%	12.4%*
Gross operating income	**1,178**	**983**	**19.8%**	**21.2%***
Net cost of risk	(64)	(861)	-92.6%	-92.4%*
Operating income	**1,114**	**122**	**x 9.1**	**x 8.8***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	(1)	(3)	66.7%	66.7%*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(158)	69	n/s	n/s
Net income	955	188	x 5.1	x 5.0*
o.w. non-controlling interests	*1*	*0*	*n/s*	*n/s*
Group net income	**954**	**188**	**x 5.1**	**x 5.0***
Cost-to-income ratio	59.7%	61.4%		
Average allocated capital	5,983	5,445		

* *At constant structure and exchange rates.*

Financing and Advisory delivered its best historical annual performance, with revenues of EUR 2,924 million, up +14.8% *vs.* 2020. First, the business capitalised on strong market momentum, particularly in Investment Banking, by playing key roles in our clients' large-scale transactions and second, it benefited from additional capital allocation.

Asset and Wealth Management

(In EURm)	2021	2020	Change	
Net banking income	**958**	**903**	**6.1%**	**5.5%***
Operating expenses	(802)	(813)	-1.4%	-2.0%*
Gross operating income	**156**	**90**	**73.3%**	**73.3%***
Net cost of risk	(21)	(37)	-43.2%	-43.2%*
Operating income	**135**	**53**	**x 2.5**	**x 2.5***
Net income from companies accounted for by the equity method	0	0	n/s	n/s
Net profits or losses from other assets	(1)	(8)	87.5%	87.5%*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(30)	(9)	x 3.3	x 3.3*
Net income	104	36	x 2.9	x 2.9*
o.w. non-controlling interests	*2*	*2*	*0.0%*	*0.0%**
Group net income	**102**	**34**	**x 3.0**	**x 3.0***
Cost-to-income ratio	83.7%	90.0%		
Average allocated capital	961	892		

* *At constant structure and exchange rates.*

Asset and Wealth Management's net banking income totalled EUR 958 million in 2021 (+6.1% *vs.* 2020).

In 2021, **Private Banking** posted a revenue increase of +3.1% *vs.* 2020, to EUR 699 million. Adjusted for an exceptional impact of EUR +29 million related to an insurance payout received in 2020, revenues were up +7.7%. The business benefited from strong commercial momentum in all regions. Net inflow totalled EUR +7.7 billion in 2021. Assets under management stood at EUR 130 billion, a +12% increase on 2021.

In 2021, **Lyxor**'s net banking income totalled EUR 239 million, an increase of +15.5% *vs.* 2020. Assets under management were up +27% in 2021, to EUR 178 billion.

2.3.5 CORPORATE CENTRE

(In EURm)	2021	2020	Change
Net banking income	**374**	**(339)**	**n/s**
Operating expenses	(889)	(441)	x 2.0
Gross operating income	**(515)**	**(780)**	**34.0%**
Net cost of risk	(6)	(22)	-72.7%
Operating income	**(521)**	**(802)**	**35.0%**
Net income from companies accounted for by the equity method	1	0	n/s
Net profits or losses from other assets	603	(185)	n/s
Impairment losses on goodwill	(114)	(684)	83.3%
Income tax	187	(482)	n/s
Net income	156	(2,153)	n/s
o.w. non-controlling interests	*165*	*132*	*25.0%*
Group net income	**(9)**	**(2,285)**	**99.6%**

The Corporate Centre includes:

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

The Corporate Centre’s net banking income totalled EUR +374 million in 2021 *vs.* EUR -339 million in 2020.

Operating expenses totalled EUR 889 million in 2021 *vs*. EUR 441 million in 2020. They include the Group’s transformation costs for a total amount of EUR 379 million relating to the activities of French Retail Banking (EUR 194 million), Global Banking & Investor Solutions (EUR 99 million) and the Corporate Centre (EUR 86 million). Underlying costs came to EUR 510 million in 2021 compared to EUR 388 million in 2020.

Gross operating income totalled EUR -515 million in 2021 *vs.* EUR -780 million in 2020. Underlying gross operating income came in at EUR -253 million in 2021, *vs.* EUR -727 million in 2020.

Net profits or losses from other assets totalled EUR +603 million in 2021 *vs*. EUR -185 million in 2020 and included proceeds from the disposal of Lyxor’s asset management activities for EUR +439 million and those of the Crédit du Nord head office for EUR +185 million.

The Group recognised EUR 130 million of deferred tax assets in 2021. Furthermore, the review of International Retail Banking’s financial trajectory resulted in goodwill impairment of EUR -114 million.

The Corporate Centre’s contribution to Group net income was EUR -9 million in 2020 *vs.* EUR -2,285 million in 2020.

2.3.6 DEFINITIONS AND METHODOLOGY, ALTERNATIVE PERFORMANCE MEASURES

Framework

The financial information presented in respect of the financial year ended 31 December 2021 was reviewed by the Board of Directors on 9 February 2022 and was prepared in accordance with IFRS as adopted in the European Union and applicable at that date.

Capital allocation

In 2020, the allocation of normative capital to the businesses on the basis of their capital consumption was determined in accordance with CRR rules, *i.e.* 11% of their risk-weighted assets, supplemented by the consumption of Common Equity Tier 1 capital chargeable to each business after taking into account non-controlling interests and the adjustment of capital consumption in insurance activities. Accordingly, the capital allocation rule applies to the Group’s three pillars - French Retail Banking, International Retail Banking and Financial Services, and Global Banking and Investor Solutions - and enables each activity's capital consumption and profitability to be calculated by activity on a standalone and uniform basis, taking into account the Group’s regulatory constraints.

Net banking income

Net banking income (NBI) for each business division includes:

- revenues generated by its activity;
- the yield on normative capital allocated to the business division, which is calculated using a long-term rate by currency. In return, in order to compare performances between the Group’s different business lines, book capital is reassigned to the Corporate Centre at the same rate.

Moreover, capital gains and losses generated by the business divisions on the disposal of shares in non-consolidated entities, and income from management of the Group’s industrial and bank equity portfolios, are booked under NBI as these securities are classified as available-for-sale financial assets.

Operating expenses

Operating expenses for the business divisions correspond to the information reported in Note 8.1 to the Group’s consolidated financial statements at 31 December 2020 (see pages 483 to 485) and include their direct expenses, their management overheads, and a share of the head-office expenses, which are in principle almost fully redistributed between the business divisions. The Corporate Centre only books costs related to its own activity, along with certain technical adjustments.

Cost-to-income ratio

The cost-to-income ratio indicates the operating expenses of a business in relation to its net banking income. This indicator provides a measure of a system's effectiveness (see glossary).

IFRIC 21 adjustment

The IFRIC 21 adjustment corrects the result of the charges recognised in the accounts in their entirety when they fall due (generating event) in order to recognise only the portion concerning the current quarter, *i.e.* a quarter of the total. It consists of smoothing the charge recognised over the financial year to provide a more reliable economic picture of the costs actually attributable to the activity over the period under review. By applying the IFRIC 21 adjustment, the expense – previously recognised progressively if the generating event occurs over a period of time – is instead recognised once and in its entirety. The contributions to Single Resolution Fund "SRF") are part of IFRIC21 adjusted charges; they include contributions to national resolution funds within the EU.

Underlying indicators

The Group may be required to present underlying indicators to gain a clearer understanding of its actual performance.

Underlying data is obtained from reported data by restating the latter and taking into account exceptional items and the IFRIC 21 adjustment.

Moreover, the Group restates the allocations or reversals of PEL/CEL provisions on French Retail Banking's revenues and income. This adjustment provides a clearer picture of revenues and income by excluding volatile items related to commitments on regulated savings.

The reconciliation of underlying data obtained from reported data appears in the table below:

(In EURm)	2021	2020	Change	
Net Banking Income	**25,798**	**22,113**	16.7%	
(-) Reevaluation gain*	117	-		Corporate Centre
Underlying Net Banking Income	**25,681**	**22,113**	16.1%	
Operating Expenses(1)	**(17,590)**	**(16,714)**	**5.2%**	
(-) Transformation charges*	(379)	(210)		See notes (2) and (3)
Underlying operating expenses	**(17,211)**	**(16,504)**	4.3%	
Net cost of risk	**(700)**	**(3,306)**	**-78.8%**	
(-) Group refocusing plan*	-	(20)		Corporate Centre
Underlying net cost of risk	**(700)**	**(3,286)**	**-78.7%**	
Net profit or losses from other assets	**635**	**(12)**	**n/s**	
(-) Group refocusing plan*	-	(178)		Corporate Centre
(-) Capital gains on Haussmann office disposal*	185	-		Corporate Centre
(-) Lyxor disposal*	439	-		Corporate Centre
Underlying net profit or losses from other assets	**11**	**166**	**-93.4%**	
Net income from companies under equity method	**6**	**3**	**100%**	
Impairment losses on goodwill	**(114)**	**(684)**	**83.3%**	
(-) Goodwill impairment	(114)	(684)		Corporate Centre
Underlying impairment losses on goodwill	**0**	**0**	**n/s**	
Income tax	**(1,697)**	**(1,204)**	**41.0%**	
(-) Group refocusing plan*	-	(14)		Corporate Centre
(-) Reevaluation gain*	(2)			Corporate Centre
(-) Transformation charges*	104	63		See note (2) and (3)
(-) Lyxor disposal*	(50)	-		Corporate Centre
(-) DTA recognition / (impairment)*	130	(650)		Corporate Centre
(-) Capital gains on Haussmann office disposal*	(53)	-		Corporate Centre
Underlying income tax	**(1,826)**	**(603)**	**x3.0**	
Group net income	**5,641**	**(258)**	**n/s**	
Effect in Group net income of above restatements	(377)	(1,693)		
Underlying Group Net income	**5,264**	**1,435**	**x3.7**	

* *Exceptional items.*

(1) *Reflects the sum total of the following items in the financial statements: Personnel expenses + Other operating expenses + Amortisation, depreciation and impairment of tangible and intangible fixed assets.*

(2) *2020: Global Banking and Investor Solutions (EUR -157m), Corporate Centre (EUR -53m).*

(3) *2021: All charges booked in Corporate Centre in relation to the following businesses: French Retail Banking (EUR -194m), Global Banking and Investor Solutions (EUR -99m) and Corporate Centre (EUR -86m).*

Cost of risk

Net cost of risk is charged to each business division to reflect the cost of risk inherent in their activity during each financial year. Impairment losses and provisions concerning the whole Group are booked by the Corporate Centre.

Societe Generale's commercial net cost of risk is expressed in basis points. It is calculated by dividing the net annual allocation to provisions for commercial risks by average loan outstandings at the end of the four quarters preceding the closing date. This indicator reveals the level of risk borne by each of the pillars as a percentage of balance sheet loan commitments, including operating leases. The key items used in this calculation are indicated in the table below.

		2021	2020
French Retail Banking	Net cost of risk *(EUR m)*	104	1,097
	Gross loan outstandings *(EUR m)*	218,043	212,185
	Cost of risk in bp	**5**	**52**
International Retail Banking and Financial Services	Net cost of risk *(EUR m)*	504	1,265
	Gross loan outstandings *(EUR m)*	133,321	132,082
	Cost of risk in bp	**38**	**96**
Global Banking and Investor Solutions	Net cost of risk *(EUR m)*	86	922
	Gross loan outstandings *(EUR m)*	165,603	160,918
	Cost of risk in bp	**5**	**57**
Societe Generale Group	Net cost of risk *(EUR m)*	700	3,306
	Gross loan outstandings (EUR m)	530,801	516,797
	Cost of risk in bp	**13**	**64**

Gross coverage ratio for doubtful outstandings

"Doubtful outstandings" are outstandings that are in default pursuant to the regulations.

The gross doubtful outstandings ratio measures the doubtful outstandings recognised in the balance sheet compared with gross loan outstandings.

The gross coverage ratio for doubtful outstandings is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as being in default pursuant to the regulations, without taking into account any guarantees provided. The coverage ratio measures the maximum residual risk associated with outstandings in default, otherwise referred to as "doubtful".

Net income/expense from other assets

Net income or expense from other assets essentially comprises capital gains and losses on operating fixed assets, or when the Group ceases to control a consolidated subsidiary, as well as goodwill immediately written down when the Group takes control of an entity and recalculates the stake previously held by the Group in entities that have been fully consolidated during the year.

Income tax

The Group's tax position is managed centrally.

Income tax is charged to each Business Division on the basis of a normative tax rate which takes into account the local tax rate of the countries in which it conducts its activities and the nature of its revenues. The difference between the income tax charged to the Group's consolidated companies and the sum of normative taxes of the strategic pillars is assigned to the Corporate Centre.

ROE, ROTE

Group ROE and ROTE is calculated on the basis of average Group shareholders' equity under IFRS.

It excludes:

- unrealised or deferred capital gains or losses booked directly under shareholders' equity, excluding conversion reserves;
- deeply subordinated notes;
- undated subordinated notes adjusted as shareholders' equity.

It deducts:

- interest payable to holders of deeply subordinated notes and of adjusted, undated subordinated notes;
- a provision in respect of the dividends to be paid to shareholders.

For the ROTE, the following items are also excluded:

- average net goodwill in the assets, and underlying average goodwill relating to shareholdings in companies accounted for by the equity method;
- average net intangible assets.

Net income used to calculate ROE is based on Group net income adjusted for interest to be paid to holders of deeply subordinated notes for the period and, since 2006, holders of adjusted deeply subordinated notes and undated subordinated notes.

Net income used to calculate ROTE is based on Group net income excluding the goodwill impairment loss but reinstating interest on deeply subordinated notes for the period (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for deeply subordinated notes) and interest on undated subordinated notes (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for undated subordinated notes).

RONE

RONE (Return on Normative Equity) determines the return on average normative equity allocated to the Group's businesses (see "capital allocation" above). The allocation principle in force since 1 January 2016 consists of allocating to each business normative equity corresponding to 11% of its risk-weighted assets.

The key items used in this calculation are indicated in the tables below.

(In EURm, end of period)	2021	2020
Shareholders' equity Group share*	**65,067**	**61,710**
Deeply subordinated notes	(8,003)	(8,830)
Undated subordinated notes		(264)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	20	19
OCI excluding conversion reserves	(489)	(942)
Dividend provision	(2,286)	(467)
ROE equity end-of-period*	**54,310**	**51,227**
Average ROE equity*	**52,634**	**52,091**
Average Goodwill	(3,890)	(4,172)
Average Intangible Assets	(2,584)	(2,432)
Average ROTE equity*	**46,160**	**45,487**
Group net Income (a)	**5,641**	**(258)**
Underlying Group net income (b)	**5,264**	**1,435**
Interest on deeply subordinated notes and undated subordinated notes (c)	(590)	(611)
Cancellation of goodwill impairment (d)	337	684
Corrected Group net Income (e) = (a) + (c) + (d)	**5,388**	**(185)**
Corrected Underlying Group net Income (f) = (b) + (c)	**4,674**	**824**
Average ROTE equity (g)*	**46,160**	**45,487**
ROTE (e/g)	11.7%	-0.4%
Average ROTE equity (underlying) (h)*	**45,783**	**47,180**
Underlying ROTE (f/h)	10.2%	1.7%

* *Amounts adjusted compared with the financial statements published in 2020 (See Note1.7 of the financial statements).*

RONE CALCULATION: AVERAGE CAPITAL ALLOCATED TO CORE BUSINESSES

(In EURm)	2021	2020
French Retail Banking	11,149	11,427
International Retail Banking and Financial Services	10,246	10,499
Global Banking and Investor Solutions	14,916	14,302

Earnings per share

In accordance with IAS 33, to calculate earnings per share, "Group net income" for the period is adjusted by the amount (net of tax, capital gains/losses on partial buybacks of securities issued and classified as equity) of costs pertaining to these equity instruments and the interest paid on them.

Earnings per share is therefore calculated as the ratio of corrected Group net income for the period to the average number of ordinary outstanding shares, excluding own shares and treasury shares, but including:

a) trading shares held by the Group; and

b) shares held under the liquidity contract.

The Group also reports its underlying earnings per share, i.e. corrected for exceptional items and the IFRIC 21 adjustment.

	2021	2020
Existing shares (average number, in thousands of shares)	**853,371**	**853,371**
Deductions (in thousands of shares)		
Shares allocated to cover stock option plans and free shares awarded to staff (average, in thousands of shares)	3,861	2,987
Other own shares and treasury shares	3,249	
Number of shares used to calculate EPS(1)	**846,261**	**850,385**
Group net Income *(In EURm)*	**5,641**	**(258)**
Interest on deeply subordinated notes and undated subordinated notes *(In EURm)*	(590)	(611)
Capital gain net of tax on partial buybacks *(In EURm)*	0	0
Adjusted Group net income *(In EURm)*	**5,051**	**(869)**
EPS *(In EUR)*	**5.97**	**(1.02)**
Underlying EPS(2) *(In EUR)*	**5.52**	**0.97**

(1) The number of shares considered is the number of ordinary shares outstanding at 31 December 2020, excluding treasury shares and buybacks, but including the trading shares held by the Group.

(2) Adjusted for exceptional items.

Net Asset, Net Tangible Asset Value

Net assets comprise Group shareholders' equity, excluding:

- deeply subordinated notes, undated subordinated notes previously recognised as debt; and
- interest payable to holders of deeply subordinated notes and undated subordinated notes, but reinstating the book value of trading shares held by the Group and shares held under the liquidity contract.

Tangible net assets are corrected for net goodwill in the assets, goodwill under the equity method and intangible assets.

In order to calculate Net Asset Value Per Share or Net Tangible Asset Value Per Share, the number of shares used to calculate book value per share is the number of shares issued at the end of the period, excluding own shares and treasury shares, but including:

- trading shares held by the Group; and
- shares held under the liquidity contract.

	2021	2020
Shareholders' equity Group share *(In EURm)**	**65,067**	**61,710**
Deeply subordinated notes *(In EURm)*	(8,003)	(8,830)
Undated subordinated notes *(In EURm)*		(264)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations *(In EURm)*	20	19
Book value of own shares in trading portfolio *(In EURm)*	37	301
Net Asset Value *(In EURm)*	**57,121**	**52,936**
Goodwill *(In EURm)*	(3,624)	(3,928)
Intangible Asset *(In EURm)*	(2,733)	(2,484)
Net Tangible Asset Value *(In EURm)*	**50,764**	**46,524**
Number of shares used to calculate NAPS(1)	**831,162**	**848,859**
Net Asset Value per Share *(In EUR)*	**68.7**	**62.4**
Net Tangible Asset Value per Share *(EUR)*	**61.1**	**54.8**

(1) In thousands of shares, the number of shares considered is the number of ordinary shares outstanding at 31 December, excluding treasury shares and buybacks, but including the trading shares held by the Group. In accordance with IAS33, historical data per share prior to the date of detachment of a preferential subscription right are adjusted by the adjustment coefficient for the transactions.

** Amounts adjusted compared with the financial statements published in 2020 (See Note 1.7 of the financial statements).*

Prudential capital and solvency ratios

The Societe Generale Group's Common Equity Tier 1 capital is calculated in accordance with applicable CRR/CRDIV rules.

The fully-loaded solvency ratios are presented *pro forma* for current earnings, net of dividends, for the current financial year, unless specified otherwise.

Where reference is made to phased-in ratios, the latter include the earnings for the current financial year, unless otherwise specified.

The leverage ratio is calculated according to applicable CRR/CRDIV rules, including the provisions of the Delegated Act of October 2014.

2.4 NEW IMPORTANT PRODUCTS OR SERVICES

2.4.1 SOCIETE GENERALE ISSUES THE FIRST STRUCTURED PRODUCT ON PUBLIC BLOCKCHAIN

On 15 April 2021, Societe Generale issued the first structured product[1] as a Security Token directly registered on the Tezos public blockchain. The securities were fully subscribed by Societe Generale Assurances. The operation follows in the footsteps of a first covered bond Security Token issuance worth EUR 100 million on the Ethereum blockchain, settled in euros in April 2019, and of a second covered bond Security Token issuance worth EUR 40 million, this time settled in Central Bank Digital Currency (CBDC) and issued by Banque de France in May 2020. This latest transaction completes a new step in the development of Societe Generale – Forge, a regulated subsidiary of Societe Generale Group, which aims to offer crypto assets structuring, issuing, exchange and custody services to the Group's professional clients by 2022.

This new experimentation, performed in accordance with best market practices, demonstrates the legal, regulatory and operational feasibility of issuing more complex financial instruments (structured products) on public blockchain. It leverages this disruptive technology which enables increased efficiency and fluidity of financial transactions: unprecedented product structuration capacity, shortened time-to-market, automated corporate actions, increased transparency and transaction and settlement speeds, as well as reduced cost and fewer intermediaries.

Thanks to Societe Generale – Forge's innovative operating model, Security Tokens can be directly integrated into conventional banking systems interfaced with the SWIFT format. Innovation is key to Societe Generale Group's digital transformation. The Group has been involved for several years in numerous initiatives based on blockchain and distributed ledger technologies, using the most innovative technologies and creating disruptive business models, with the aim of better serving its clients.

2.4.2 SOCIETE GENERALE AND KYRIBA JOIN FORCES TO CREATE A CLOUD TREASURY MANAGEMENT SOLUTION

Societe Generale's clients will have access to a complete treasury management solution (monitoring, payments and fraud management) based on Kyriba's global cloud platform.

On 11 June 2021, Societe Generale, one of the leading European financial services groups particularly in the field of transaction banking, and Kyriba, a global leader of cloud-based finance and IT solutions, announced in London a strategic partnership to launch a new treasury management solution. This solution will include payment automation and fraud management functionalities, and will be dedicated to the Bank's corporate clients and their subsidiaries. Fully hosted in the cloud, this solution will be based on Kyriba's global platform and distributed by Societe Generale. The objective was to facilitate daily treasury management for corporate clients, so Kyriba and Societe Generale pooled their expertise to offer the following functionalities:

- real-time monitoring of treasury positions and provisional management of liquidity flows;
- payment automation (remittances);
- banking delegation and mandate management;
- enhanced fraud management;
- multi-bank connectivity and ERP, payment validation workflow management.

Since it is fully hosted in the cloud, the solution facilitates implementation and seamless updates. It will be available on SG Markets, the Bank's digital client portal for corporates.

Based on Kyriba's global cloud platform, the functionalities of this solution will offer the same level of quality as those offered to the world's largest companies in terms of data management, cybersecurity, business processes and innovation.

It was launched during the fourth quarter of 2021 starting with the French market.

Alexandre Maymat, Head of Global Transaction and Payment Services at Societe Generale commented: "Treasury management is a key area of focus for companies and we believe it is essential to make this easier through simple, efficient and secure tools. This is even more important as we exit the current crisis and, depending on their size, some companies are poorly equipped in this area. With our open architecture model allowing us to offer our clients the best solutions on the market, it seemed natural to partner with Kyriba, whose solutions are known for their robustness and adaptability. This partnership also inaugurates other collaborations that we will be keen to develop with Kyriba to ensure we can always better anticipate and meet the needs of our clients."

"We are very proud to join this strategic partnership with Societe Generale. The recent crisis has underlined the need for companies to manage liquidity as closely as possible and to control and secure their payments. We believe this joint solution will improve the way they leverage their cash and liquidity and become more resilient, more scalable and more competitive. The technological advance of Kyriba's Active Liquidity Management Platform in terms of Artificial Intelligence and real-time will help those businesses to better withstand and take advantage of every opportunity offered by the market. It is also an important step in Kyriba's development, which will contribute to our growth in this market," added Edi Poloniato, co-Head of Banking Solutions for Kyriba.

(1) Autocall, Euro Medium Term Notes (EMTN), EUR 5m.

2.4.3 SOCIETE GENERALE PRIVATE BANKING LAUNCHES THE FIRST SRI-LABELLED* DISCRETIONARY MANAGEMENT OFFER

- Societe Generale Private Banking is offering those clients wishing to delegate the management of their investments while integrating sustainable development issues the first SRI-labelled discretionary management service in France.
- The “29 Haussmann Signature ISR” fund covers the main asset classes, geographical areas, capitalisation segments and investment themes.
- This new offer is based on the recognised expertise of SG 29 Haussmann**, the Bank’s asset management company, and renowned partners such as Mirova, DNCA Finance, La Financière de l’Échiquier, Amundi and BlackRock®.

Faced with growing environmental and social challenges, clients want to give meaning to their investments. To meet this need, Societe Generale Private Banking France offers a new discretionary management solution, “29 Haussmann Signature ISR”.

With this pioneering initiative, clients have the assurance that at least 90% of their mandate will be invested in funds or ETFs with the SRI label at all times.

With the “29 Haussmann Signature SRI” mandate, clients invest in Societe Generale Group funds with SRI certification, which select companies based on both traditional financial criteria and environmental, social and governance criteria.

This approach makes it possible to better assess certain risks (climate and health risks, etc.) and to identify the sources of opportunities represented by the challenges of sustainable development in the medium and long term (renewable energies, waste treatment, new technologies, etc.).

A solution designed by the managers of SG 29 Haussmann

With “29 Haussmann Signature ISR”, clients delegate the management of their investments to the SG 29 Haussmann teams, experts in the financial markets, who steer their investments with the aim of generating sustainable performance over time.

To build their portfolios, SG 29 Haussmann’s managers rely on the Societe Generale group funds and SRI-labelled ETFs covering different asset classes, geographical areas, capitalisation segments and investment themes.

“We have chosen to complement the expertise of our managers by delegating the management of certain strategies to external partners to whom we have set specifications that reflect our SRI approach,” explained Guillaume de Martel, Executive Chairman of SG 29 Haussmann. This new offering benefits from SG 29 Haussmann’s allocation expertise and provides access to recognised SRI investment strategies through its teams, as well as through major asset management companies such as Mirova (Natixis Investment Managers), DNCA Finance, La Financière de l’Échiquier, Amundi and BlackRock®.

“By offering our clients the opportunity to contribute to a more virtuous and sustainable economy, this new SRI-labelled mandate management - a pioneer in France - is fully aligned with our strategy of being a positive-impact private bank and completes one of the most innovative and comprehensive responsible investment packages on the market,” added Mathieu Vedrenne, Head of Societe Generale Private Banking France.

2.4.4 BNP PARIBAS, CRÉDIT MUTUEL AND SOCIETE GENERALE ARE STUDYING A PLAN TO POOL THEIR ATMS TO INCREASE ACCESSIBILITY FOR THEIR CLIENTS

BNP Paribas, Crédit Mutuel[(1)] and Societe Generale[(2)] are studying a plan to pool their network of ATMs in France in order to together guarantee, on a long-term basis, the best access to automated banking services and strengthen service offerings to their customers. This sharing would allow customers of the three banks to benefit from enhanced access to all the services they offer to their customers free of charge, on common ATMs, including cash deposit and withdrawal, cheque deposit, account consultation and RIB printing services.

The pooling plan comes amid rapid changes in the use of banking services, and where the use of cheques and cash is declining constantly. These trends, which accelerated with the health crisis[(3)], has led to an explosion in the number of contactless payments (+53% in 2020) and a sharp drop in cash withdrawals (-23% in 2020)[(4)]. The pooling of ATMs could help ensure access to cash across France in the long term. Currently, 99% of France’s population must drive at least 15 minutes to reach an ATM machine[(5)].

The study will pay particular attention to the establishment of ATMs in rural and isolated territories, thereby reaffirming the commitment by the three banks to be local and relational banks. Project analysis will continue until the end of the year amid consultation and dialogue with key stakeholders, i.e. employee representative bodies, local authorities, etc. The plan will be subject to the required approvals from the relevant regulatory bodies.

* *The SRI-label was launched by the Ministry of Economy and Finance in August 2016. It is the result of a strict labelling process conducted by two independent bodies (Afnor Certification and EY France). The label aims to provide investors with better visibility on SRI products, while guaranteeing that their management is based on sound methodologies with a strong transparency requirement and quality information. For more information on the SRI label, visit http://www.lelabelisr.fr.*

** *SG 29 Haussmann is a management company, a subsidiary of the Societe Generale group, and is approved by the French financial markets authority (Autorité des marchés financiers) in 2007.*

(1) *Banking networks of Crédit Mutuel Alliance Fédérale (local banks in the following federations: Crédit Mutuel Centre Est Europe, Sud-Est, Île-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen, Anjou, Massif Central, Antilles-Guyane and the CIC banking network), Crédit Mutuel Nord Europe, Crédit Mutuel Maine-Anjou, Basse-Normandie and Crédit Mutuel Océan*

(2) *Societe Generale network and banks of the Crédit du Nord group.*

(3) *Ifop study February 2021.*

(4) *Bankcard ("CB") economic interest group activity report 2020 vs. 2019.*

(5) *Banque de France (France's central bank).*

2.4.5 SOCIETE GENERALE ASSURANCES LAUNCHES "MATLA", AN INDIVIDUAL RETIREMENT SAVINGS PLAN FROM ORADEA VIE FOR BOURSORAMA BANQUE'S CLIENTS

Oradea Vie, a Societe Generale Assurances' life insurance company dedicated to partnerships, offers an accessible, modular and 100% digital individual retirement savings plan (PERin) exclusively for Boursorama Banque customers.

Oradea Vie furnishes its expertise to Boursorama Banque customers by offering them a new innovative product aligned with the Pacte Law to assist them with their retirement plan.

MATLA offers "retirement horizon management", a management style adapted to all investor profiles. Through three profiles, clients can delegate their allocation choices to experts to take advantage of financial market opportunities by accessing a selection of 100% SRI products (the Socially Responsible Investment certification was created by the Ministry of Economy and Finance). These profiles benefit from an annual reallocation between investments depending on the economic outlook and the financial environment to ensure that saving management evolves.

When choosing retirement horizon management, clients also benefit from progressive investment security as they approach retirement, gaining from all the advantages of life insurance.

MATLA includes the following differentiating factors:

- appreciable accessibility: from EUR 150 for free payments and EUR 50 for scheduled payments;
- retirement horizon steering management entrusted to Oradea Vie, which benefits from allocation advisory and the expertise of asset manager BlackRock®;
- a 100% digital subscription process;
- a range of 100% SRI BlackRock® iShares ETFs*;
- gradual securing of savings: as retirement approaches, risk exposure is gradually reduced to secure clients' savings;
- full free transparency.

Philippe Perret, Chief Executive Officer of Societe Generale Assurances stated: "MATLA represents a new key step in our partnership with Boursorama and a real innovation in the insurance market in France. This digital retirement savings plan developed by Oradea Vie illustrates the ability of Societe Generale Assurances to develop innovative offers which respond to changing customer habits by offering an exceptional customer experience."

Note that unit-linked products present a risk of capital loss.

2.4.6 ALD AUTOMOTIVE LAUNCHES LEASING OPTIONS FOR TESLAS IN EUROPE

ALD Automotive, the leading vehicle leasing company in Europe, has launched operational leasing services for corporates and small- to medium-sized companies on Tesla's electric vehicles in 16 countries** across Europe.

ALD Automotive is Tesla's preferred operational leasing partner in Europe and clients may now benefit from ALD Automotive's full-service leasing packages for Model 3, Model Y, Model S and Model X passenger cars. All models benefit from tyre change, breakdown assistance, insurance and vehicle registration, as well as maintenance provided through Tesla's locations throughout Europe, as well as mobile service. Vehicles are available with flexible durations and mileage and can be customized directly on Tesla's website. The lease is managed by ALD Automotive for the duration of the contract.

Private individuals also have access to full-service leasing services on Tesla's full range of passenger car models in France, Finland, Ireland, the Netherlands and Denmark.

"We are proud to launch this new accessible and flexible leasing offering on Tesla's range of electric vehicles to customers across Europe," confirmed John Saffrett, Deputy Chief Executive Officer of ALD. "This contributes to our sustainable growth strategy as a key player in the energy transition, as well as fully supports our commitment to providing innovative mobility solutions."

* *ETF: Exchange-Traded Funds are financial products that enable efficient and transparent investments in all listed asset classes. Each ETF aims to replicate the performance (positive or negative) of its benchmark index.*

** *Countries: Austria, Belgium, Denmark, Ireland, Italy, Finland, France, Germany, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.*

2.5 ANALYSIS OF THE CONSOLIDATED BALANCE SHEET

ASSETS

(In EURbn)	31.12.2021	31.12.2020
Cash, due from central banks	180.0	168.1
Financial assets at fair value through profit or loss	342.7	429.5
Hedging derivatives	13.2	20.7
Financial assets at fair value through other comprehensive income	43.5	52.1
Securities at amortised cost	19.4	15.6
Due from banks at amortised cost	56.0	53.4
Customer loans at amortised cost	497.2	448.8
Revaluation differences on portfolios hedged against interest rate risk	0.1	0.4
Investments of insurance companies	178.9	166.9
Tax assets	4.8	5.0
Other assets	92.9	67.3
Non-current assets held for sale	0.0	0
Investments accounted for using the equity method	0.1	0.1
Tangible and intangible fixed assets	32.0	30.1
Goodwill	3.7	4.0
TOTAL	**1,464.5**	**1,462.0**

LIABILITIES

(In EURbn)	31.12.2021	31.12.2020
Due to central banks	5.2	1.5
Financial liabilities at fair value through profit or loss	307.6	390.2
Hedging derivatives	10.4	12.5
Due to banks	135.3	135.6
Customer deposits	139.2	456.1
Debt securities issues	509.1	139.0
Revaluation differences on portfolios hedged against interest rate risk	2.8	7.7
Tax liabilities	1.6	1.2
Other liabilities	106.3	84.9
Non-current liabilities held for sale	0.0	-
Insurance contract related liabilities	155.3	146.1
Provisions	4.8	4.8
Subordinated debt	16.0	15.4
Shareholder's equity	65.1	61.7
Non-controlling interests	5.8	5.3
TOTAL	**1,464.5**	**1,462.0**

2.5.1 MAIN CHANGES IN THE CONSOLIDATION SCOPE

The main changes to the consolidation scope at 31 December 2021 compared with the scope applicable at the closing date of 31 December 2020 are as follows:

- Transfer of the asset management activities performed by Lyxor.

On 31 December 2021, the Group finalised with Amundi the transfer of the asset management activities performed by Lyxor. This transfer concerns the passive (ETF) as well as active (including alternative) asset management activities performed by Lyxor on behalf of institutional customers in France and abroad; it includes the commercial and support functions dedicated to these activities.

This transfer resulted in a EUR 0.4 billion decrease in the Group's total balance sheet including the EUR 223 million decrease in goodwill allocated to the Asset and Wealth Management CGU.

A pre-tax capital gain of EUR 439 million is recognised under Net Income on other assets in the 2021 Income statement.

2.5.2 CHANGES IN MAJOR CONSOLIDATED BALANCE SHEET ITEMS

Cash, due from central banks increased by EUR 11.9 billion (+7.1%) compared to 31 December 2020, mainly resulting from the business recovery.

Due to central banks increased by EUR 3.7 billion (+246.7%) compared to 31 December 2020 mainly as a result of the growth in overnight deposits and borrowings.

Financial assets at fair value through profit or loss decreased by EUR 69.2 billion (-16.8%) compared to 31 December 2020. This change is the result of a EUR 37.9 billion decrease in repurchase agreements, a EUR 33.6 billion decrease in trading derivatives, a EUR 7.8 billion decrease in bonds and other debt securities, a EUR 3.6 billion decrease in loans, receivables and other trading assets, and a EUR 2.3 billion decrease in financial assets compulsorily measured at fair value through profit or loss, offset by a EUR 16 billion increase in shares and other equity instruments.

Financial liabilities as fair value through profit or loss decreased by EUR 65.1 billion (-17.5%) compared to 31 December 2020. This change is mainly due to a EUR 36 billion decrease in borrowings and repurchase agreements, a EUR 35 billion decrease in trading derivatives, a EUR 5.9 billion decrease in financial instruments at fair value through profit or loss on options, partially offset by a EUR 13.7 billion increase in debts on borrowed securities.

Financial assets at fair value through other comprehensive income decreased by EUR 8.6 billion (-16.8%) compared to 31 December 2020, due to a decrease in debt securities (of which EUR -5.3 billion related to public bills and EUR -3.3 billion related to bonds).

Customer loans at amortised cost increased by EUR 48.4 billion (+10.8%) compared to 31 December 2020, mainly explained by a EUR 36.6 billion increase in customer loans (of which EUR 11 billion in cash loans, EUR 9.6 billion in housing loans and EUR 8.3 billion in loans to financial customers) and a EUR 10.6 billion increase in ordinary accounts receivable.

Customer deposits increased by EUR 53 billion (+11.6%) compared to 31 December 2020, due to a EUR 39.5 billion increase in customer sight deposits, a EUR 8.9 billion increase in special savings accounts and a EUR 3.5 billion increase in customer term deposits.

Investments of insurance companies increased by EUR 12 billion (+7.2%) compared to 31 December 2020, due to a EUR 13.9 billion increase in financial assets measured at fair value through profit or loss.

Insurance contracts related liabilities increased by EUR 9.2 billion (+6.3%) compared to 31 December 2020, due to an increase in insurance companies' technical provisions in line with the market conditions.

Other assets increased by EUR 25.6 billion (+38%) compared to 31 December 2020, mainly due to an increase in guarantee deposits paid.

Other liabilities increased by EUR 21.4 billion (+25.2%) compared to 31 December 2020. This change is explained by a EUR 16.9 billion increase in guarantee deposits received, a EUR 1.2 billion increase in securities settlement accounts payable and a EUR 2.3 billion increase in other sundry creditors.

Groupe shareholders' equity amounted to EUR 65.1 billion at 31 December 2021 *vs.* EUR 61.7 billion at 31 December 2020. The variation is primarily attributable to the following factors:

- net income Group share for the financial year at 31 December 2021 of EUR 5.6 billion;
- issuance and redemption of equity instruments: EUR -1.7 billion;
- remuneration of equity instruments: EUR -0.6 billion;
- treasury stock: EUR -0.5 billion;
- distribution of dividends: EUR -0.5 billion;
- unrealised or deferred capital gains and losses: EUR +1.1 billion.

After taking into account the non-controlling interest (EUR 5.8 billion), the Group shareholders' equity totalled EUR 70.9 billion at 31 December 2021.

2.6 FINANCIAL POLICY

The objective of the Group's financial policy is to optimise the use of shareholders' equity in order to maximise short- and long-term return for shareholders, while maintaining a level of capital ratios (Common Equity Tier 1, Tier 1 and Total Capital ratios) consistent with the market status of Societe Generale and the Group's target rating.

Since 2010, the Group has launched a major realignment programme, strengthening capital and focusing on the rigorous management of scarce resources (capital and liquidity) and proactive risk management to apply the regulatory changes related to the implementation of new Basel III regulations.

2.6.1 GROUP SHAREHOLDERS' EQUITY

Group shareholders' equity totalled EUR 65.1 billion at 31 December 2021. Net asset value per share was EUR 68.72 and net tangible asset value per share was EUR 61.08 using the new methodology disclosed in Chapter 2 of this Universal Registration Document, on page 46. Book capital includes EUR 8.0 billion in deeply subordinated notes.

At 31 December 2021, Societe Generale held, directly or indirectly, 22.2 million Societe Generale shares, representing 2.61% of the capital (excluding shares held for trading purposes). In 2021, no transaction was executed on purchases and sales under the liquidity contract concluded on 22 August 2011 with an external investment services provider.

The information concerning the Group's capital and shareholding structure is available in Chapter 7, on page 617 and following.

2.6.2 SOLVENCY RATIOS

When managing its capital, the Group ensures that its solvency level is consistently compatible with its strategic targets and regulatory obligations.

The Group also ensures that its Total Capital Ratio (Common Equity Tier 1 + hybrid securities recognised in additional Tier 1 and Tier 2) provides a sufficient safety buffer for unsecured senior lenders.

The phased-in Common Equity Tier 1 (CET1) ratio stood at 13.7%[1] at 31 December 2021, compared to 13.4% at 31 December 2020.

The leverage ratio, calculated according to the CRR2 rules in force since June 2021, stood at 4.9% at 31 December 2021.

At end-2021, the Tier 1 ratio was 15.9%[2] and the Total Capital Ratio stood at 18.8%[2], i.e. above the regulatory requirements.

The TLAC (Total Loss-Absorbing Capacity) ratio of RWA was 31.1%[2] with the option of Senior Preferred Debt limited to 2.5% of RWA. Furthermore, the TLAC of the leverage ratio stood at 9.5% at end-2021. The Group also placed above its MREL requirements at 31 December 2021.

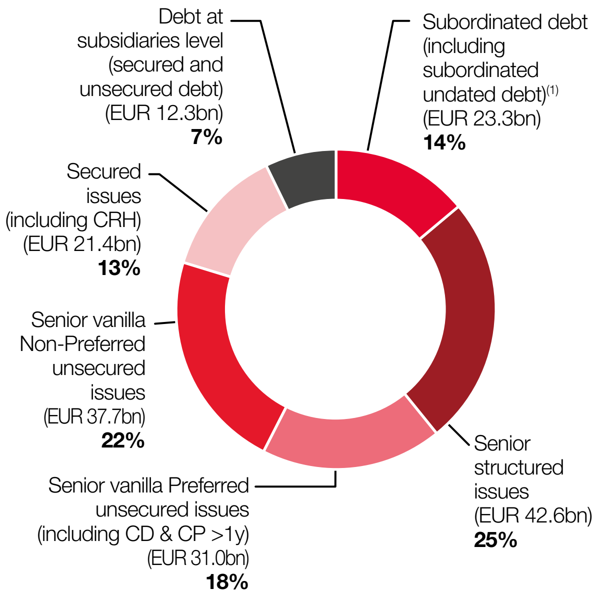
(1) Including a +16 basis-point impact in respect of the phase-in of IFRS 9. Excluding this impact, the CET1 ratio was 13.6%.
(2) Phased-in ratio.

2.6.3 GROUP DEBT POLICY

The Group's debt policy is based on two principles:

- maintaining an active policy of diversifying Societe Generale Group's sources of refinancing to guarantee its stability; and
- adopting a Group refinancing structure to ensure consistency in the maturities of its assets and liabilities.

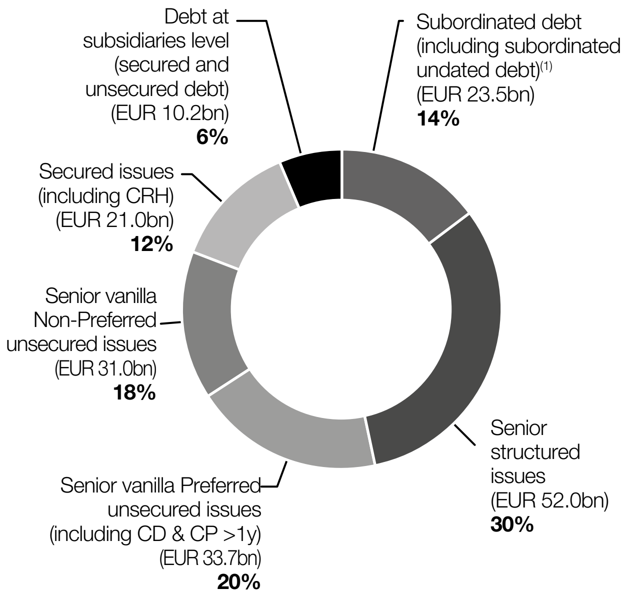
GROUP LONG-TERM DEBT AT 31 DECEMBER 2021: EUR 168.4 BN*



* *Group short-term debt totalled EUR 43.5 billion at 31 December 2021, of which EUR 12.1 billion issued by conduits.*

(1) *Of which EUR 7.5 billion accounted for as "Other equity instruments" (see consolidated financial statements, changes in shareholders' equity).*

GROUP LONG-TERM DEBT AT 31 DECEMBER 2020: EUR 171.3 BN*



* *Group short-term debt totalled EUR 51.4 billion at 31 December 2020, of which EUR 10.1 billion issued by conduits.*

(1) *Of which EUR 9.3 billion accounted for as "Other equity instruments" (see consolidated financial statements, changes in shareholders' equity).*

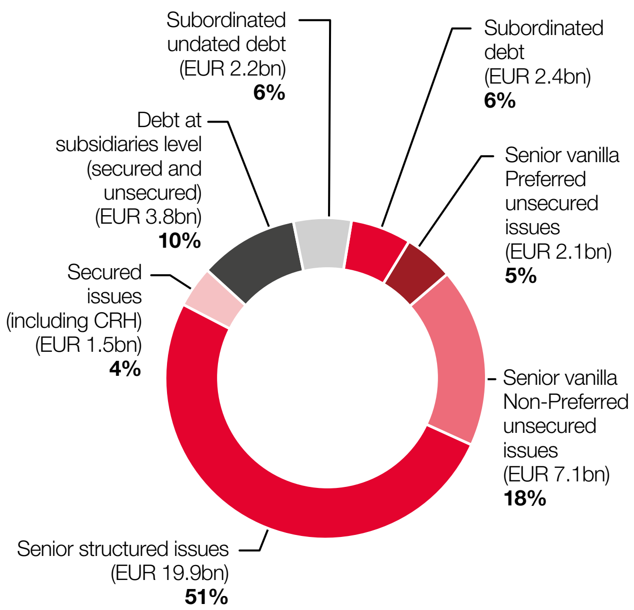
These resources also include:

- funding via securities lending and borrowing transactions and securities sold under repurchase agreements measured at fair value through P&L totalling EUR 130.6 billion at 31 December 2021, compared with EUR 152.9 billion at 31 December 2020 (see Note 3.1 to the consolidated financial statements), which are not included in this graph. Societe Generale Group's debt policy is designed not only to ensure financiing for the growth of the businesses' commercial activities and renew debt, but also to maintain repayment schedules that are compatible with the Group's ability to access the market and ensure its future growth;
- securitisations and other securitised issues (EUR 10.5 billion at end-2021 *vs.* EUR 3.1 billion at end-2020).

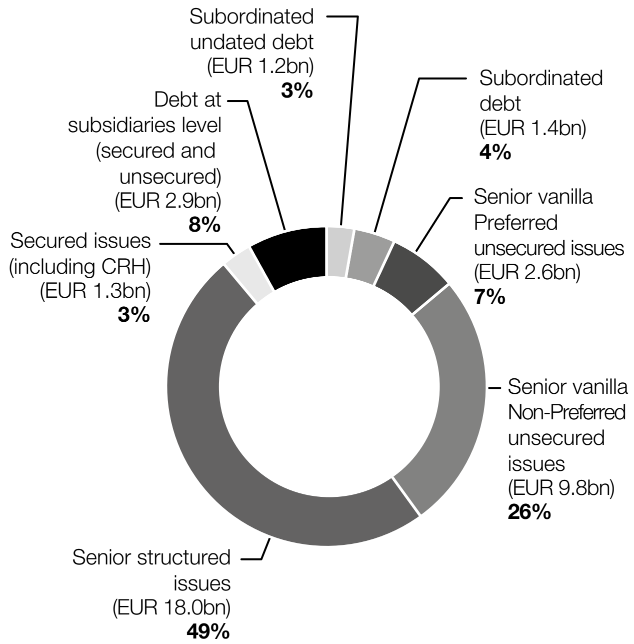
Accordingly, **the Group's long-term financing plan,** implemented gradually and in a coordinated manner during the year and based on a non-opportunistic issuance policy, is designed to maintain a surplus liquidity position over the medium to long term.

At end-2021, liquidity raised under the 2021 financing programme amounted to EUR 39.1 billion in senior and subordinated debt. Liquidity raised at parent company level amounted to EUR 35.3 billion at 31 December 2021. The breakdown of refinancing sources is as follows: EUR 7.1 billion in senior vanilla non-preferred unsecured issues, EUR 2.1 billion in senior vanilla preferred unsecured issues, EUR 19.9 billion in senior structured issues, EUR 1.5 billion in secured issues (SG SFH), EUR 2.4 billion in subordinated Tier 2 debt and EUR 2.2 billion in subordinated undated debt. At subsidiary level, a total of EUR 3.8 billion was raised at 31 December 2021.

2021 FINANCING PROGRAMME: EUR 39.1 BN



2020 FINANCING PROGRAMME: EUR 37.2 BN



2.6.4 LONG-TERM RATINGS, SHORT-TERM RATINGS, COUNTERPARTY RATINGS AND CHANGES OVER THE FINANCIAL YEAR

Below is a summary of Societe Generale's counterparty ratings and senior long-term and short-term ratings at 31 December 2021:

	FitchRatings	Moody's	R&I	Standard & Poor's
Long-term/short-term counterparty assessment	A (dcr)/F1	A1 (CR)/P-1(CR)	n/a	A/A-1
Long-term senior preferred rating	A (Stable)	A1 (Stable)	A (Stable)	A (Stable)
Short-term senior rating	F1	P-1	n/a	A-1

During the 2021 financial year, on 24 June, Standard & Poor's revised the outlook on the Group's long-term rating to stable from negative and affirmed the ratings at A/A-1. As a result of the rating action, the outlook of SG core subsidiaries changed to "stable".

2.7 MAJOR INVESTMENTS AND DISPOSALS

The group maintained a targeted acquisition and disposal policy, in line with its strategy focused on its core businesses and the management of scarce resources.

Business division	Description of investments
2021	
International Retail Banking and Financial Services	Acquisition of Fleetpool, a leading German car subscription company.
International Retail Banking and Financial Services	Acquisition of Banco Sabadell's subsidiary (Bansabadell Renting) specialised in long-term renting and the signing of an exclusive white label distribution agreement with Banco Sabadell.
International Retail Banking and Financial Services	Acquisition by ALD of a 17% stake in Skipr, a start-up specialised in mobility as a service.
2020	
International Retail Banking and Financial Services	Acquisition of Reezocar, a French platform specialised in the online sale of used cars to individuals.
French Retail Banking	Acquisition of Shine, the neobank specialised in the professional and SME segments.
International Retail Banking and Financial Services	Acquisition of Socalfi, entity specialised in consumer credit in New Calendonia.
French Retail Banking	Acquisition by Franfinance of ITL, the equipment leasing company specialised in the environmental, manufacturing and healthcare sectors.
2019	
International Retail Banking and Financial Services	Acquisition of Sternlease by ALD (fleet leasing in the Netherlands).
Global Banking and Investor Solutions	Acquisition of Equity Capital Markets and Commodities activities from Commerzbank.
French Retail Banking	Acquisition of Treezor, pioneering Bank-As-A-Service platform in France.

Business division	Description of disposals
2021	
Global Banking and Investor Solutions	Disposal of Lyxor, a European asset management specialist
2020	
International Retail Banking and Financial Services	Disposal of SG Finans AS, an equipment finance and factoring company in Norway, Sweden and Denmark.
International Retail Banking and Financial Services	Disposal of Société Générale de Banque aux Antilles.
International Retail Banking and Financial Services	Disposal by ALD of its entire stake in ALD Fortune (50%) in China.
Global Banking and Investor Solutions	Disposal of the custody, depository and clearing activities in South Africa.
2019	
International Retail Banking and Financial Services	Disposal of SKB Banka in Slovenia.
International Retail Banking and Financial Services	Disposal of Pema GmbH, a truck and trailer rental company in Germany.
International Retail Banking and Financial Services	Disposal of its majority stake in Ohridska Banka SG in Macedonia.
International Retail Banking and Financial Services	Disposal of SG Serbja in Serbia.
International Retail Banking and Financial Services	Disposal of SG Montenegro.
International Retail Banking and Financial Services	Disposal of Mobiasbanka in Moldova.
International Retail Banking and Financial Services	Disposal of Inora Life en Ireland.
International Retail Banking and Financial Services	Disposal of Eurobank in Poland.
Global Banking and Investor Solutions	Disposal of SG Private Banking in Belgium.
French Retail Banking	Disposal of SelfTrade Bank S.A.U. in Spain.
French Retail Banking	Disposal of the entire stake in La Banque Postale Financement (35%).
International Retail Banking and Financial Services	Disposal of SG Express Bank in Bulgaria.
International Retail Banking and Financial Services	Disposal of SG Albania.

2.8 PENDING ACQUISITIONS AND MAJOR CONTRACTS

2.8.1 FINANCING OF THE MAIN ONGOING INVESTMENTS

Ongoing investments will be financed using the Group's usual sources of funding.

2.8.2 PENDING ACQUISITIONS AND DISPOSALS

On 6 January 2022, the Group announced the signing by Societe Generale and ALD of two Memorandums of Understanding under which ALD would acquire 100% of LeasePlan. The proposed transaction is expected to close by the end of 2022.

On 1 February 2022, Societe Generale announced that Boursorama had signed a Memorandum of Understanding (MOU) with ING to offer ING's online banking customers in France the best alternative banking solution, with a dedicated customer journey and support conditions. A final agreement should be concluded by April 2022.

2.9 PROPERTY AND EQUIPMENT

The gross book value of Societe Generale Group's tangible operating fixed assets amounted to EUR 45.7 billion at 31 December 2021. The figure comprises land and buildings (EUR 5.4 billion), the right of use (EUR 3.2 billion), assets leased by specialised financing companies (EUR 31.1 billion) and other tangible assets (EUR 6 billion).

The net book value of tangible operating assets and investment property amounted to EUR 29.2 billion, representing only 2% of the consolidated balance sheet at 31 December 2021.

Accordingly, due to the nature of Societe Generale's activities, property and equipment are not material at Group level.

2.10 POST-CLOSING EVENTS

On 6 January 2022, the Group announced the signing by Societe Generale and ALD of two Memorandums of Understanding under which ALD would acquire 100% of LeasePlan from a consortium led by TDR Capital. The proposed transaction is expected to close by the end of 2022.

On 1 February 2022, Societe Generale announced that Boursorama had signed a Memorandum of Understanding (MOU) with ING to offer ING's online banking customers in France the best alternative banking solution, with adedicated customer journey and support conditions. The two parties intend to reach a final agreement by April 2022.

On 3 March 2022, Societe Generale issued an update on the Group's situation in Ukraine and Russia. Societe Generale continues a detailed monitoring of the situation in Russia and Ukraine and is supporting its clients and all its employees to the highest degree possible.

Societe Generale is also rigorously complying with all applicable laws and regulations and is diligently implementing the measures necessary to strictly enforce international sanctions as soon as they are made public.

At the time of writing, the Group states that:

- its exposure(1) to Russia is limited at 1.7% of the Group's total exposure, i.e. EUR 18.6 billion at 31 December 2021, of which EUR 15.4 billion (i.e. 83%) are accounted for at its subsidiary Rosbank;
- in 2021, activities located in Russia generated 2.8% of Group net banking income and 2.7% of Group net earning(2);
- the Group is extremely prudent and selective in the conduct of its activities in Russia and its priorities are focused to reduce its risks and preserve its subsidiary's liquidity, while maintaining diversified deposit inflows;
- with a CET1 ratio of 13.7% at 31 December 2021, i.e. a buffer of around 470 basis points above the regulatory capital requirement, the Group has more than enough buffer to absorb the consequences of a potential extreme scenario, in which the Group would be stripped of property rights to its banking assets in Russia, with a capital impact estimated at around -50 basis points of the CET1 ratio and no effect on the payment of the dividend for the year 2021.

(1) "Exposure at default" on- and off-balance sheet on Russian counterparties, Russian subsidiaries or counterparties whose assets are mainly located in Russia, excluding counterparty risk on market operations whose current amount is limited.
(2) Reported Group Net Income.

The Group is following with the utmost attention the development of the situation in Ukraine and Russia, and it is committed to supporting its clients and all its employees. Societe Generale complies rigorously with legislation in force and diligently applies all necessary measures to strictly observe international sanctions as soon as they become public.

At Group level, the exposure to Russia[(1)] represents 1.7% of total exposure, i.e. EUR 18.6 billion at 31 December 2021 based on exchange rates at that date. The amount breaks down as: EUR 15.4 billion of exposure recognised in SG Russia[(2)] ("onshore exposures") and EUR 3.2 billion recognised outside Russia ("offshore exposures"), of which EUR 2.6 billion on the balance sheet.

Group activities situated in Russia (SG Russia[(2)]) represent 2.8% of Group net banking income in 2021 and 2.7% of Group net income[(3)]. They chiefly involve our banking subsidiary Rosbank, which is 99.97%-owned by the Group. Rosbank has a solid capital position, with a CET1 ratio of 10.74%, i.e. 274 basis points above the local regulatory requirement, and functions independently in terms of liquidity, with a loan-deposit ratio around 80% at 31 December 2021. These exposures are largely denominated in local currency, i.e. up to 99.7% on retail and 68% on corporate.

The exposures break down as follows:

- retail outstandings account for approximately 41% of SG Russia's[(2)] total exposure. They are 70%- secured (mortgage and auto loans), the remaining 30% of which mainly comprises loans to employees of Rosbank's corporate clients, for whom the Bank processes their salaries;
- corporate exposure represents around 31% of the total and principally involves large Corporates (80%);
- exposure to financial institutions totals EUR 0.5 billion;
- russian sovereign debt and that of assimilated entities stands at EUR 3.7 billion, including around EUR 1.2 billion in sovereign bonds.

Exposure to local counterparties subject to embargo is very low (EUR 0.2 billion[(5)]).

The Group is conducting its business in Russia with the utmost caution and selectivity, while supporting its historical clients. Its priorities are to reduce its risks and preserve the liquidity of its subsidiary by maintaining a diversified collection of deposits. The rouble clearing business is conducted entirely from Rosbank on behalf of the Group's major clients.

With a CET1 ratio of 13.7% at 31 December 2021, i.e. a buffer of around 470 basis points above the regulatory requirement, the Group has more than enough buffer to absorb the consequences of a potential extreme scenario, in which the Group would be stripped of property rights to its banking assets in Russia. The capital impact has been estimated at around -50 basis points[(4)] of the CET1 ratio, based on a Rosbank net book value equivalent to EUR 2.1 billion at 31 December 2021, EUR 0.5 billion in subordinated loans and including the cancellation of associated RWA. This would not affect the payment of the dividend for the year 2021.

Furthermore, the Group has minor exposure to Ukraine, representing less than EUR 80 million at 31 December 2021, mainly through its subsidiary ALD whose activity is concentrated on international corporate clients.

Offshore exposures to Russia[(1)], which mainly involve operations conducted by our financing activities in Global Banking and Investor Solutions, represent EUR 3.2 billion with top-tier counterparties in their sector of activity. They specifically concern the following sectors: EUR 2.2 billion for the metals and minerals sector, EUR 0.7 billion for the energy sector, EUR 0.2 billion for the transport and telecoms sector and EUR 0.1 billion for financial institutions.

Counterparties under embargo represent around EUR 0.7 billion in offshore net outstandings[(5)]. For the record, sanctions forbid new activities but do not prevent the settlement of operations or necessarily the repayment of facilities.

The Group also has around EUR 0.3 billion in net outstandings on private banking clients, the majority of which are mortgage and Lombard loans.

At this stage, the Group is not changing its cost of risk target and will update it, if necessary, at the time of its Q1 22 results publication.

2.11 STATEMENT ON POST-CLOSING EVENTS

Since the end of the last financial period, no significant change in the financial performance of the Group occurred other than those described in the present Universal Registration Document filed with the AMF on 9 March 2022.

(1) "Exposure at default" on- and off-balance sheet on Russian counterparties, Russian subsidiaries or counterparties whose assets are mainly located in Russia, excluding counterparty risk on market operations whose current amount is limited.

(2) SG Russia comprises Rosbank, Rosbank Insurance composed of SGS and SGSZh (81%-owned by Sogécop and 19%-owned by Rosbank), ALD automotive OOO Russia (100%-owned by ALD SA).

(3) Reported Group Net Income.

(4) Based on a EUR/RUB exchange rate of 120.

(5) Based on the lists of sanctions published at 27.02.2022.

2.12 INFORMATION ABOUT GEOGRAPHIC LOCATIONS AND ACTIVITIES AT 31 DECEMBER 2021

The article L. 511-45 of the Monetary and Financial Code modified by Order No. 2014-158 of 20 February 2014, require credit institutions to communicate information about the locations and activities of their entitites included in their consolidation scope, in each State or territory.

Societe Generale publishes below the information relative to staff and the financial information by countries or territories.

The list of locations is published in the Note 8.6 of the Notes to the consolidated financial statements.

Country	Staff*	NBI*	Earnings before corporate tax*	Corporate tax*	Deferred corporate tax*	Other taxes*	Subventions*
South Africa	-	0	0	0	-	-	-
Algeria	1,593	163	69	(26)	5	(5)	-
Germany	2,781	1,161	516	(91)	(33)	(3)	-
Australia	56	43	6	(1)	(1)	(1)	-
Austria	83	18	8	(1)	(1)	(0)	-
Belarus	3	1	1	(0)	(0)	-	-
Belgium	307	97	44	(0)	(11)	(1)	-
Benin	148	21	9	0	(1)	(0)	-
Bermuda[(1)]	-	(5)	(5)	-	-	-	-
Brazil	340	86	45	(13)	2	(8)	-
Bulgaria	36	5	3	(0)	(0)	-	-
Burkina Faso	284	56	27	(6)	(2)	(3)	-
Cameroon	667	124	39	(10)	(1)	(4)	-
Canada	65	30	11	(2)	0	(2)	-
Chile	39	5	2	-	(2)	(0)	-
China	274	65	29	-	(1)	(0)	-
Colombia	31	3	2	(0)	0	(0)	-
Congo	141	25	8	(0)	(0)	(1)	-
South Korea	106	110	50	(16)	(2)	(2)	-
Cote d'Ivoire	1,044	269	119	(22)	1	(6)	-
Croatia	48	10	7	(2)	0	(0)	-
Curacao[(2)]	-	0	0	0	-	-	-
Denmark	117	44	26	(15)	10	-	-
United Arab Emirates	52	13	3	-	-	(0)	-
Spain	679	301	182	(39)	(9)	(2)	-
Estonia	13	3	2	(0)	-	(0)	-
United States	2,016	1,703	796	(21)	(158)	(8)	-
Finland	116	53	38	(6)	(1)	-	-
France	54,653	12,428	1,925	(102)	(262)	(1,240)	-
Ghana	537	81	46	(18)	1	(0)	-
Gibraltar	36	11	(1)	-	(1)	(0)	-
Greece	46	6	3	(0)	(1)	(0)	-
Guinea	327	41	4	(2)	0	(0)	-
Equatorial Guinea	239	16	2	(1)	-	(0)	-
Hong Kong	1,079	692	311	(46)	(0)	(1)	-
Hungary	90	15	10	(2)	(0)	-	-
Isle of Man	-	-	-	-	-	-	-
Guernsey	56	30	2	-	-	-	-
Cayman Islands[(3)]	-	-	-	-	-	-	-
India[(4)]	9,640	78	82	(27)	1	(1)	-
Ireland	199	95	74	(9)	0	(0)	-
Italy	2,039	835	404	(88)	(8)	(3)	-
Japan	220	179	41	(5)	(6)	(6)	-
Jersey	202	42	2	(1)	0	(0)	-
Latvia	19	4	3	(0)	-	-	-
Lithuania	13	5	3	(0)	(0)	(0)	-
Luxembourg	1,342	691	372	(32)	25	(22)	-

Country	Staff*	NBI*	Earnings before corporate tax*	Corporate tax*	Deferred corporate tax*	Other taxes*	Subventions*
Madagascar	949	63	28	(6)	0	(2)	-
Malta	-	-	-	-	-	-	-
Morocco	3,917	500	137	(64)	2	(18)	-
Mauritius	-	-	(0)	-	-	-	-
Mexico	127	24	15	(5)	(1)	-	-
Monaco	314	111	24	(5)	(0)	(0)	-
Norway	69	17	6	-	2	-	-
New Caledonia	303	75	35	(14)	(2)	(0)	-
Netherlands	280	116	69	(26)	(2)	(0)	-
Peru	27	3	1	0	(1)	-	-
Poland	452	78	18	(1)	(6)	(1)	-
French Polynesia	255	49	26	(11)	(2)	(1)	-
Portugal	124	30	21	(5)	0	-	-
Czech Republic	7,797	1,269	647	(151)	28	(40)	-
Romania	8,700	645	338	(67)	(0)	(13)	-
United Kingdom	2,730	1,526	757	(193)	46	(1)	-
Russian Federation	12,555	795	303	(37)	(21)	(20)	-
Senegal	815	105	45	(10)	(2)	(2)	-
Serbia	29	9	7	(2)	0	(0)	-
Singapore	191	116	6	(7)	0	(0)	-
Slovakia	109	28	17	(4)	(1)	(0)	-
Slovenia	20	4	2	(0)	0	(0)	-
Sweden	170	77	44	(9)	0	(0)	-
Switzerland	547	238	59	(14)	(1)	(0)	-
Taiwan	44	39	16	(4)	0	(2)	-
Chad	215	27	5	(2)	(1)	(2)	-
Thailand	4	0	(1)	-	-	-	-
Togo	34	6	0	-	-	-	-
Tunisia	1,394	138	40	(23)	4	(5)	-
Turkey	95	46	40	(2)	(14)	(0)	-
Ukraine	47	10	8	(2)	(0)	-	-
TOTAL	**124,089**	**25,798**	**8,035**	**(1,272)**	**(425)**	**(1,431)**	**-**

* ***Staff:*** *Full-time equivalent (FTE) as at closing date. Staff members of entities accounted for by the equity method and entities removed during the year are excluded.*

NBI: *Net banking income by territorial contribution to the consolidated statement, in EUR millions, before elimination of intragroup reciprocal transactions. Net income from companies accounted for by the equity method is directly recorded in the earnings before tax, there is no contribution from them.*

Earning before tax: *Earning before tax by territorial contribution to the consolidation statement, in EUR millions, before elimination of intra-group reciprocal transactions.*

Corporate taxes: *Such as presented in the consolidated statement in accordance with the IFRS standards and by distinguishing the current taxes of the deferred taxes, in EUR millions.*

Other taxes: *Other taxes include among others payroll taxes, the C3S, the contribution to the SRF, CET taxes and local taxes. The data arise from the consolidated reporting and from management report, in EUR millions.*

Public subsidies received: *Non-matching or non-refundable subsidies granted by a public entity on a one-off or renewable basis to complete a clearly defined project.*

(1) Income from the entity located in Bermuda is taxed in France.

(2) Entity located in Curacao is in run-off.

(3) Income from entity located in Cayman Islands is taxed in the United States.

(4) Most of the staff located in India is assigned to a shared services center, the re-invoicing income of which is recorded in general and administrative expenses and not in NBI.