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GROUP MANAGEMENT REPORT

2.1 SOCIETE GENERALE GROUP'S MAIN ACTIVITIES

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%		
		Banque Française Commerciale Océan Indien	50%
Société Générale SFH	100%	SGEF SA	100%
Société Générale SCF	100%	ALD	75.9%
Sogefim Holding	100%		
Galybet	100%		
Genevalmy	100%		
Valminvest	100%		
Sogemarché	100%		
Sogecampus	100%		
EUROPE			
		Hanseatic Bank *Germany*	75%
		Komercni Banka A.S *Czech Republic*	61%
		BRD-Groupe SG *Romania*	60.2%
		Fiditalia S.P.A *Italy*	100%
AFRICA - MEDITERRANEAN			
		SG Marocaine de Banques *Morocco*	57.7%
		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 indicates the percentage of capital held by the Group in the subsidiary;
- the groups are listed under the geographic region where they carry out their 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%	Société Générale 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)	2022	2021	Change	
Net banking income	**28,059**	**25,798**	**8.8%**	**9.7%***
Underlying net banking income	*28,059*	*25,681*	*+9.3%*	*+10.2%**
Operating expenses	(18,630)	(17,590)	+5.9%	+7.5%*
Underlying operating expenses	*(17,991)*	*(17,211)*	*+4.5%*	*+6.1%**
Gross operating income	**9,429**	**8,208**	**14.9%**	**14.4%***
Underlying gross operating income	*10,068*	*8,470*	*18.9%*	*18.4%**
Net cost of risk	(1,647)	(700)	x 2.4	93.0%*
Operating income	**7,782**	**7,508**	**3.6%**	**5.3%***
Underlying operating income	*8,421*	*7,770*	8.4%	*10.1%**
Net income from companies accounted for by the equity method	15	6	x 2.5	x 2.5*
Net profits or losses from other assets	(3,290)	635	n/s	n/s
Impairment losses on goodwill	0	(114)	100.0%	-100.0%*
Income tax	(1,560)	(1,697)	-8.1%	-5.8%*
Net income	2,947	6,338	-53.5%	-53.2%*
o.w. noncontrolling interests	*929*	*697*	*33.3%*	*32.3%**
Group net income	**2,018**	**5,641**	**-64.2%**	**-64.0%***
Underlying *group net income*	***5,616***	***5,264***	*+6.7%*	***+7.9%****
Cost-to-income ratio	66.4%	68.2%		
Average allocated capital[1]	55,164	52,634		
ROTE	**2.9%**	**11.7%**		
Underlying ROTE	***9.6%***	***10.2%***		

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

Net banking income

Underlying net banking income grew strongly in 2022 at +9.3% (+10.2%*) *vs.* 2021, driven by historical highs in Financing & Advisory, Global Markets and ALD, sharp growth in Private Banking and International Retail Banking and a solid performance by French Retail Banking.

French Retail Banking revenues grew +4.1% *vs.* 2021 fuelled notably by robust service fee growth and a very solid showing by Private Banking.

International Retail Banking & Financial Services' revenues rose +12.4% (+17.9%*) *vs.* 2021, driven by a record performance at ALD and strong growth at International Retail Banking whose revenues grew +11.5%* *vs.* 2021. Financial Services' net banking income was significantly higher by +35.8%* *vs.* 2021, while Insurance net banking income increased by +6.5%* *vs.* 2021.

Global Banking & Investor Solutions' revenues were up +14.3% (+12.9%*) *vs.* 2021. Global Markets & Investor Services' revenues posted an +18.7% increase in revenues (14.1%*) *vs.* 2021, while Financing & Advisory activities increased by +15.2% (+10.7%*) *vs.* 2021.

Operating expenses

In 2022, operating expenses totalled EUR 18,630 million on a reported basis and EUR 17,991 million on an underlying basis (restated for transformation costs), *i.e.*, an increase of +4.5% *vs.* 2021 (on an underlying basis).

The rise can be mainly attributed to the EUR 864 million contribution to the Single Resolution Fund, which increased by EUR 278 million, currency effects, notably in US dollars, and a rise in the variable components of employee remuneration associated with higher revenues.

Underlying gross operating income increased by +18.9% to EUR 10,068 million in 2022, while the underlying cost to income ratio (excluding the Single Resolution Fund) posted a 3.4 point improvement to 61.0% (*vs.* 64.4% in 2021).

Excluding the Single Resolution Fund, the underlying cost to income ratio is expected to range between 66% and 68% in 2023, based notably on normalised revenues in Global Markets.

Cost of risk

Over the full year, the cost of risk amounted to 28 basis points, landing below the guidance of between 30 and 35 basis points.

Offshore exposure to Russia was reduced to EUR 1.8 billion of EAD (Exposure At Default) at 31 December 2022, *i.e.*, a decrease of around -45% since 31 December 2021. Exposure at risk on this portfolio is estimated at less than EUR 0.6 billion, compared with less than EUR 1 billion for the previous quarter. Total associated provisions stood at EUR 427 million at end-December 2022. Moreover, at end-December 2022, the Group's residual exposure to Rosbank amounted to less than EUR 0.1 billion, corresponding mainly to guarantees and letters of credit.

The Group's provisions on performing loans amounted to EUR 3,769 million at end-December, an increase of EUR 414 million in 2022.

The non-performing loans ratio amounted to 2.8%[1] at 31 December 2022, down 10 basis points *vs*. 31 December 2021. The gross coverage ratio on doubtful loans for the Group stood at 48%[2] at 31 December 2022.

The cost of risk in 2023 is expected to range between 30 and 35 basis points.

Operating income

Operating income totalled EUR 7,782 million in 2022 compared with EUR 7,508 million in 2021. Underlying operating income came to EUR 8,421 million compared with EUR 7,770 million in 2021.

Net profits or losses from other assets

Net profits or losses from other assets totalled EUR -3,290 million in 2022, of which a EUR -3.3 billion accounting loss from the disposal of Rosbank and insurance activities in Russia recognised in H1 22.

Net income

(In EURm)	**2022**	**2021**
Reported Group net income	2,018	5,641
Underlying Group net income	5,616	5,264

(In %)	**2022**	**2021**
ROTE (reported)	2.9%	11.7%
Underlying ROTE	9.6%	10.2%

(1) NPL ratio calculated according to EBA methodology published on 16 July 2019.
(2) Ratio of S3 assets calculated on the gross carrying amount of the loans before netting of guarantees and collateral.

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)	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net banking income	**8,839**	**8,489**	**9,122**	**8,117**	**10,082**	**8,818**	**16**	**374**	**28,059**	**25,798**
Operating expenses	(6,473)	(6,248)	(4,334)	(4,203)	(6,634)	(6,250)	(1,189)	(889)	(18,630)	(17,590)
Gross operating income	**2,366**	**2,241**	**4,788**	**3,914**	**3,448**	**2,568**	**(1,173)**	**(515)**	**9,429**	**8,208**
Net cost of risk	(483)	(125)	(705)	(504)	(421)	(65)	(38)	(6)	(1,647)	(700)
Operating income	**1,883**	**2,116**	**4,083**	**3,410**	**3,027**	**2,503**	**(1,211)**	**(521)**	**7,782**	**7,508**
Net income from companies accounted for by the equity method	8	1	1	0	6	4	0	1	15	6
Net profits or losses from other assets	57	23	11	18	6	(9)	(3,364)	603	(3,290)	635
Impairment losses on goodwill	-	-	-	-	-	-	-	(114)	-	(114)
Income tax	(504)	(592)	(996)	(840)	(576)	(452)	516	187	(1,560)	(1,697)
Net income	1,444	1,548	3,099	2,588	2,463	2,046	(4,059)	156	2,947	6,338
o.w. non-controlling interests	*(1)*	*(2)*	*723*	*506*	*36*	*28*	*171*	*165*	*929*	*697*
Group net income	**1,445**	**1,550**	**2,376**	**2,082**	**2,427**	**2,018**	**(4,230)**	**(9)**	**2,018**	**5,641**
Cost-to-income ratio	73.2%	73.6%	47.5%	51.8%	65.8%	70.9%			66.4%	68.2%
Average allocated capital[(1)]	**12,417**	**12,009**	**10,619**	**10,246**	**14,916**	**14,055**	**17,213**	**16,323**	**55,164**	**52,634**
RONE (businesses)/ROTE (Group)	**11.6%**	**12.9%**	**22.4%**	**20.3%**	**16.3%**	**14.4%**			**2.9%**	**11.7%**

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

2.3.2 FRENCH RETAIL BANKING

(In EURm)	2022	2021	Change
Net banking income	**8,839**	**8,489**	**+4.1%**
Net banking income (excl. PEL/CEL)	*8,647*	*8,450*	*+2.3%*
Operating expenses	(6,473)	(6,248)	+3.6%
Gross operating income	**2,366**	**2,241**	**+5.6%**
Net cost of risk	(483)	(125)	x 3.9
Operating income	**1,883**	**2,116**	**-11.0%**
Net income from companies accounted for by the equity method	8	1	x8.0
Net profits or losses from other assets	57	23	x2.5
Impairment losses on goodwill	0	0	n/s
Income tax	(504)	(592)	-14.9%
Net income	**1,444**	**1,548**	**-6.7%**
o.w. non-controlling interests	*(1)*	*(2)*	*+50.0%*
Group net income	**1,445**	**1,550**	**-6.8%**
Cost-to-income ratio	73.2%	73.6%	
Average allocated capital	12,417	12,009	
RONE	**11.6%**	**12.9%**	

Activity and net banking income

In 2022, revenues totalled EUR 8,839 million, up +4.1% *vs.* 2021, including PEL/CEL. Net interest income and other revenues, including PEL/CEL, were up +2.9% *vs.* 2021. Fees were +5.6% higher than in 2021, benefiting from strong growth in service and financial fees.

In respect of the outlook, 2023 will be a transition year with decreased revenues due to the negative impacts of the end of the TLTRO benefit for around EUR 0.3bn *vs.* 2022, the specific functioning of the French market that will continue to curb loan production due to the usury rate, as was also the case in 2022, and the continued rise in the regulated savings rate that will have an impact on net banking income of around EUR 50m for each 25 basis point increase. Furthermore, net interest margin hedges that will gradually mature as of 2024 will deprive us in 2023 of the benefit of increased savings.

SOCIETE GENERALE AND CRÉDIT DU NORD NETWORKS

Life insurance assets under management totalled EUR 109 billion at end-December 2022, unchanged year-on-year (with the unit-linked share accounting for 32%).

On 1 January 2023 and on schedule, Societe Generale Group performed the legal merger of its two French retail banking networks, Societe Generale and Crédit du Nord. SG is henceforth the Group's new retail bank in France. SG bank's ambition is to create a top-tier banking partner, serving 10 million clients in the French market and ranking among the Top 3 for customer satisfaction.

BOURSORAMA

The bank enjoyed a new client acquisition record, attracting more than 1.4 million net new clients in 2022 (2x the 2021 level), including nearly 396,000 in Q4 22 alone. The bank consolidated its position as the leading online bank in France, with almost 4.7 million clients at end-December 2022, and a target of more than 5.5 million clients at the end of 2023. In the meantime, the acquisition cost per client contracted by around -20% relative to 2021.

PRIVATE BANKING

Private Banking activities, which were transferred to French Retail Banking at the beginning of 2022, cover private banking activities in France and internationally. Assets under management totalled EUR 147 billion at end-December 2022. Asset inflow growth rose +4% in 2022 relative to end-2021. Net banking income amounted to EUR 296 million over the quater, (+7.6% *vs.* Q4 21) and totalled EUR 1,278 million over the full year (+15.9% *vs.* 2021).

Operating expenses

In 2022, operating expenses came to EUR 6,473 million (+3.6% *vs.* 2021). The cost to income ratio stood at 73.2%, down 0.4 points *vs.* 2021.

Cost of risk

In 2022, the cost of risk amounted to EUR 483 million or 20 basis points, *i.e.*, higher than in 2021 (EUR 125 million or 5 basis points), which breaks down into EUR 101 million for a reversal of an S1/S2 provision and EUR 382 million for an S3 provision (non-performing outstandings).

Contribution to Group net income

In 2022, the contribution to Group net income was EUR 1,445 million, contracting to -6.8% *vs.* 2021. Underlying normative RONE came to 11.6% in 2022 (13.4% excluding Boursorama).

2.3.3 INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

(In EURm)	2022	2021	Change	
Net banking income	**9,122**	**8,117**	**12.4%**	**17.9%***
Operating expenses	(4,334)	(4,203)	3.1%	10.0%*
Gross operating income	**4,788**	**3,914**	**22.3%**	**26.0%***
Net cost of risk	(705)	(504)	39.9%	7.6%*
Operating income	**4,083**	**3,410**	**19.7%**	**29.9%***
Net income from companies accounted for by the equity method	1	0	n/s	n/s
Net profits or losses from other assets	11	18	-38.9%	-36.8%*
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(996)	(840)	18.6%	26.7%*
Net income	**3,099**	2,588	19.7%	29.1%*
o.w. non-controlling interests	*723*	*506*	*42.9%*	*42.2%**
Group net income	**2,376**	**2,082**	**14.1%**	**25.6%***
Cost-to-income ratio	47.5%	51.8%		
Average allocated capital	10,619	10,246		
RONE	**22.4%**	**20.3%**		

Net banking income amounted to EUR 9,122 million over the full year, up +17.9%* (+12.4%) *vs.* 2021.

Operating expenses totalled EUR 4,334 million, an increase of +10.0%* (+3.1%) *vs.* 2021. The cost to income ratio stood at 47.5% in 2022.

The cost of risk amounted to 52 basis points (EUR 705 million) in 2022 It was 38 basis points in 2021.

The contribution to Group net income totalled EUR 2,376 million in 2022 (+25.6%*, +14.1% *vs.* 2020). Underlying RONE stood at a high 22.4% in 2022 (*vs. 20*.3% in 2021).

International Retail Banking

(In EURm)	2022	2021	Change	
Net banking income	**5,153**	**5,000**	**3.1%**	**11.5%***
Operating expenses	(2,794)	(2,914)	-4.1%	5.9%*
Gross operating income	**2,359**	**2,086**	**13.1%**	**18.8%***
Net cost of risk	(637)	(429)	48.5%	11.7%*
Operating income	**1,722**	**1,657**	**3.9%**	**21.7%***
Net income from companies accounted for by the equity method	1	0	n/s	n/s
Net profits or losses from other assets	11	18	-38.9%	-36.9%*
Impairment losses on goodwill	0	0	n/s	n/s*
Income tax	(441)	(405)	8.9%	23.5%*
Net income	1,293	1,270	1.8%	20.0%*
o.w. non-controlling interests	*453*	*334*	*35.6%*	*34.7%**
Group net income	**840**	**936**	**-10.3%**	**13.2%***
Cost-to-income ratio	54.2%	58.3%		
Average allocated capital	5,562	5,750		

International Retail Banking's outstanding loans posted healthy momentum of EUR 88.2 billion, up +5.6%* for 2022. Outstanding deposits totalled EUR 78.5 billion, a slight +1.4%* increase relative to 2021.

For the Europe scope, outstanding loans were up +4.9%* *vs*. 2021 at EUR 63.8 billion, driven by positive momentum on the corporate segment in the Czech Republic (+11.0%* *vs*. 2021). Outstanding deposits are stable* at EUR 51.6 billion. Robust momentum in Romania (+8.3%* *vs*. 2021) offset the slowdown in the Czech Republic notably due to a shift in some deposits towards financial savings.

In Africa, Mediterranean Basin and French Overseas Territories, over the year, outstanding deposits continued to enjoy positive momentum, up by +7.5%* and +5.6%* respectively *vs*. 2021.

International Retail Banking's net banking income stood at 5,153 million, up +11.5%* *vs*. 2021.

Revenues in Europe climbed +13.5%* *vs*. 2021, due primarily to substantial growth in net interest income (+15.7%*), driven notably by the Czech Republic (+33.6%*) and Romania (+17.5%*). These regions benefit from increased volumes and high interest rates.

The Africa, Mediterranean Basin and French Overseas Territories scope posted revenues up +8.7%* *vs*. 2021 on back of net interest income (+5.0%*) and fees (+11.2%*).

In International Retail Banking, rising costs were kept contained over the year at +5.9%* *vs.* 2021 despite spiking inflation.

Insurance

(In EURm)	2022	2021	Change	
Net banking income	**1,012**	**963**	**5.1%**	**6.5%***
Operating expenses	(391)	(373)	4.8%	7.2%*
Gross operating income	**621**	**590**	**5.3%**	**6.1%***
Net cost of risk	0	0	n/s	n/s*
Operating income	**621**	**590**	**5.3%**	**6.1%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s*
Net profits or losses from other assets	0	(1)	100.0%	100.0%*
Impairment losses on goodwill	0	0	n/s	n/s*
Income tax	(161)	(165)	-2.4%	-1.7%*
Net income	460	424	8.5%	9.1%*
o.w. non-controlling interests	*3*	*3*	*0.0%*	*-15.3%**
Group net income	**457**	**421**	**8.6%**	**9.3%***
Cost-to-income ratio	38.6%	38.7%		
Average allocated capital	2,118	2,032		

In the Insurance business, life insurance outstandings showed resilience in 2022, totalling EUR 131.6 billion despite unfavourable market conditions. The share of unit-linked products in outstandings remained high at 36%. Gross life insurance savings inflow amounted to EUR 12,754 million in 2022 (42% of unit-linked products in 2022). Protection insurance saw an increase of +5.8%* *vs.* 2021, with good momentum for personal protection premiums that rose +8.0%* and a more minor +4.1%* increase for P&C insurance.

The Insurance business posted net banking income up +6.5%*, at EUR 1,012 million *vs.* 2021 driven by stronger life insurance savings and protection activities.

In the Insurance business, operating expenses were up +7.2%* *vs.* 2021, with a cost to income ratio of 38.6%.

Financial Services

(In EURm)	2022	2021	Change	
Net banking income	**2,957**	**2,154**	**37.3%**	**35.8%***
Operating expenses	(1,149)	(916)	25.4%	22.1%*
Gross operating income	**1,808**	**1,238**	**46.0%**	**46.1%***
Net cost of risk	(68)	(75)	-9.3%	-13.1%*
Operating income	**1,740**	**1,163**	**49.6%**	**49.9%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s*
Net profits or losses from other assets	0	1	-100.0%	-100.0%*
Impairment losses on goodwill	0	0	n/s	n/s*
Income tax	(394)	(270)	45.9%	46.1%*
Net income	1,346	894	50.6%	51.0%*
o.w. non-controlling interests	*267*	*169*	*58.0%*	*58.5%**
Group net income	**1,079**	**725**	**48.8%**	**49.3%***
Cost-to-income ratio	38.9%	42.5%		
Average allocated capital	2,909	2,444		

Financial Services also enjoyed very solid momentum. Operational Vehicle Leasing and Fleet Management posted growth of +3.1% *vs.* end-December 2021 and the number of contracts totalled 1.8 million (excluding contracts involving Russia, Belarus and remediation actions agreed with anti-trust authorities, Portugal, Ireland and Norway, excepting NF Fleet Norway). Equipment Finance outstanding loans were slightly higher (+2.2%) than at end-December 2021, at EUR 15 billion (excluding factoring).

Over the year, ALD's net banking income was up +43%* *vs.* 2021 driven by positive commercial dynamics, still strong used car sales results (EUR 2,846 per unit in 2022).

In 2022, Financial Services' net banking income totalled EUR 2,957 million in 2022, up +35.8%* *vs.* 2021.

In the Insurance business, operating expenses were up +7.2%* *vs.* 2021, with a cost to income ratio of 38.6%

2.3.4 GLOBAL BANKING AND INVESTOR SOLUTIONS

(In EURm)	2022	2021	Change	
Net banking income	**10,082**	**8,818**	**14.3%**	**12.9%***
Operating expenses	(6,634)	(6,250)	6.1%	6.2%*
Gross operating income	**3,448**	**2,568**	**34.3%**	**28.8%***
Net cost of risk	(421)	(65)	x 6.5	x 6.1*
Operating income	**3,027**	**2,503**	**20.9%**	**16.0%***
Net income from companies accounted for by the equity method	6	4	50.0%	50.0%*
Net profits or losses from other assets	6	(9)	n/s	n/s
Impairment losses on goodwill	0	0	n/s	n/s
Income tax	(576)	(452)	27.4%	20.9%*
Net income	2,463	2,046	20.4%	15.8%*
o.w. non-controlling interests	*36*	*28*	*28.6%*	*25.2%**
Group net income	**2,427**	**2,018**	**20.3%**	**15.6%***
Cost-to-income ratio	65.8%	70.9%		
Average allocated capital	14,916	14,055		
RONE	**16.3%**	**14.4%**		

Global Banking & Investor Solutions delivered record revenue in 2022[1], posting revenue up by +14.3% *vs*. 2021 of EUR 10,082 million, driven by robust momentum across all business lines. This very sound financial performance is predominantly due to the highly successful execution of the strategic plan unveiled in May 2021, the aim of which is to create value continuously over the long term.

In 2022, operating expenses came to EUR 6,634 million (+6.1% *vs*. 2021). The increase can be primarily explained by a negative currency effect owing to the stronger US dollar and a rise in IFRIC 21 charges. Excluding the contribution to the Single Resolution Fund, operating expenses rose +2.8% *vs*. 2021. Consistent with a positive jaws effect, the underlying cost to income ratio excluding the contribution to the Single Resolution Fund improved strongly to 59.6% *vs.* 66.3% in 2021.

In 2022, the cost of risk amounted to 23 basis points (EUR 421 million).

The contribution to Group net income grew sharply by +20.3% to EUR 2,427 million in 2022.

Global Banking & Investor Solutions posted strong RONE of 16.3% in 2022 (19.5% restated for the impact of the contribution to the Single Resolution Fund).

(1) Using a comparable economic model in the post-GFC (Global Financial Crisis) regulatory regime.

Global Markets & Investor Services

(In EURm)	2022	2021	Change	
Net banking income	**6,708**	**5,650**	**18.7%**	**14.1%***
Operating expenses	(4,705)	(4,301)	9.4%	5.9%*
Gross operating income	**2,003**	**1,349**	**48.5%**	**39.4%***
Net cost of risk	5	(2)	n/s	n/s*
Operating income	**2,008**	**1,347**	**49.1%**	**39.9%***
Net income from companies accounted for by the equity method	6	4	50.0%	50.0%*
Net profits or losses from other assets	3	(8)	n/s	n/s*
Impairment losses on goodwill	0	0	n/s	n/s*
Income tax	(458)	(284)	61.3%	50.5%*
Net income	1,559	1,059	47.2%	38.4%*
o.w. non-controlling interests	*35*	*27*	*29.6%*	*26.1%**
Group net income	**1,524**	**1,032**	**47.7%**	**38.7%***
Cost-to-income ratio	70.1%	76.1%		
Average allocated capital	7,990	7,993		

In Global Markets & Investor Services, net banking income totalled EUR 6,708 million, up +18.7% *vs.* 2021.

Global Markets notched up a record performance[1] of EUR 5,859 million, up +17.1% *vs.* 2021, benefiting from robust commercial activity in a durably volatile environment, particularly with regard to interest rates.

The Equity activity recorded its best-ever year[1] in 2022, registering revenues of EUR 3,294 million , up +4.7% *vs.* 2021.

Amid highly volatile interest rates, Fixed Income and Currencies (FIC) posted a record year[1], generating EUR 2,565 million in revenues, up +38.2% *vs.* 2021.

Securities Services' revenues grew +31.2% in 2022 to EUR 849 million, including EUR 168 million from a 2022 revaluation of our stake in Euroclear.

Assets under Custody and Assets under Administration amounted to EUR 4,257 billion and EUR 580 billion, respectively.

(1) Using a comparable economic model in the post-GFC (Global Financial Crisis) regulatory regime.

Financing and Advisory

(In EURm)	2022	2021	Change	
Net banking income	**3,374**	**2,929**	**15.2%**	**10.7%***
Operating expenses	(1,929)	(1,765)	9.3%	6.9%*
Gross operating income	**1,445**	**1,164**	**24.1%**	**16.4%***
Net cost of risk	(426)	(63)	x 6,8	x 6.4*
Operating income	**1,019**	**1,101**	**-7.4%**	**-13.3%***
Net income from companies accounted for by the equity method	0	0	n/s	n/s*
Net profits or losses from other assets	3	(1)	n/s	n/s*
Impairment losses on goodwill	0	0	n/s	n/s*
Income tax	(118)	(155)	-23.9%	-31.4%*
Net income	904	945	-4.3%	-9.8%*
o.w. non-controlling interests	*1*	*1*	*0.0%*	*0.0%**
Group net income	**903**	**944**	**-4.3%**	**-9.8%***
Cost-to-income ratio	57.2%	60.3%		
Average allocated capital	6,917	5,971		

Financing & Advisory activities also posted an excellent performance, with record annual revenues of EUR 3,374 million, up +15.2% *vs*. 2021.

The Global Banking & Advisory business grew +9.3% in 2022 and continued to capitalise on solid market momentum in Asset Finance and activities related to Natural Resources. The Asset-Backed Products platform also turned in a solid performance in 2022. By contrast, investment banking activities were negatively impacted by market conditions and falling volumes.

Global Transaction and Payment Services posted a record performance, with revenue growth of 44.7% in 2022 on the back of very strong performances across all activities that took advantage of rising interest rates and excellent commercial performances.

2.3.5 CORPORATE CENTRE

(In EURm)	2022	2021	Change
Net banking income	**16**	**374**	**-95.7%**
Underlying net banking income	*16*	*257*	*-93.8%*
Operating expenses	(1,189)	(889)	33.7%
Underlying operating expenses	*(550)*	*(510)*	*+7.8%*
Gross operating income	**(1,173)**	**(515)**	**n/s**
Underlying gross operating income	***(534)***	***(253)***	***n/s***
Net cost of risk	(38)	(6)	x 6.3
Operating income	**(1,211)**	**(521)**	**n/s**
Net income from companies accounted for by the equity method	0	1	n/s
Net profits or losses from other assets	(3,364)	603	n/s
Impairment losses on goodwill	0	(114)	n/s
Income tax	516	187	x 2.8
Net income	(4,059)	156	n/s
o.w. non-controlling interests	*171*	*165*	*3.6%*
Group net income	**(4,230)**	**(9)**	**n/s**
Underlying Group net income	***(633)***	***(386)***	***n/s***

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 as well as certain costs incurred by the Group and not re-invoiced to the businesses.

The Corporate Centre's net banking income totalled EUR +16 million in 2022 *vs*. EUR +374 million in 2021. It includes the negative revaluation of financial instruments to hedge the equity portfolios of Group subsidiaries, in contrast to 2021, when the Corporate Centre's net banking income included the positive revaluation of an asset valued at EUR 117 million.

Operating expenses totalled EUR 1,189 million in 2022 *vs*. EUR 889 million in 2021. They include the Group's transformation costs for a total amount of EUR 639 million relating to the activities of French Retail Banking (EUR 370 million), Global Banking & Investor Solutions (EUR 117 million) and the Corporate Centre (EUR 152 million). Underlying costs came to EUR -550 million in 2022 compared to EUR -510 million in 2021.

Gross operating income totalled EUR -1,173 million in 2022 *vs*. EUR -515 million in 2021.

Net profits or losses from other assets totalled EUR -3,364 million in 2022 *vs*. EUR 603 million in 2021. It includes the EUR -3.3 billion accounting loss from the disposal of Rosbank and insurance activities in Russia recognised in H1 22.

The Corporate Centre's contribution to Group net income totalled EUR -4,230 million in 2022 *vs.* EUR -9 million in 2021. The Corporate Centre's contribution to Group underlying net income was EUR -633 million in 2022, *vs.* EUR -386 million in 2021.

2.3.6 DEFINITIONS AND METHODOLOGY, ALTERNATIVE PERFORMANCE MEASURES

Framework

The financial information presented in respect of the financial year ended 31 December 2022 was examined by the Board of Directors on 7 February 2023 and was prepared in accordance with IFRS as adopted in the European Union and applicable at that date.

Capital allocation

In 2022, 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 & Financial Services, and Global Banking & 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 "Operating Expenses" as presented in Note 8.2 to the Group's consolidated financial statements at 31 December 2022 (see pages 509 to 510) 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 the 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)	2022	2021	Change	
Net Banking Income	**28,059**	**25,798**	**+8.8%**	
Reevaluation gain	-	(117)		Corporate Centre
Underlying Net Banking Income	**28,059**	**25,681**	**+9.3%**	
Operating Expenses[(1)]	**(18,630)**	**(17,590)**	**+5.9%**	
Transformation charges[(2)(3)]	639	379		Corporate Centre
Underlying operating expenses	**(17,991)**	**(17,211)**	**+4.5%**	
Net cost of risk	**(1,647)**	**(700)**	**x 2.4**	
Net profit or losses from other assets	**(3,290)**	**635**	**n/s**	
Restatements including disposal of Russian activities in 2022 and disposal of Lyxor in 2021	3,357	(624)		Corporate Centre
Underlying net profit or losses from other assets	**67**	**11**	**n/s**	
Net income from companies under equity method	**15**	**6**	**x 2.5**	
Impairment losses on goodwill	**-**	**(114)**	**n/s**	
Goodwill impairment	-	114		Corporate Centre
Underlying impairment losses on goodwill	**-**	**0**	**n/s**	
Income tax	**(1,560)**	**(1,697)**	**-8.1%**	
DTA recognition	-	(130)		Corporate Centre
Other impacts	(386)	1		Corporate Centre
Underlying income tax	**(1,946)**	**(1,826)**	**+6.6%**	
Group net income	**2,018**	**5,641**	**-64.2%**	
Effect in Group net income of above restatements	3,598	(377)		
Underlying Group Net income	**5,616**	**5,264**	**+6.7%**	

(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) 2022: French Retail Banking (EUR 370m), Global Banking & Investor Solutions (EUR 117m) and Corporate Centre (EUR 152m).
(3) 2021: French Retail Banking (EUR 194m), Global Banking & 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.

		2022	2021
French Retail Banking	Net cost of risk *(In EURm)*	483	125
	Gross loan outstandings *(In EURm)*	246,249	235,220
	Cost of risk in bp	**20**	**5**
International Retail Banking and Financial Services	Net cost of risk *(In EURm)*	705	504
	Gross loan outstandings *(In EURm)*	135,743	133,321
	Cost of risk in bp	**52**	**38**
Global Banking and Investor Solutions	Net cost of risk *(In EURm)*	421	65
	Gross loan outstandings *(In EURm)*	182,110	148,426
	Cost of risk in bp	**23**	**4**
Societe Generale Group	Net cost of risk *(In EURm)*	1,647	700
	Gross loan outstandings *(In EURm)*	579,513	530,801
	Cost of risk in bp	**28**	**13**

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)	2022	2021
Shareholders' equity Group share*	**66,451**	**65,067**
Deeply subordinated notes	(10,017)	(8,003)
Undated subordinated notes	-	-
Interest of deeply & undated subordinated notes, issue premium amortisations(1)	(24)	20
OCI excluding conversion reserves	1,279	(489)
Dividend provision(2)	(1,803)	(2,286)
ROE equity end-of-period	**55,886**	**54,310**
Average ROE equity*	**55,164**	**52,634**
Average Goodwill	(3,650)	(3,890)
Average Intangible Assets	(2,760)	(2,584)
Average ROTE equity*	**48,754**	**46,160**
Group net Income	**2,018**	**5,641**
Interest on deeply subordinated notes and undated subordinated notes	(596)	(590)
Cancellation of goodwill impairment	3	337
Adjusted Group net Income	**1,425**	**5,388**
Average ROTE equity*	48,754	46,160
ROTE	**2.9%**	**11.7%**
Underlying Group net income	**5,616**	**5,264**
Interest on deeply subordinated notes and undated subordinated notes	(596)	(590)
Cancellation of goodwill impairment	3	-
Adjusted Underlying Group net Income	**5,023**	**4,674**
Average ROTE equity (underlying)*	52,302	45,783
Underlying ROTE	**9.6%**	**10.2%**

* *Amounts restated compared with the financial statements published in 2020 (See Note1.7 of the financial statements).*
(1) *Interest net of tax, payable or paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations.*
(2) *Based on the proposed 2022 distribution subject to usual approvals from the General meeting and the ECB.*

RONE CALCULATION: AVERAGE CAPITAL ALLOCATED TO CORE BUSINESSES

(In EURm)	2022	2021
French Retail Banking	12,417	12,009
International Retail Banking and Financial Services	10,619	10,246
Global Banking and Investor Solutions	14,916	14,055

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.

	2022	2021
Existing shares *(average number, in thousands of shares)*	**845,478**	**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)*	6,252	3,861
Other own shares and treasury shares	16,788	3,249
Number of shares used to calculate EPS[1]	**822,437**	**846,261**
Group net Income *(In EURm)*	**2,018**	**5,641**
Interest on deeply subordinated notes and undated subordinated notes *(In EURm)*	(596)	(590)
Adjusted Group net income *(In EURm)*	**1,422**	**5,051**
EPS *(In EUR)*	**1.73**	**5.97**
Underlying EPS[2] *(In EUR)*	**6.10**	**5.52**

(1) The number of shares considered is the average number of ordinary shares outstanding during the period, excluding treasury shares and buybacks, but including the trading shares held by the Group.
(2) Calculated on the basis of underlying Group net income (excluding linearisation of IFRIC 21).

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.

(In EURm, end of period)	2022	2021
Shareholders' equity Group share*	**66,451**	**65,067**
Deeply subordinated notes	(10,017)	(8,003)
Undated subordinated notes		
Interest of deeeply & undated subodinated notes, issue premium amortisations[1]	(24)	20
Book value of own shares in trading portfolio	67	37
Net Asset Value*	**56,477**	**57,121**
Goodwill	(3,652)	(3,624)
Intangible Asset	(2,882)	(2,733)
Net Tangible Asset Value*	**49,943**	**50,764**
Number of shares used to calculate NAPS[2]	**801,147**	**831,162**
Net Asset Value per Share	**70.5**	**68.7**
Net Tangible Asset Value per Share	**62.3**	**61.1**

** Amounts restated compared with the financial statements published in 2020 (See Note 1.7 of the Financial statements).*
(1) Interest net of tax, payable or paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations.
(2) 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 IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transactions.

Prudential capital and solvency ratios

The Societe Generale Group's Common Equity Tier 1 capital is calculated in accordance with applicable CRR2/CRD5 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 CRR2/CRD5 rules.

2.4 EXTRA-FINANCIAL REPORT

DRIVERS OF POSITIVE TRANSFORMATION

THE ENVIRONMENTAL TRANSITION

Helping our clients with their green transition with innovative solutions to address new needs:

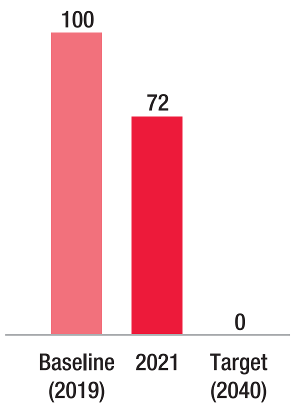
- **stepping up support for clients:** to tackle the complexity of the environment by rolling out both sector-wide and cross-sector approaches, backed by technical expertise;
- **building an ecosystem to seed innovation:**
  - developing **new partnerships** to promote **innovation;**
- **aligning portfolios with trajectories compatible with 1.5 °C scenarios:**
  - continuing **the credit portfolio alignment project:**
  - **-20%** exposure to the **oil and gas production sector in 2025** *vs.* 2019,
  - **-30%** absolute carbon emissions related to **end use of oil and gas production in 2030** *vs.* 2019,
  - **125g of CO_2 per kWh** (CO_2 emissions intensity) in 2030 for the **power generation sector.**

POSITIVE IMPACT ON LOCAL COMMUNITIES

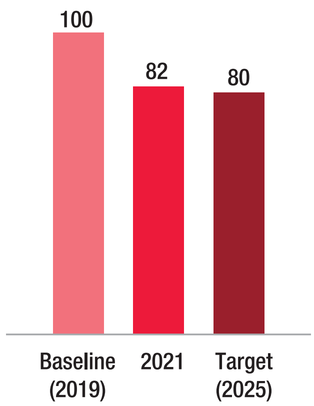
Supporting positive social and economic change at local level:

- **infrastructure financing:**
  - supporting the development of **community cohesion** in **France,**
  - **+20% in structured finance** in **Africa** by **2025** (*vs.* 2021);
- **supporting local operators, SMEs and entrepreneurs:**
  - new initiative in France **to support SMEs and mid-caps in their sustainability policies,**
  - **x2** loans to **African SMEs** by **2025** *vs.* 2020;
- **building a social and inclusive range of products and services:**
  - **no. 1 distributor of BPI France student loans,**
  - **x2 credit outstanding** with **microfinance organisations in 2025** in Africa *vs.* 2021;
- **at the cutting edge of sustainable mobility:**
  - target of at least **30% electric vehicles**[1] in new vehicle deliveries by **2025** for **ALD automotive,**
  - **ALD move,** mobility-as-a-service for customers to choose the best option according to need.

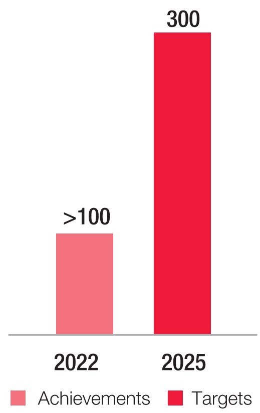
THERMAL COAL
(INDEX BASIS 100)



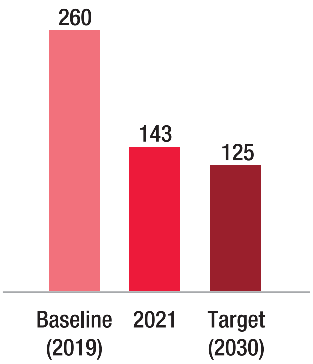
OIL & GAS
(INDEX BASIS 100)



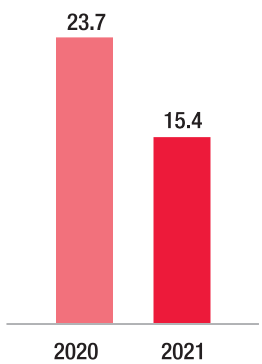
TARGETED CONTRIBUTION TO SUSTAINABLE FINANCE
(EURBN)



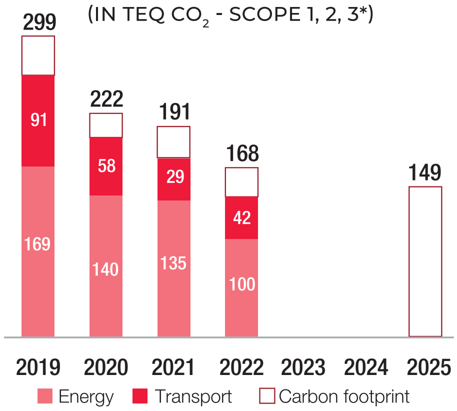
POWER GENERATION
(Gr OF CO_2 PER KWH)



MARITIME TRANSPORT
(ALIGNMENT SCORE)



SOCIETE GENERALE'S CARBON FOOTPRINT
(IN TEQ CO_2 - SCOPE 1, 2, 3*)



**The carbon footprint presented here is the footprint generated by Societe Generale in the conduct of its business. Scope 3 does not include financed emissions. Historical data are presented on a reported basis.*

RESPONSIBLE BANK

RESPONSIBLE EMPLOYER

Offer an appealing, inclusive and motivating work environment:

- **promoting workplace equality, diversity and inclusion:**
  - signed the **OneInThreeWomen charter to counter violence against women,**
  - renewed the **2023-2025 three-year agreement promoting the employment and professional integration of people with disabilities;**
- **developing employees' skills, fostering employability and mobility:**
  - **0 compulsory redundancies** as part of the VISION2025 merger project,
  - **reskilling: +35%** employees than in 2021,
  - 89% of employees completed at least one training course during the year;
- **attracting and retaining talent:**
  - launched **2 professional development programme** to accelerate **women's careers;**
- **quality of life at work and wellbeing in the workplace:**
  - signed the **Work-life quality and working conditions agreement** (QVCT) in France,
  - more than **82,000 people working remotely in 2022** (from 77,671 in 2021).

CULTURE OF RESPONSIBILITY

Ensuring all our business is conducted ethically and responsibly:

- **embedding ESG at the highest level of the organisation:**
  - **the Sustainable Development department reporting line changed to report to General Management;**
- **ensuring ethical and responsible conduct of business:**
  - standardised **management** of the bank's **Culture and Conduct** programme and created **normative documents,**
  - **updated the Group's ESG training and awareness catalogue: 100 modules** on **6 topics** for **all staff,**
  - extensive roll-out of **Climate Fresco workshops by end of 2024;**
- **managing ESG-related risks and meeting commitments:**
  - **founding member** of working groups addressing how to **decarbonise the aerospace, aluminium and steel industries,**
  - signed up to **Act4Nature Alliance** with **18 individual public commitments,**
  - updated the Group **Industrial agriculture and forestry sector policy.**

AGENCIES	2020	2021	2022	RANKING
MSCI* ESG Research	AA	AAA	AAA	Top 5% banks worldwide
Moody's ESG	68	69	69	Top 1% all companies worldwide #2 bank worldwide
Member of Down Jones Sustainability Indices Powered by the E&P Global CEA	79	80	79	96th percentile of banks worldwide
Corporate ESG Performance Prime rated by ISS ESG	C+**	C+	C+	"PRIME" status Top decile banks worldwide
SUSTAINALYTICS	25.9	20.2***	20.1	"Medium Risk" Top 14% banks worldwide
CDP DISCLOSURE INSIGHT ACTION	B	B	B	

** MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. Learn more about MSCI ESG ratings: https://www.msci.com/documents/1296102/15233886/MSCI-ESG-Ratings-Brochure-cbr-en.pdf/7fb1ae78-6825-63cd-5b84-f4a411171d34.*
*** 2020 rating for 3 years.*
**** Upgrade in February 2022. With a score from 0 to 100 (lower the better).*
***Note:** number of companies in each agency universe: MSCI - 191 banks; S&P Global CSA - 736 banks; Sustainalytics - 415 banks; Moody's ESG - 4,882 companies; ISS ESG - 285 banks.*

Societe Generale applies a **comprehensive approach to incorporating CSR considerations** into its range of products and services. In addition to this broad framework, Societe Generale's Corporate Social Responsibility efforts are concentrated in two main areas: **the environmental transition and contributing to local communities.** As a long-standing leader in energy, the Group has made the energy transition a priority in support for its clients. Societe Generale also plays a major role in economic development and has put sustainable development of local communities as the No. 2 priority in its action plans.

The Bank strives to help its clients on their pathway to a just, green and inclusive transition, in line with its own commitments. Sustainability is an integral part of the products and services offered to **all the Group's clients** and extends not only to financing and investment products, but also to financial services. By placing sustainability high on the agenda, the Group aims to meet the increasing demand from stakeholders around the world, whether clients, corporates, investors or individuals, for banking with a positive impact on the economy and society overall.

To monitor its positive impact and support for its clients, the Group developed a standard several years ago to measure the distribution of its Sustainable and Positive Impact Finance offer – SPIF* (see Glossary, page 688) products for lending to the economy and companies, together with a range of Sustainable and Positive Investment (SPI* (see Glossary, page 688). The SPIF and SPI standards and the data collection scope have been revised to reflect changes in the Group. These amendments are presented in the Methodology note, page 354.

Above and beyond its commitment to clients, the Group is determined to set the example in how it conducts its business to be an exemplary financial company. In other words, Societe Generale aims to be a responsible employer and to act ethically and responsibly at all times.

To make the changes needed in today's rapidly-changing environment, the Group launched "Building Together", a programme to reinvent our businesses. The three core themes are:

1. **rethinking the Bank's businesses**: we are revamping our teams' missions to develop solutions to support clients as they transition their businesses to more sustainable models;
2. **implementing the transformation**: systematically building ESG into all the Group's strategic decisions, management tools and processes and applying them to the business lines;
3. **building more expertise by training our teams**: making sure all staff receive ESG training.

To underpin this approach, a **specific programme** was introduced to step up operational implementation of the transformation: **ESG by Design.** Its main aims are to:

- apply the Group's CSR policy at operational level;
- augment ESG factors in existing processes (*e.g.* know your client, granting loans, design/structure of new products, IT architecture, etc.);
- ensure compliance with the Group's regulatory obligations and voluntary commitments by developing the processes and tools needed to manage them, with a particular focus on integrating climate and environmental risks into the Group's risk management;
- increase operational efficiency by expanding ESG reporting across the Board and building the infrastructure to shorten the time to produce ESG data, while minimising cost and ensuring high data quality.

2.4.1 DRIVERS OF POSITIVE TRANSFORMATION

The environmental transition and contributing to local communities are the Group's two top strategic priorities for 2025 and the springboard for our positive transformation efforts. Societe Generale's actions are aimed at ensuring the sustainability of its own business activities and at helping clients move towards a greener and more sustainable future.

Building on an improved product offering, and having achieved our target contribution to the energy transition ahead of schedule (EUR 157 billion at the end of 2021 *vs.* an initial target of EUR 120 billion in the period 2019–2023), Societe Generale has set a new target of a **EUR 300 billion contribution to sustainable finance (SPIF) between 2022 and 2025**, applicable to all business lines for both environmental and social issues. The Group's contribution at end-2022 was EUR 100 billion, or one-third of the target.

2.4.1.1 Supporting clients in their environmental transition

Urgent action is required to tackle climate change and rethink how we produce and consume resources. With this in mind, the banking business has to change to meet new client needs. Alive to the challenge, the Group plans to incorporate ESG considerations right from the start when it analyses what clients need. Drawing on its network of partner start-ups, Societe Generale also seeks to weave an ecosystem to offer the very latest innovations to its clients. Lastly, the Group has pressed further ahead with its drive to align its credit portfolios with trajectories that are compatible with 1.5°C scenarios.

STEPPING UP SUPPORT FOR CLIENTS

The Bank forged ahead with developing sustainable solutions in 2022. Keenly aware of the extent of the challenges involved in the environmental transition, the Group offers solutions that are more than just financial and involve including ESG factors in the client journey right from the analysis of need stage. The new range of advisory solutions for corporate clients aims to:

1. assist them in navigating the complexities of the environment, informed by the Group's participation in international industry initiatives. The aim is to help develop new skills, through both a sector-wide and cross-sector approach, backed by technical expertise and regulatory knowledge to provide the very best advice;

2. cover their investment needs with a range of finance advice services spanning the debt and equity markets, engaging with public authorities to facilitate access to private investors and help ensure projects are financially viable.

The Group encourages the emergence of new environmental transition champions and puts out new product offerings to cater to financing small-scale projects and biodiversity-friendly solutions.

BUILDING AN ECOSYSTEM TO SEED INNOVATION

The Global Markets Incubator has been working with start-ups and entrepreneurs to turn their innovative ideas into market-ready solutions since 2018. The Incubator has also upped its support for Fintechs. Start-ups working on positive-impact solutions are invited to submit applications for the Incubator's fifth round in 2022. Successful applicants will have access to the Bank's experts in fields from capital markets to financing activities and private banking to nudge them to the next stage of their development – with the support of the Group. Societe Generale strives to forge strong partnerships with the start-ups selected for the programme to speed up development and bring innovative solutions to market to meet the sustainability goals of its corporate clients, financial institutions and private investors, as well as its own CSR ambitions.

The Group invested in Impak Finance, an impact rating agency, to provide ESG data and intelligence to start-ups so they can measure their CSR performance. Komercni banca, a subsidiary of the Group in the Czech Republic, acquired ESG consulting firm Enviros to grow its environmental transition advisory offer.

Looking more specifically at biodiversity, the Group joined forces with Ecotree to develop commercial offerings that promote meaningful CSR action by promoting reforestation to protect biodiversity. These partnerships were instrumental in the introduction this year of an investment product that contributes to the preservation of biodiversity.

Turning to sustainable mobility, ALD Automotive, the Group's leasing subsidiary, took a stake in the capital of Skipr, an all-in-one corporate mobility solution for companies that want to offer options to their staff, for example, to choose a flexible and sustainable mobility budget instead of a company car. The mobility business and its associated costs are tracked using a dedicated centralised management platform. This new partnership will combine cutting-edge technology with deep mobility expertise, helping companies move towards more flexible, efficient and cost-effective sustainable mobility options.

Last, Societe Generale also partners with crowdfunding platform Lumo for energy infrastructure projects to offer opportunities for its retail customers to help finance the energy transition, and with Carbo, an app to measure – and cut – their carbon footprint.

ALIGNING PORTFOLIOS WITH TRAJECTORIES COMPATIBLE WITH 1.5°C SCENARIOS

By joining the UNEP-FI Net-Zero Banking Alliance in 2021, **the Group undertook to align its portfolios with trajectories aiming for carbon neutrality by 2050** (limiting global warming to 1.5°C), setting itself targets for 2030 (or sooner) and 2050, giving priority to its most GHG-intensive sectors. On top of its previous targets for **thermal coal sectors** (pledging to **fully withdraw** from the sector by 2030 for OECD countries and by 2040 elsewhere) and **the shipping industry**, Societe Generale has raised the bar with bolder and more ambitious targets for the **oil and gas** production sectors and financing of power generation. After implementing solid measures, including withdrawing from onshore Reserve Based Lending activities in the US, the Group raised its exposure target to **-20% by 2025** *vs.* 2019 (from the previous -10% by 2025). What is more, it has set a new target for **2030 (*vs.* 2019) for a 30% reduction in absolute carbon emissions related to end use of oil and gas production**. As regards **power generation**, the Group now has a stricter target for CO_2 emissions intensity of **125g of CO_2 per kWh by 2030** compared to the previous 2030 target of 163g of CO_2 per kWh.

Societe Generale's efforts have been applauded: the Bank was acclaimed for its global leadership in sustainable finance, winning Outstanding Leadership in Sustainable Finance from Global Finance and World's Best Bank Transition Strategy - 2022 for its energy transition strategy from Euromoney.

2.4.1.2 Making a positive impact on local communities

Putting its client-centric values into practice, the Group is focusing on making a positive impact on local communities. It gets in behind social and economic transformation at local level by financing infrastructure projects – especial social infrastructure – and supporting SMEs and entrepreneurs. Through its car leasing subsidiary, the Group's ambition is to be at the forefront of the transition to sustainable mobility. Societe Generale is also expanding its social and inclusive range of products and services, particularly in Africa, where its presence dates back over a long period. This commitment to sustainable development on the African continent features regularly on award lists: the Bank received no fewer than **17 accolades** at the 2022 EMEA Finance magazine **African Banking Awards**.

INFRASTRUCTURE FINANCING

For Societe Generale, infrastructure financing is a key driver of sustainable regional development. Support for infrastructure projects will improve access to health, education and digital technologies, while also helping to create more sustainable mobility, namely public transport.

Backed by our acknowledged expertise, we lay special emphasis on developing digital cohesion, strong and resilient health and education infrastructure, and access to sustainable transport and public services both locally and internationally. Through the combined impact of innovation and agility, the Bank offers finance solutions tailored to the needs of developers, public bodies and infrastructure funds to step up and meet the myriad challenges of shifts in technologies and its uses, and the vital imperative of progressing the energy transition and the move to more sustainable models.

In France, for example, the Group is involved in financing 25 fibre projects with leading private operators to connect 16 million households and companies. All in all, Group financing for access to IT infrastructure in 2022 amounted to EUR 830 million (+20% *vs.* 2021).

In Africa, Societe Generale merges local (around 60 experts) and global expertise behind major projects with a positive impact on the continent. It partners with leading development banks, investment funds and international consulting firms to build out and deploy its range of services. The target for the period 2021–**2025** is a **20%** increase in the Group's **structured finance** commitments in Africa. At end-2022, these commitments are estimated to be EUR 13.8 million, an increase of 12% *vs.* 2021.

In total, Societe Generale has committed nearly EUR 4 billion to social infrastructure financing.

SUPPORTING LOCAL OPERATORS, SMES AND ENTREPRENEURS

The Group gives priority to developing local economies through its support for SMEs and entrepreneurs. In tandem with setting up its new retail bank in France, Societe Generale launched a specific new resource for this client segment which entails new advisory and financing solutions offered together with its leading partners. The main components of this offer are:

- **environmental and social loans (*Prêt Environnemental et Social*, PES)** to fund environmental and social sustainability projects. PES loan origination totalled EUR 443.5 million in 2022;
- **positive impact loans in partnership with EcoVadis and EthiFinance** for companies, organisations and locales or regional authorities to offer finance solutions that incorporate an ESG indicator and a target for this indicator;
- a dedicated **photovoltaic and wind energy team** to handle financing of these projects;
- **partnership with LUMO**, a Societe Generale subsidiary, the crowdfunding platform helping clients secure funding for environmental and social impact projects;
- **connecting Group customers with leading organisations, such as EcoVadis, Ethifinance and Carbo** for CSR expertise;
- local support system in the regions, based on key contacts.

On the international stage, the Group's objective is to **double its credit exposure to African SMEs between 2020 and 2025.** In 2022, the figure totalled EUR 430 million.

AT THE CUTTING EDGE OF SUSTAINABLE MOBILITY

Societe Generale subsidiary ALD Automotive (ALD) is a European leader in long-term vehicle lease solutions, with sustainable mobility as the linchpin of its strategy. Sustainable mobility is not just about vehicle technology, it's also about transforming how we use transport and how to meet new expectations. In its 2025 growth plan, ALD sets specific targets for increasing the share of electric vehicles[(1)] in new vehicle deliveries to at least 30% by 2025 and 50% by 2030. At 31 December 2022, it was 27%. ALD is also investing in new shared, on-demand or multimodal mobility solutions. Take ALD Move, a mobility-as-a-service app: users can tap into daily advice on the best options for their travel needs (car, public transport, bike) and manage their "mobility budget".

BUILDING A SOCIAL AND INCLUSIVE RANGE OF PRODUCTS AND SERVICES

Under its financial inclusion policy, Societe Generale supports innovative approaches to sustainable economic development that combine environmental and societal performance, by supporting the development of **microfinance operators**, in France and abroad. It also offers **tailored products and services** for students, customers in financial difficulty or those looking for more autonomy as part of its drive for more inclusive finance. In France, it also offers services for **customers in a financially precarious position** so they have access to appropriate banking services for their situation.

MICROFINANCE

The Group has worked in partnership with ADIE (a non-profit promoting the right to economic initiative) since 2006 to support microfinance throughout both metropolitan and overseas France. Credit lines provided in partnership with ADIE totalled EUR 18.2 million at the close of the year, *vs.* EUR 18.3 million at 31 December 2021.

Back in 2005, faced with the extent of the need for microfinance and its emergence in Africa, Societe Generale made the decision to support the sector and, through its intermediary, to help boost the local bank penetration rate for local people, micro-enterprises and SMEs with no access to traditional banks. Acting on its pledge **to double lending to microfinance organisations by 2022,** the Group **met its target** with EUR 120 million outstanding at the close of 2022.

INCLUSIVE BANKING

In France, Societe Generale renewed its partnership with Bpifrance, offering loans to students who have no income and nobody to act as guarantor for them. Once again in 2022, the Group was the top distributor of Bpifrance student loans with a total of EUR 61 million paid out (from a budget of EUR 70 million).

Kapsul was introduced in 2022. This is a new inclusive tool intended for customers who want to be independent and manage on a budget. Available online or in-branch, the account costs EUR 2 per month. There are no income conditions and no other account charges. Account holders can make payments from anywhere in the world and can also get an international Visa card with insurance and assistance cover. At 31 December 2022, 5,622 customers had signed up for a Kapsul account (+9% *vs.* 2021).

VULNERABLE CUSTOMERS

The Groupe provides a free package of basic banking services in France. Customers can sign up to Généris, a banking services package designed to help them manage their finances for just EUR 1 a month, down from EUR 3 previously . At the end of 2022, Généris had 55,355 customers (55,831 at the end of 2021). Societe Generale is keenly aware of the needs of vulnerable customers and provides specific budget simulation tools and budget management advice. Its customer service teams also receive special training.

(1) Electric vehicle = Battery-powered electric vehicle + Rechargeable hybrid electric vehicle + Hydrogen-powered vehicle. Targets set for deliveries of new passenger vehicles for the EU + Norway + United Kingdom + Switzerland.

WHAT WE ARE DOING TO HELP CUSTOMERS WITH THE COST-OF-LIVING SQUEEZE

Inflation is part of the new financial reality and the rising cost of living presents new challenges. As a responsible bank, the Group has taken steps to help customers worried about money, especially vulnerable customers and students who have faced a host of difficulties since the pandemic.

The cost of banking services for vulnerable customers will be reduced to EUR 1 per month (from EUR 3 currently). As well as being the No. 1 distributor of Bpifrance government-backed loans for students, without personal guarantees or income conditions, Societe Generale and Crédit du Nord also grant student loans at cost. Lastly, for all our customers, the Group has pledged not to raise bank fees in 2023 (card fees, account fees, etc.).

Societe Generale Insurance introduced four key measures for policyholders in 2022:

- freeze on borrowers' insurance rates for loans distributed by the Societe Generale Group network;
- freeze on the rates for the main individual life assurance products so customers can protect their families against the unexpected;
- below-inflation increases in average car and home insurance premiums in 2022 and 2023;
- a series of specific measures to protect vulnerable customers, especially young people: freeze on home insurance rates for students and car insurance reductions for young working people and children of policyholders.

Societe Generale Insurance has given its full backing to the "anti-inflation pack" presented to the French government by the insurance industry to help young jobseekers contend with the rising cost of living: a EUR 100 discount on car insurance for under-25s and the option to stay on their parents' health insurance policy. Societe Generale Insurance pays special heed to customers preparing for retirement with no fees on payments to Societe Generale individual retirement savings accounts (PER) until the end of 2022.

2.4.2 BEING A RESPONSIBLE EMPLOYER

Well-being at work, diversity and professional development are all essential to strengthen employee engagement and boost performance.

To be able to attract, hire and retain talent, the Group must **manage careers and skills effectively** by looking ahead to what skills are needed for the jobs of the future. Societe Generale offers a **rich range of training opportunities** to meet the Group's business challenge and provide our people with the key skills they need to do their jobs well and make sure all staff receive **CSR** training. Accordingly, 54% of staff have attended CSR training since 2021.

Societe Generale has a **Group-wide health and safety policy**, designed to ensure the best possible workplace conditions for all employees. This commitment was further boosted in 2022 with signature of the **new "Work-life quality and working conditions" agreement.** This is a three-year agreement that entered into force on 1 January 2023, based on five core principles: work-life balance, new forms of working (remote/hybrid work), collective and individual right of expression, prevention of psycho-social risks (PSR) and workload.

We are a responsible employer and champion fair and inclusive practices, which are essential drivers of both performance and innovation. The Group puts its talent first and is committed to a **muscular Diversity and Inclusion policy**, backed by a dedicated governance structure. Its goal is to have 30% women in Group management bodies by 2023.

2.4.3 ANCHORING A CULTURE OF RESPONSIBILITY

Societe Generale has long been working to bolster its culture, based on its values, its Code of Conduct and its Leadership Model. The Group has set ethical principles and ensures they are adhered to by each and every employee.

Embedding ESG at the highest level of the organisation

In a clear signal of the strategic importance it attaches to sustainability, the **Sustainable Development Department** has reported to **General Management from 1 January 2022**. It is tasked with accelerating integration of sustainability at the heart of the Group's business lines and boosting the Group's positive impact.

Ensuring ethical and responsible conduct of business

In 2016, the Board of Directors approved the launch of a Group Culture and Conduct programme to take the Group's cultural transformation forward, ensure compliance with the strictest integrity standards, and to forge a lasting relationship with stakeholders, built on trust. This **Culture and Conduct programme** was extended in 2021 and continues to be of major importance.

In 2022, the Group continued to **standardise how Culture and Conduct are managed** and monitored. **Normative documents** have been drafted and the topic is now included on the agendas of the Internal Control Committees of BUs and SUs. The Conduct and Compliance assessment guide has been updated and management of conduct incidents and disciplinary sanctions optimised. In addition to the annual mandatory Code of Conduct training, the Group now provides key personnel with **continuous training** in management of conduct risk. **Awareness campaigns** were also run to foster an environment that is conducive to appropriate behaviour, in line with the Group's values.

Providing training and establishing an ESG culture are seen as key for successfully realising the Group's CSR goals. The **range of training courses** was reviewed in 2022 to sharpen the focus on CSR skills. Structured around **six priorities** (ESG fundamentals, ESG risks and analysis, the energy and environmental transition, sustainable IT, social and green financing, and positive-impact investments) and available in different formats (videos, conferences, MOOCs, master classes, and more), there are close to 100 modules available to all Group staff, from beginners to experts. Working from this line-up, the Group is determined to **make ESG training available to all staff and to go big on Climate Fresco workshops with a large-scale roll-out by the end of 2024.** At the end of 2022, more than 65% of staff had completed an ESG training course and 7,500 people had taken part in the Climate Fresco workshop.

Managing ESG-related risks and meeting commitments to human rights, climate and biodiversity

The Group is determined to meet and manage its commitments, providing full transparency. One area of work concerns setting standards and methods for financial institutions, which will improve how targets are set and monitored against commitments, especially in terms of aligning credit portfolios with the climate objectives of the Paris Agreement. **Societe Generale has either spearheaded or is participating in global cross-cutting initiatives.** It joined a number of working groups and coalitions in 2022 to develop common methodologies and continue to chart a course for decarbonising its credit portfolios. Societe Generale joined the **Aviation Climate-Aligned Finance (CAF) Working Group** (*https://rmi.org/press-release/banks-chart-flight-path-to-decarbonize-aviation/*) as a founding member, alongside five other top global banks involved in financing the aviation industry. They will work together to define common goals by end-2022 to speed up decarbonisation of the sector. Turning to the role that lenders play in decarbonising the **aluminium** sector (which represents 2% of planet-heating emissions per year), the Group is a founding member of the **Aluminum Climate-Aligned Finance Working Group**, partnering with the Rocky Mountain Institute's (RMI) Center for Climate-Aligned Finance and the main lenders to the sector to help decarbonise the aluminium sector. The working group will put together a climate-aligned finance framework. By joining the CAF framework, participating lenders will assess progress against climate targets by assessing to what extent the emissions associated with their aluminium portfolios meet the 1.5°C target, according to the guidelines issued by the Net-Zero Banking Alliance, convened by the United Nations. To align **steel** lending portfolios with net zero targets, the Group signed up to the **Sustainable STEEL Principles** (SSP, available here: *https://steelprinciples.org/*), the first climate-aligned agreement for the steel industry. The SSPs are a solution for measuring and disclosing the alignment of steel lending portfolios with the goal of limiting global warming to 1.5°C or below.

Biodiversity is critical to environmental sustainability. And Societe Generale has stepped up its pledge to protect biodiversity as part of its broader approach to tackling climate change. Alongside its clients, the Group is taking an active role in coalitions, alliances and working groups to develop common standards and methodologies. A member of the Act4Nature alliance (*http://www.act4nature.com/*), it has made 18 commitments to protect biodiversity. They span risk management (sectoral policies, exclusions and protected areas), relations with clients, partnerships (evaluation, dialogue, innovation and our active participation in international shared framework initiatives), as well as our own operations (governance, training and responsible purchasing). Societe Generale takes part in three leading international initiatives to protect biodiversity:

- the Taskforce on Nature-related Financial Disclosures (TNFD), an international taskforce formed to develop a framework for managing and reporting nature-related risks so that organisations (including financial institutions) can understand and measure these risks and incorporate them in their strategy;
- the Science-Based Targets Network (SBTN) is a global network that aims to provide companies with science-based information to manage their impacts and dependencies on nature across their entire value chain;
- the Finance for biodiversity Pledge is an initiative of 26 financial institutions calling for and committing to action to protect and restore biodiversity through their activities.

The Group also reviewed its **Industrial Agriculture and Forestry Sector Policy** in 2022 to improve the management framework and include information on logging (see Chapter 5, page 316).

2.4.4 ACTING AS A RESPONSIBLE BUSINESS

Societe Generale has been cutting its carbon footprint over several years. The Group is committed to cutting its own carbon emissions by 50% in the period 2019 to 2030 by focusing on the energy required for its premises, IT, air travel and its fleet of cars. At the end of 2022, the Group had made good progress towards achieving the target reduction of 35% from 2019 levels. It embraced the lower energy consumption drive by the French government with a target of lowering the energy it uses – gas, electricity and fuel – by 10% in 2024 compared to 2019. The Group also signed up to the EcoWatt commitment charter drawn up by France's transmission system operator (RTE)* and the French Agency for the Environment and Energy Management (ADEME)* and its goal of improving energy consumption and reducing the risk of power cuts in France.

To get to its goal faster, the Group introduced internal carbon taxes to reward the best energy efficiency practices. Under the system, an internal carbon tax (EUR 25 per tonne of CO_2 for 2022) is collected from Group entities. A portion of the proceeds goes to rewarding best practices in the form of the Energy Efficiency and Environment Awards. Savings in 2022 amounted to EUR 1 million and 4,300 tonnes of CO_2.

In November 2021, the Group committed to banning single-use plastics from the workplace by 2025, and sooner if possible in some regions.

The Sourcing Function plays an important role in implementing the Group's CSR strategy. It helps give tangible form to our values and strives to ensure the Group's social and environmental commitments are achieved. Societe Generale's responsible sourcing practices have been bolstered over the years to consistently take environmental and social factors into account in the procurement area. In January 2022, the French National Ombudsman (*Médiation des entreprises*) and National Procurement Council (*Conseil national des achats*) unanimously approved the decision to renew the Group's Responsible Sourcing and Supplier Relations certification for a further three years.

Under Societe Generale's continuous improvement approach to managing E&S-related risks, two supplier CSR audits were conducted by an independent firm covering a medium-high E&S risk category. Further supplier CSR audits are due to be conducted in 2023 on two new risk categories. The Sourcing Division also worked on improving how it identifies whether a supplier represents a potential source of E&S controversy. Using a dedicated tool designed to identify and assess ESG controversies, it monitors approximately 600 "targeted" suppliers (representing a significant volume of purchases at Group level or sensitive for the brand) and/or suppliers assessed as posing a medium or high E&S risk in France, and a high E&S risk in its international network.

Going beyond managing E&S risk at its suppliers, the Group is developing positive-impact sourcing. Societe Generale was awarded the CSR Approach Trophy for its supplier environmental and social policy at the Pacte PME association's event on 30 September 2022. Over the period 2021-2023, the Group's target is to maintain expenditure on SSE (Social and Solidarity Economy) structures at EUR 14 million per year. At the close of 2022, expenditure in this area amounted to EUR 13.6 million.

Societe Generale's sustainable development **efforts** have not gone unnoticed by **ratings agencies**. Following on from its excellent ESG ratings in 2021, the Group again rated highly in 2022 across the board with all rating agencies in the three Environmental, Social and Governance segments, reflecting the depth of its commitment and the quality of its actions to promote sustainability. Crowning these efforts, it was assessed as "Strong" and ranked No. 2 bank worldwide[1] by S&P Global Rating.

(1) Based on public reports.

2.5 SIGNIFICANT NEW PRODUCTS OR SERVICES

2.5.1 LAUNCH OF SOCIETE GENERALE'S PAYMENT & TRANSACTION BANKING START-UP ACCELERATOR

Societe Generale launches its first acceleration programme dedicated to startups linked to Trade Finance, Cash Management, Factoring, and Cash Clearing & Correspondent Banking activities.

The Group, a partner of many startups, is launching a new call for projects to improve the customer experience in the transaction banking sector, by increasing the performance and productivity of its activities. With the new "Payment & Transaction Banking Accelerator" (P&T BAX), Societe Generale aims to repeat the successful experience of the previous four Global Markets Incubator initiatives that have enabled startups to emerge and develop in partnership with Societe Generale.

The P&T BAX programme is a unique opportunity for entrepreneurs to convert innovative ideas into market-ready solutions and to gain valuable exposure to the industry. The proposed solutions may be related to data, client communication interfaces, CSR and the fight against fraud, amongst other topics. The selected startups will have access to Societe Generale's expertise, with the opportunity to present their solutions and services to real-life business environments.

"In a constantly changing environment, Societe Generale's payment & transaction banking activities are accelerating their digital transformation thanks to their ability to collaborate with startups. By combining our respective expertise and cultures, we are resolutely accompanying our customers into the world of tomorrow", commented Alexandre Maymat, Head of Global Transaction & Payment Services at Societe Generale.

"Being innovative and pioneering is part of Societe Generale's DNA. With the Payments & Transaction Banking Accelerator, we are taking a strong role in supporting the startup ecosystem and in transforming transaction banking activities", added Claire Calmejane, Chief Innovation Officer for Societe Generale Group.

2.5.2 SOCIETE GENERALE PRIVATE BANKING CONTINUES ITS RESPONSIBLE COMMITMENT BY OFFERING A NEW POSITIVE IMPACT FUND DEDICATED TO THE CLIMATE

Faced with growing environmental and societal challenges, our clients want to give more meaning to their investments. To meet this need, in line with the Group's commitments, Societe Generale Private Banking launches a new fund dedicated to the climate: "Moorea Fund – Sustainable Climate Action".

Created by the synergy between the two private banking management companies – Societe Generale Private Wealth Management and SG 29 Haussmann – this fund is in line with the United Nations Sustainable Development Goals (SDGs). As a major challenge for our society, climate change is at the heart of all concerns; around the world, companies, governments and citizens are mobilising to deal with it.

Thanks to this global awareness, the levers for a change in climate trajectory have been clearly identified: the evolution of regulations, demand and our economies. The companies at the heart of this change are thus gradually getting involved and creating new investment opportunities. In this new context which is increasingly favourable to eco-sectors and facilitating environmental initiatives, it seems essential to us to also guide the client towards impact investments.

Over the long term, our belief is that companies that take environmental and social concerns into account and maintain a high level of corporate governance are likely to be key investments. This sustainable approach makes it possible to grasp the dynamics of the equity markets and associate it with the development of eco-sectors.

Our determination is to offer a fund that aims for long-term capital appreciation and to generate a positive environmental impact through investments in shares issued by companies that operate in sustainable eco-sectors and develop solutions that contribute actively to the environmental transition. Sustainable eco-activities include, but are not limited to, renewable energy, energy efficiency, green mobility, green buildings, sustainable water and agriculture and the circular economy.

Based on an investment philosophy initiated several years ago, this fund aims more specifically to:

- invest in international companies with a strong environmental impact;
- deliver a carbon intensity significantly lower than 20% compared to the MSCI World All Country index (MSCI ACWI Index);
- offer a portfolio aligned with the Paris scenario of maximum global warming of 1.5 to 2 °C above pre-industrial levels.

"This fund is the culmination of extensive fundamental and quantitative research. It provides our delegated customers with an effective solution that reconciles the protection of their savings and the pursuit of sustainable development objectives" commented Guillaume de Martel, Executive Chairman of SG 29 Haussmann.

"We want to offer a full range of solutions and strategies, dedicated to sustainable and responsible investments and developed for private investors. We are indeed convinced that a solid corporate social responsibility policy is synonymous with sustainable financial performance", explained Alexandre Cegarra, CEO of SGPWM.

To ensure the consistency of the actions proposed, the companies selected for the "Moorea Fund: Sustainable Climate Action" meet both ESG (environmental, social and governance) criteria and also demanding financial criteria. In addition to a solid and established business model, companies must present sustainable growth prospects, an excellent balance sheet and a proven ability to obtain an appropriate return on its equity.

Finally, this UCITS fund has a European passport that meets the highest level of European regulations on sustainable finance (SFDR[1] Art. 9) and presents a UCITS 6 risk-return profile.

2.5.3 SOCIETE GENERALE ACTED AS FINANCIAL ADVISOR AND MLA FOR PROVENCE GRAND LARGE, THE FIRST EVER PROJECT FINANCING OF A FLOATING OFFSHORE WIND FARM

Societe Generale, in its role as Financial Advisor and Mandated Lead Arranger (MLA), worked with Provence Grand Large (PGL) and the sponsors – EDF Renouvelables and Enbridge Éolien France 2 SARL, a subsidiary of Enbridge Inc. and CPP Investments, to raise financing for France's first floating wind pilot project.

PGL successfully raised a debt package of EUR 300 million from a syndicate of eight commercial banks, including Societe Generale and the European Investment Bank.

This transaction is the first-ever limited-recourse project financing for a floating wind project in construction, representing a key milestone in the development of what is expected to be a rapid global expansion of the floating wind sector.

Nathalie Lemarcis, Co-Head of London Energy Advisory and Project Finance, Societe Generale, said "We have long seen floating wind as a key technology for driving the global growth in deployment of offshore wind and we are very proud that Provence Grand Large, EDF Renouvelables and Enbridge Éolien France 2 SARL, a subsidiary of Enbridge Inc. and CPP Investments, put their trust in Societe Generale to structure and deliver the project financing for what we consider to be a landmark transaction for the industry".

Provence Grand Large is a pilot floating offshore wind project with a capacity of 25 MW located in the Mediterranean Sea, 17 kilometres off Port-Saint-Louis-du-Rhône, near Marseille. It will be the first project using the tension leg platform technology, with floaters designed by SBM Offshore and IFP Énergies Nouvelles. The project's three floating wind turbines will be supplied by Siemens Gamesa.

For Societe Generale, this financing represents the latest step on a journey that started several years ago, having recognised the global potential for floating offshore wind farms to access areas of deeper water unsuitable for fixed foundations. Having worked with several clients on the bankability of various floating wind technologies over the past few years, PGL represents a validation of our confidence that floating wind is a bankable asset class. We are also very pleased to be a lender (MLA) in the debt facilities.

The PGL transaction is a perfect example of the Bank's long-standing expertise and proven track record[2] for innovation in energy infrastructure projects with strong advisory, technical and financing capabilities to support our clients in the energy transition in all areas including the integration of renewables with hydrogen, storage and other emerging technologies.

2.5.4 SOCIETE GENERALE FACTORING LAUNCHES A RANGE OF SOLUTIONS RELATED TO ENVIRONMENTAL AND SOCIAL CRITERIA

Two new ESG solutions from Societe Generale Factoring aim to support corporate treasurers with their transition towards more sustainable growth models.

In order to support its clients with their ESG transition goals, Societe Generale Factoring, a Group subsidiary specialised in short-term financing solutions for businesses, is launching two new categories of ESG offers, which are applicable to its flagship products serving corporate clients. These include receivable finance, supply chain finance and forfaiting (discounting of commercial bills).

"With these new offers, Societe Generale Factoring contributes to Societe Generale Group's commitment to support our corporate clients' transition to more ecological and inclusive development models. These solutions help strengthen our relationship and advisory work with our clients", says Aurélien Viry, CEO of Societe Generale Factoring.

(1) SFDR: SGPWM (as financial manager by delegation of mandates) is subject to the new European regulation "SFDR" (Sustainable Finance Disclosure Regulation) adopted on 27 November 2019 by the European Parliament and the Council of the European Union and implemented since March 2021. The purpose of this regulation is to harmonise, at European level, the consideration and communication by portfolio managers of extra-financial criteria, with the aim of greater transparency vis-à-vis their clients. Extra-financial criteria make it possible to assess the action of economic agents on sustainable development issues and are grouped under the 3 ESG pillars (Environment, Social, Governance).

(2) No.1 Financial Advisor for project finance on a worldwide basis, No.3 Mandated Lead Arranger (MLA) for project finance on a worldwide bases (source: IJGlobal FY 2021). Societe Generale was named Bank of the Year for Sustainability by IFR, Europe Bank of the Year for 2021 by PFI, Europe & Africa Financial Adviser of the Year by IJGlobal for 2021 and MLA of the Year by IJGlobal for 2021.

Environmental and/or social financing

The first category of solutions proposed by Societe Generale Factoring aims to finance business activities with positive environmental or social impacts.

Eligible environmental projects[1] must involve underlying assets in a list of eligible categories, such as renewable energy, waste management, clean transportation, hydrogen and sustainable water and waste-water management.

Eligible social projects[2] concern the financing of invoices from, for example, social and solidarity-based companies and associations, education and training, or social housing. The sectors principally concerned include healthcare, in particular hospitals, health insurance, as well as organisations caring for adults and children with disabilities.

Financing based on ESG performances[2] (sustainability-linked)

The sustainability-linked (SL) solution is aimed at companies that have developed an ambitious CSR (Corporate Social Responsibility) strategy to improve the environmental and social impacts of their activities. It rewards the achievement of CSR objectives as defined by our clients. This approach encourages the transition of companies and their suppliers to more sustainable growth models. It is particularly appropriate for Supply Chain Finance programmes of large corporates that have many suppliers, such as mass retailers or industrial manufacturers.

Societe Generale Factoring demonstrates once again its capacity to develop specialist and innovative solutions to support its clients' growth in a sustainable and responsive manner.

2.5.5 SOCIETE GENERALE SECURITIES SERVICES EXTENDS ITS OFFER TO FUNDS INVESTING IN DIGITAL ASSETS

Societe Generale Securities Services (SGSS) offers new services for asset management companies wishing to develop innovative professional funds based on crypto currencies. More and more investors want to integrate crypto currencies in their portfolios. Asset management companies are therefore looking to build new ranges of solutions invested mainly in digital assets. To meet these specific needs, SGSS now offers asset managers to act as fund depositary, valuator and liability manager. The services offered by SGSS allow asset management companies to enhance their offer in a simple and adapted manner, within the European regulatory framework.

A head start on the market

SGSS's new service has just been adopted by Arquant Capital SAS. The asset management company, licensed by the French Financial Markets Authority (AMF – *Autorité des marchés financiers*) and labelled "Finance Innovation", is opening a range of specialised professional funds under French law, actively managed and invested in crypto currencies. The first two products of the range in euros are mainly based on Bitcoin, Ether and derivatives. "By combining SGSS' innovation expertise with Arquant Capital's technical skills, we are expanding our ability to meet the diversification needs of asset managers", said David Abitbol, Head of Societe Generale Securities Services. "This solution provides Arquant Capital with an innovative structuring that allows us to scale our offering and focus on creating value for our clients", adds Eron Angjele, CEO of Arquant Capital. Societe Generale Group is already a recognised expert in crypto assets with its subsidiary Societe Generale FORGE. It thus continues to develop its services related to digital assets to meet the needs of its clients.

2.5.6 SOCIETE GENERALE NOW OFFERS "BOOST", ITS OUT-OF-BANKING SERVICE PLATFORM, TO ALL CUSTOMERS AGED BETWEEN 16 AND 24

From November, Societe Generale will offer "Boost", its non-banking service platform dedicated to young people, to all customers aged between 16 and 24. After being the first bank to launch such a platform in 2019, Societe Generale will be the first bank in France to open this service free of charge to all young customers.

"Boost" brings together, on a digital platform, services related to skills development, independence, or entry into the workforce. More than ever, young people face many challenges during and after their school years. In order to further support young clients in these crucial moments of life, Societe Generale is expanding its "Boost" offer, developed three years ago in partnership with the start-up Wizbii.

With "Boost", the Bank's young customers will benefit from seven free services, set up by recognised startups committed to meeting the needs of young people:

- Wizbii Jobs: job offers to students and recent graduates (internships, work-study programmes, jobs);
- Wizbii Blog: career advice and student life on a blog for 18 to 30-year-olds;
- Wizbii Money: simplified access to student financial aid;
- Wizbii Drive: driving code training;
- Studapart: a simplified rental platform dedicated to students;
- Benevolt: volunteer missions proposed by partner associations;
- Societe Generale Events: referencing of recruitment events organised by Societe Generale, notably as part of the "1 Young 1 Solution".

(1) Eligible environmental and social projects comply with the criteria based on Societe Generale's internal standards.
(2) CSR: Corporate Social Responsibility.

This year, Societe Generale is also launching "Boost Privilege" giving access to additional services. "Boost Privilege" is offered for six months to young people who subscribe to an eligible product[1]. "Boost Privilege" is also accessible for a fee of 2 euros per month. These services represent a total value of more than 200 euros per month:

- Skilleos: online courses (linguistics, hobbies, professionals, tutoring);
- FizzUp: an online gym, with a sports and nutrition coaching option;
- Avenria: support for the guidance and integration of young people;
- My CV Factory: editable CV templates for all business lines;
- Global Exams: tests to prepare language certifications (TOEIC, TOEFL, etc.);
- Orthodidacte: tools to improve spelling.

Last, the young clients of the Banque Française Mutualiste subscribing to "Boost Privilege" will also have free access for six months to:

- Papernest: an online platform for contract transfers (energy, insurance, etc.);
- Cautioneo: two months of contributions offered on rental deposits;
- Nextory: an online reading application;
- Skilleos Bien-être: online courses in personal development, the environment, etc.;
- Jobmaker: career support;
- Wizbii EdFi: advice on budget management.

"Building on the satisfaction that the "Boost" platform has been offering to our customers for the past three years, we are now extending it to all our customers aged between 16 and 24. More than ever, Societe Generale is supporting young people in the management of their future," explains Christophe Baniol, Societe Generale's Head of the Retail Market.

2.5.7 SOCIETE GENERALE IS LAUNCHING WITH REEZOCAR A PLATFORM TO FIND, FINANCE AND INSURE ITS VEHICLE

Two years after the acquisition of Reezocar, Societe Generale in partnership with the startup is launching a dedicated automotive platform that offers the widest range of vehicles, financing and insurance options.

This digital platform, accessible directly from the Societe Generale website or App[2], allows customers to:

- consult a catalogue of new or used vehicles. These vehicles are systematically checked, reviewed and guaranteed;
- compare financing solutions from online simulators and/or through its remote Reezocar advisor;
- choose a financing offer: leasing with an option to buy, long-term rental or credit;
- have services related to the use of the vehicle (registration, home delivery, etc.);
- purchase/lease and insure the vehicle through its remote Reezocar advisor.

On a single site and in a few clicks, the buyer can therefore inquire, search, choose, finance and insure their vehicle.

The platform is accessible to retail customers and will be open from December to professionals.

"This platform brings together, within a single digital space, all the expertise of the Societe Generale Group in the field of mobility in terms of quality vehicle procurement, car financing, insurance and related services, through a simple and efficient solution", explains Ambroise Pascal, Head of Retail and Professional Banking in France.

For Laurent Potel, CEO of Reezocar: "This is a key milestone for Reezocar's growth within the Societe Generale Group. This service is fully in line with Reezocar's mission since its creation: seamless support throughout the entire vehicle purchase journey and the objective to offer the best customer experience on the market".

(1) First bank account, Sobrio, International Option, Student Loan, Student Home Insurance.
(2) The platform will be accessible from the Societe Generale application from November.

2.5.8 SOCIETE GENERALE FACTORING COMPLETES ITS RANGE OF PRODUCTS WITH ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA FOR COMPANIES AND ASSOCIATIONS

Societe Generale Factoring continues to support its clients in their sustainable transition by expanding its ESG offering to SMEs/Mid-caps[1] and associations.

Following the successful launch of its offers to large companies, Societe Generale Factoring, the factoring subsidiary of Societe Generale Group, now offers SMEs/midcaps and associations in France new advisory and financing solutions meeting environmental, social and governance criteria, in collaboration with reference partners. The environmental and social factoring solution finances receivables relating to:

- environmental sustainability (energy efficiency improvement, renewable energy, low carbon transport, waste and water treatment/recycling, etc.); or
- social challenges (financing of social and community-oriented companies and associations, financing education and training, social housing, etc.).

Eligible clients will benefit from a discount on their financing fee to encourage the ESG transition of their business.

Positive impact factoring, in partnership with EcoVadis[2]: the solution targets companies and associations with an EcoVadis rating.

The solution helps actions to improve their environmental and social impact. Customers benefit from a reduction in their financing commission if they meet the objectives set at the time of the contract, guided by the EcoVadis rating.

"Societe Generale Factoring is fully involved in the Societe Generale Group's commitment to support its clients and accelerate their transition to greener and more inclusive development models. These new ESG offers complement our existing solutions for large corporates, in response to the growing interest of our clients," said Aurélien Viry, Managing Director of Societe Generale Factoring.

These variations are applicable to Societe Generale Factoring's main existing factoring offers.

In line with Societe Generale and Crédit du Nord's ESG solutions, the Group is rounding out support to corporate clients to develop a more responsible and sustainable growth model.

(1) SMEs: small and medium-sized enterprises. ETIs: intermediate-sized enterprises.

(2) EcoVadis manages a global platform that assesses and shares the performance of corporate social responsibility (CSR) used by more than 100,000 companies of all sizes in 160 countries to foster resilience, sustainable growth and a positive impact worldwide.

2.6 ANALYSIS OF THE CONSOLIDATED BALANCE SHEET

ASSETS

(In EURbn)	31.12.2022	31.12.2021
Cash, due from central banks	207,013	179,969
Financial assets at fair value through profit or loss	329,437	342,714
Hedging derivatives	32,850	13,239
Financial assets at fair value through other comprehensive income	37,463	43,450
Securities at amortised cost	21,430	19,371
Due from banks at amortised cost	66,903	55,972
Customer loans at amortised cost	506,529	497,164
Revaluation differences on portfolios hedged against interest rate risk	(2,262)	131
Investments of insurance companies	158,415	178,898
Tax assets	4,696	4,812
Other assets	85,072	92,898
Non-current assets held for sale	1,081	27
Deferred policyholders' participation asset	1,175	-
-Investments accounted for using the equity method	146	95
Tangible and intangible fixed assets	33,089	31,968
Goodwill	3,781	3,741
TOTAL	**1,486,818**	**1,464,449**

LIABILITIES

(In EURbn)	31.12.2022	31.12.2021
Due to central banks	8,361	5,152
Financial liabilities at fair value through profit or loss	300,618	307,563
Hedging derivatives	46,164	10,425
Due to banks	133,176	135,324
Customer deposits	132,988	139,177
Debt securities issues	530,764	509,133
Revaluation differences on portfolios hedged against interest rate risk	(9,659)	2,832
Tax liabilities	1,638	1,577
Other liabilities	107,553	106,305
Non-current liabilities held for sale	220	1
Insurance contract related liabilities	141,688	155,288
Provisions	4,579	4,850
Subordinated debt	15,946	15,959
Shareholder's equity	66,451	65,067
Non-controlling interests	6,331	5,796
TOTAL	**1,486,818**	**1,464,449**

2.6.1 MAIN CHANGES IN THE CONSOLIDATION SCOPE

The main changes to the consolidation scope at 31 December 2022 compared with the scope applicable at the closing date of 31 December 2021 is as follows:

- **Sale of Rosbank and its insurance subsidiaries in Russia**: Societe Generale announced on 18 May 2022 the closing of the sale of the Rosbank group and its Russian insurance subsidiaries to Interros Capital. The financial consequences of the divestment are presented below:

- a reduction in the Group's total balance sheet of EUR 16 billion, mainly including a decrease in Customer loans at amortised cost of EUR 10 billion and a decrease in Customer deposits of EUR 13 billion,

- a capital loss on the disposal, reported under Net income/expense from other assets in 2022, of EUR -3.3 billion before tax. The loss includes a translation difference reclassified into income for EUR -0.5 billion, which was the cumulated amount at 18 May after an increase of EUR 0.5 billion on back of ruble appreciation between 1 January 2022 and the date of the disposal.

2.6.2 CHANGES IN MAJOR CONSOLIDATED BALANCE SHEET ITEMS

Cash, due from central banks and **due to central banks** increased respectively by EUR 27 billion (+15.0%) and EUR 3.2 billion (+61.5%) compared to 31 December 2021. The increase in assets is due to the growth of cash due from central banks.

Financial assets at fair value through profit or loss decreased by EUR 13.3 billion (-3.9%) compared to 31 December 2021. The change is the result of a decline in equities and securities equivalent to EUR -34.5 billion, chiefly explained by a major energy shock, inflation at the highest level in 40 years, monetary policy tightening by the US Federal Reserve and the ECB and a stalemate in the war in Ukraine, a decrease in financial derivatives for EUR -24.4 billion, mainly on back of a decrease in interest rate instruments for EUR -22.4 billion. The downward trend was offset by an increase in securities purchased under resale agreements and bonds for EUR +41.5 EUR billion and EUR +3.5 EUR billion, respectively.

Financial liabilities as fair value through profit or loss decreased by EUR 7.0 billion (-2.3%) compared to 31 December 2021. The change is primarily attributed to the decline in financial derivatives trading for EUR -34.5 billion, linked to the decrease in interest rate instruments for EUR -28.0 billion, the decrease in equity and index instruments for EUR -12.6 billion and limited by the increase in foreign exchange instruments for EUR +6.0 billion. The decrease in financial liabilities at fair value through profit or loss is offset in part by the increase of EUR +17.9 billion in securities sold under repurchase agreements and the increase in fair value on borrowed securities for EUR +5.3 billion.

Hedging derivatives increased by EUR +19.7 billion to assets (+149.2%) and by +35.8 billion to liabilities (+344.2%) compared with 31 December 2021. The variation is related to the increase in fair value hedging instruments and mainly interest rate swaps.

Due from banks at amortised cost rose by EUR +10.9 billion (+19.5%) compared to 31 December 2021, due to the increase in current accounts and the increase in securities purchased under resale agreements.

Customer loans at amortised cost increased by EUR 9.3 billion (+1.9%) compared to 31 December 2021, which can be principally explained by the growth of equipment loans for EUR 4.1 billion, loans to financial customers for EUR 3.4 billion, cash credits for EUR 1.8 billion, plus the increase in ordinary accounts receivable for EUR 2.2 billion, which was offset by the decrease in commercial claims for EUR -2.4 billion.

Customer deposits increased by EUR 21.7 billion (+4.3%) compared to 31 December 2021, due to an increase in term client deposits for EUR 30.8 billion. The rise is mainly due to the increase in the rates of term deposits offset by the decline in overnight deposits for EUR -12.2 billion in part due to the sale of Rosbank in 2022.

Due to banks decreased by EUR -6.2 billion (-4.5%) compared to 31 December 2021. The decrease can be explained by the revaluation of the covered items of EUR -2.0 billion, the reduction of debt to EUR -3.1 billion, and the decline in loans and term deposit accounts for EUR -1.6 billion.

Investments by insurance companies decreased by EUR -20.5 billion (-11.5%) compared to 31 December 2021. The change is attributable to the decline in debt securities for EUR -14.8 billion and the decrease in financial assets valued at fair value through profit or loss for EUR -4.6 billion.

Insurance-related contract liabilities decreased by EUR -13.6 billion (-8.8%) compared to 31 December 2021, due to the decrease in insurance companies' technical provisions.

Other assets decreased by EUR -7.8 billion (-8.4%) compared to 31 December 2021, chiefly owing to a decline in deposits paid for EUR -8.7 billion.

Groupe shareholders' equity totalled EUR 66.5 billion at 31 December 2022 *vs.* EUR 65.1 billion at 31 December 2021. The variation is primarily attributable to the following factors:

- net income Group share for the financial year at 31 December 2022 of EUR 2.0 billion;
- distribution of dividends: EUR -1.4 billion;
- unrealised or deferred capital gains and losses: EUR +0.6 billion.

After taking into account the non-controlling interest for EUR -6.3 billion, the Group shareholders' equity totalled EUR 72.8 billion at 31 December 2022.

2.7 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 in order to apply the regulatory changes related to the implementation of new "Basel 3" regulations.

2.7.1 GROUP SHAREHOLDERS' EQUITY

Group shareholders' equity totalled EUR 66.5 billion at 31 December 2022. Net asset value per share was EUR 70.50 and net tangible asset value per share was EUR 62.34 using the new methodology disclosed in Chapter 2 of this Universal Registration Document, on page 45. Book capital includes EUR 10.0 billion in deeply subordinated notes.

At 31 December 2022, Societe Generale possessed, directly or indirectly, 48.7 million Societe Generale shares, representing 5.73% of the capital (excluding shares held for trading purposes).

Under the liquidity contract implemented on 22 August 2011 with an external investment services provider, Societe Generale acquired 734,806 shares in 2022 for a value of EUR 19.7 million and sold 768,306 shares for a value of EUR 20.8 million. For the record, the liquidity contract was temporarily suspended from 8 August to 31 December 2022 throughout the share buyback period.

The information concerning the Group's capital and shareholding structure is available in Chapter 7 of this Universal Registration Document, page 635 and following.

2.7.2 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 13.5%[1] at 31 December 2022, compared to 13.7% at 31 December 2021.

The leverage ratio, calculated according to the CRR2 rules in force since June 2021, stood at 4.4% at 31 December 2022.

At end-2022, the Tier 1 ratio was 16.3%[2] and the Total Capital Ratio stood at 19.4%[2], i.e., above the regulatory requirements.

The TLAC (Total Loss-Absorbing Capacity) ratio of RWA was 33.7%[2] with the option of Senior Preferred Debt limited to 2.5% of RWA. Furthermore, the TLAC of the leverage ratio stood at 9.02% at end-2022. The Group also placed above its MREL requirements at 31 December 2022.

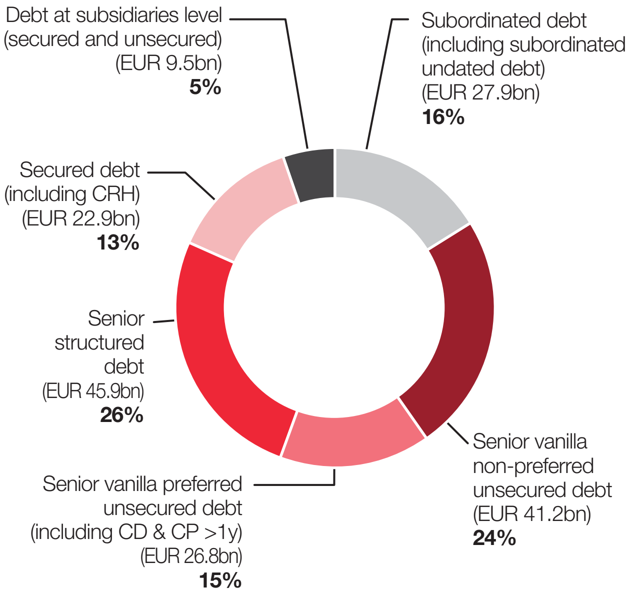
(1) Including a +17 basis-point impact in respect of the phase-in of IFRS 9. Excluding this impact, the CET1 ratio was 13.3%.
(2) Phased-in ratio, including temporary Covid-19 measures introduced by the ECB which ended on 31 December 2022.

2.7.3 GROUP DEBT POLICY

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

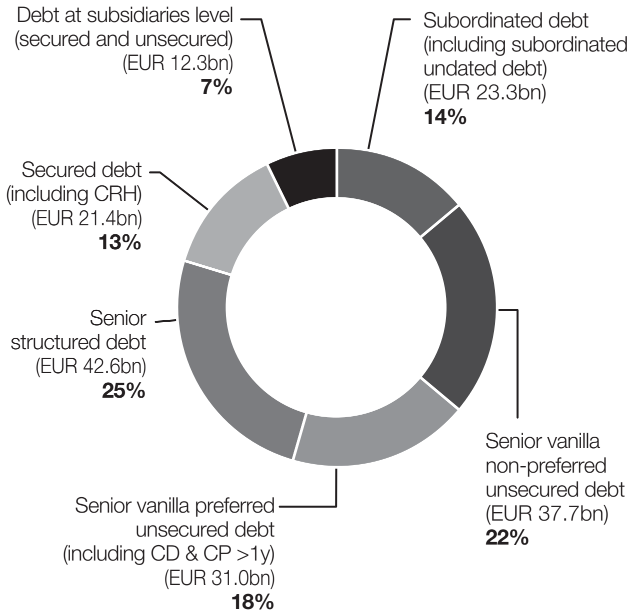
- maintaining an active policy of diversifying Societe Generale Group's sources of refinancing to guarantee its stability;
- and adopting a Group refinancing structure to ensure consistency in the maturities of its assets and liabilities.

GROUP LONG-TERM DEBT AT 31 DECEMBER 2022: EUR 174.2BN*



* *Group short-term and long-term debt totalled EUR 220.3 billion at 31 December 2022, of which EUR 12.5 billion issued by conduits (short term), and EUR 43.5 billion related to senior structured issues of small denomination (below EUR 100,000), predominantly distributed to retail clients.*

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



* *Group short-term and long-term debt totalled EUR 212 billion at 31 December 2021, of which EUR 12.1 billion issued by conduits (short term), and EUR 40.9 billion related to senior structured issues of small denomination (below EUR 100,000), predominately distributed to retail clients.*

These resources also include:

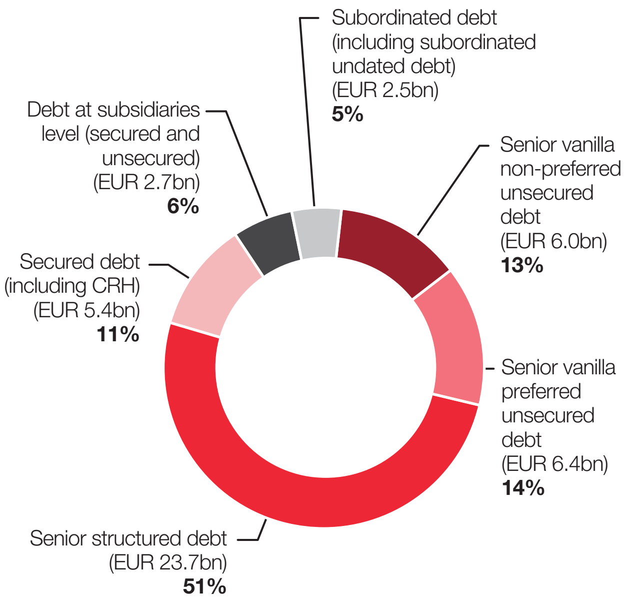
- funding via securities lending and borrowing transactions and securities sold under repurchase agreements measured at fair value through P&L totalling EUR 154.5 billion at 31 December 2022, compared with EUR 130.6 billion at 31 December 2021 (see Note 3.1 to the consolidated financial statements), which are not included in this graph. Societe Generale Group's debt policy is designed not only to ensure financing 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 6.7 billion at end-2022 *vs.* EUR 10.5 billion at end-2021).

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.

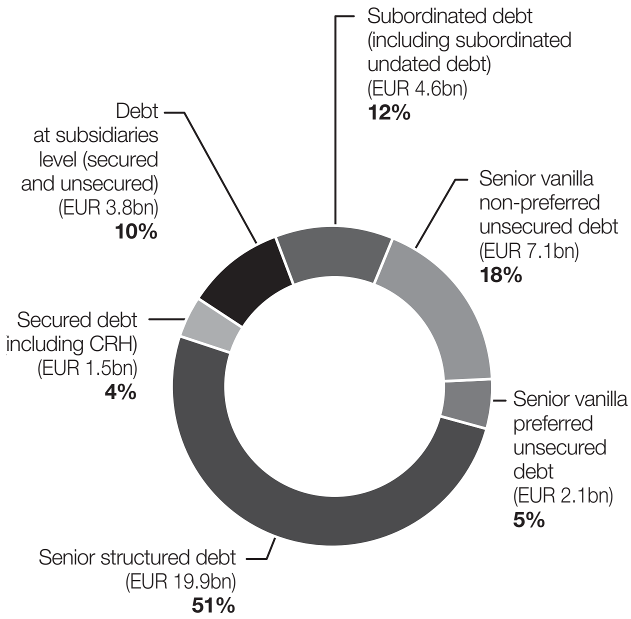
At end-2022, liquidity raised under the 2022 financing programme amounted to EUR 46.7 billion in senior and subordinated debt. Liquidity raised at parent company level amounted to EUR 44.0 billion at 31 December 2022.

The breakdown of refinancing sources is as follows: EUR 5.4 billion in secured issues, EUR 23.7 billion in senior structured issues, EUR 6.4 billion in senior vanilla preferred unsecured issues, EUR 6.0 billion in senior vanilla non-preferred unsecured issues, EUR 2.4 billion in subordinated Tier 2 debt and EUR 0.1 billion in subordinated undated Additional Tier 1 debt. At subsidiary level, a total of EUR 2.7 billion was raised at 31 December 2022.

2022 FINANCING PROGRAMME: EUR 46.8BN



2021 FINANCING PROGRAMME: EUR 39.1BN



2.7.4 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 2022:

	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

2.8 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
2022	
	No major investment finalised in 2022
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.

Business division	Description of disposals
2022	
International Retail Banking and Financial Services	Disposal of Societe Generale Group's and Sogecap's entire stakes in Rosbank and two joint ventures co-held with Rosbank (Societe Generale Strakhovanie LLC and Societe Generale Strakhovanie Zhizni LLC).
Corporate Centre	Sale of a 5% stake in Treezor to MasterCard, reinforcing an industrial partnership.
International Retail Banking and Financial Services	Disposal of a minority stake in Schufa, a credit rating agency in Germany.
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.

2.9 PENDING ACQUISITIONS AND MAJOR CONTRACTS

2.9.1 FINANCING OF THE MAIN ONGOING INVESTMENTS

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

2.9.2 PENDING ACQUISITIONS AND DISPOSALS

Societe Generale announced on 6 January 2022 the signing by Societe Generale and ALD of two Memoranda of Understanding under which ALD would acquire 100% of LeasePlan from a consortium led by TDR Capital, to create a leading global player in mobility. This announcement was followed by the signature of a binding framework agreement announced on 22 April 2022. The European Commission gave the green light to the LeasePlan acquisition by ALD on 25 November 2022 (it being specified that the European Commission's approval was subject to the disposal - currently under way - of six subsidiaries (three ALD entities in Ireland, Portugal and Norway, and three LeasePlan entities in Luxembourg, the Czech Republic and Finland). On 29 November, ALD launched a capital increase with preferential share subscription rights for shareholders which was completed successfully on 16 December. Finalisation of this acquisition is expected to close in the first half of 2023, notably subject to the remaining regulatory approvals being obtained and the performance of the usual conditions precedent.

Societe Generale and AllianceBernstein, a leading global investment management and research firm, announced on 22 November their plans to form a joint venture combining their equity research and cash equities businesses to form a leading global player in the sector. The joint venture would provide premier investment insights into the American, European and Asia Pacific equity markets, in addition to unparalleled liquidity access and leading global trading technology. Société Generale intends to take a 51% interest in the joint venture, with an option to reach 100% ownership after five years[1]. This announcement was followed by the signature of an acquisition agreement in early February 2023. The closing is expected to occur before the end of 2023.

Societe Generale announced on 30 September 2022 the signing of an agreement to acquire a majority stake in the fintech PayXpert, a payment services specialist. PayXpert offers retail and online merchants secure solutions enabling customer payments both in-store and remotely, and for all payment methods (card, mobile applications, QR code, etc.).

The acquisition will allow Societe Generale to round out its suite of payment solutions for merchants and and e-merchants, and set its sights on becoming one of the leading players in the payment services industry.

2.10 PROPERTY AND EQUIPMENT

The gross book value of Societe Generale Group's tangible operating fixed assets amounted to EUR 47.2 billion at 31 December 2022. The figure comprises land and buildings (EUR 5.2 billion), the right of use (EUR 3.2 billion), assets leased by specialised financing companies (EUR 32.9 billion) and other tangible assets (EUR 5.9 billion).

The net book value of tangible operating assets and investment property amounted to EUR 30.2 billion, representing only 2% of the consolidated balance sheet at 31 December 2022.

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

(1) A call option would be granted to Societe Generale to purchase the 49% owned by AllianceBernstein and reciprocally, a put option would be granted to AllianceBernstein to sell its 49% to Societe Generale as of the fifth anniversary of the closing date, and for a one-month period each successive year thereafter.

2.11 POST-CLOSING EVENTS

None.

2.12 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 13 March 2023.

2.13 INFORMATION ABOUT GEOGRAPHIC LOCATIONS AND ACTIVITIES AT 31 DECEMBER 2022

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 entities included in their consolidation scope, in each State or territory.

Société Générale publishes below the information relative to staff and the financial information by countries or territories.

The list of locations is published in the Note 8.5 of the notes to the consolidated financial statements.

Country	Staff*	NBI*	Earnings before corporate tax*	Corporate tax*	Deferred corporate tax*	Other taxes*	Subsidies*
South Africa	-	0	(0)	(0)	-	-	-
Algeria	1,621	169	72	(19)	(1)	(7)	-
Germany	2,983	1,082	322	(124)	17	(2)	-
Australia	62	42	8	(4)	0	(1)	-
Austria	83	26	5	(3)	(0)	(0)	-
Belarus	3	2	1	(0)	0	-	-
Belgium	358	123	58	(6)	(7)	(1)	-
Benin	229	25	12	(1)	(3)	(1)	-
Bermuda[1]	-	1	1	-	-	-	-
Brazil	371	82	37	(7)	(8)	(14)	-
Bulgaria	38	6	4	(0)	0	-	-
Burkina Faso	284	60	27	(6)	(1)	(3)	-
Cameroon	657	138	50	(16)	1	(4)	-
Canada	64	36	9	(4)	0	(1)	-
Chile	37	5	0	-	0	(0)	-
China	269	76	29	(4)	4	(0)	-
Colombia	29	4	2	(1)	2	(0)	-
Congo	144	29	8	(2)	(0)	(1)	-
South Korea	107	103	36	(20)	7	(3)	-
Cote d'Ivoire	1,403	315	145	(26)	(2)	(8)	-
Croatia	49	11	7	(1)	0	(0)	-
Curacao[2]	-	-	-	-	-	-	-
Denmark	131	43	24	(4)	1	-	-
United Arab Emirates	58	3	(13)	-	-	(0)	-
Spain	683	367	229	(56)	(7)	(2)	-
Estonia	13	3	2	(1)	-	(0)	-
United States	1,969	1,869	703	(11)	(116)	(7)	-
Finland	123	55	38	(8)	1	-	-
France	55,977	13,537	(1,824)	11	(139)	(1,638)	-
Ghana	543	77	25	(13)	5	(0)	-
Gibraltar	-	5	1	-	(0)	(1)	-
Greece	46	8	4	-	(1)	(0)	-
Guinea	302	78	24	(15)	4	(2)	-
Equatorial Guinea	236	16	6	(2)	-	(1)	-
Hong Kong	1,069	700	257	(30)	(0)	(1)	-
Hungary	99	18	12	(2)	(0)	(0)	-
Îles Caïmans[3]	-	-	-	-	-	-	-
India[4]	10,616	42	66	(55)	(0)	(1)	-
Ireland	188	113	50	(10)	0	(0)	-

Country	Staff*	NBI*	Earnings before corporate tax*	Corporate tax*	Deferred corporate tax*	Other taxes*	Subsidies*
Italy	2,014	932	457	(76)	(33)	(3)	-
Japan	214	235	93	(30)	1	(2)	-
Jersey	-	18	5	(2)	0	-	-
Latvia	21	4	2	(0)	-	-	-
Lithuania	13	5	4	(1)	(0)	(0)	-
Luxembourg	1,357	758	317	(34)	9	(29)	-
Madagascar	1,032	81	37	(8)	0	(5)	-
Malaysia	16	0	(3)	-	0	-	-
Morocco	3,667	527	195	(71)	(8)	(18)	-
Mauritius	190	29	11	(1)	(3)	(2)	-
Mexico	128	30	20	(10)	(1)	(0)	-
Monaco	321	130	25	(11)	1	(0)	-
Norway	66	17	4	-	(1)	-	-
New Caledonia	305	80	41	(12)	(1)	(0)	-
Netherlands	299	143	88	(13)	(11)	(0)	-
Peru	26	4	2	(1)	(0)	-	-
Poland	497	101	49	(11)	1	(3)	-
French Polynesia	262	52	26	(13)	(1)	(1)	-
Portugal	129	37	27	(5)	(2)	-	-
Czech Republic	7,887	1,625	910	(157)	(12)	(53)	-
Romania	9,003	713	361	(61)	(2)	(17)	-
United Kingdom	3,185	1,878	879	(219)	39	(12)	-
Russian Federation	115	393	114	(21)	(4)	(7)	-
Senegal	920	112	39	(16)	(0)	(8)	-
Serbia	32	10	8	(2)	0	(0)	-
Singapore	216	161	66	(4)	(0)	(0)	-
Slovakia	116	32	25	(4)	(1)	(0)	-
Slovenia	19	5	4	(1)	0	(0)	-
Sweden	165	85	43	(9)	0	(0)	-
Switzerland	550	264	59	(13)	0	(0)	-
Taiwan	44	33	(6)	(1)	5	(2)	-
Chad	212	29	4	(3)	0	(2)	-
Thailand	3	0	(0)	-	-	-	-
Togo	48	6	5	(0)	-	(0)	-
Tunisia	1,400	154	59	(27)	3	(5)	-
Turkey	105	103	98	(0)	(24)	(0)	-
Ukraine	45	4	1	(1)	(2)	-	-
TOTAL	**115,466**	**28,059**	**4,507**	**(1,274)**	**(286)**	**(1,867)**	**-**

* ***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 millions of euros, 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 millions of euros, before elimination of intragroup 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 millions of euros.*
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 millions of euros.*
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) The entity located in Curacao was liquidated in 2022.
(3) Income from the 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 centre, the re-invoicing income of which is recorded in general and administrative expenses and not in NBI.