

REMINDER OF THE MAIN ELEMENTS COMMUNICATED AND MACROECONOMIC ENVIRONMENT OF Q1 25

Information note

Paris, April 2, 2025

Societe Generale publishes today, before entering into quiet period on April 10, 2025 (close of business), an information note recalling the main elements communicated before or during the first quarter 2025.

Main communications made during Q1 25:

- On February 6, 2025, publication of the fourth quarter and full year 2024 results
- On March 12, 2025, publication of the 2025 Universal Registration Document filed under number D.25-0088
- On April 2, 2025, publication of new quarterly series over the Q1 23 - Q4 24 period, reflecting the change in capital allocation to businesses from 12% to 13% as announced in the Q4 24 financial results' publication on February 6, 2025

Main perimeter changes in Q1 25 vs. 2024:

- The disposal of Societe Generale Equipment Finance (SGEF) is effective since February 28, 2025. As mentioned in the Universal Registration Document published on March 12, 2025, it will have an impact of around 30 basis points on the Group's CET1 ratio in Q1 25. In Q1 24, SGEF generated a total NBI of around EUR 100 million
- The disposals of Societe Generale Private Banking Suisse (SGPBS) and Societe Generale Kleinwort Hambros were finalised respectively on January 31, 2025 and on March 31, 2025, with a total impact of around 10 basis points on the Group's CET1 ratio in Q1 25
- The disposals of Société Générale Marocaine de Banques and its subsidiaries¹ and La Marocaine Vie are effective since December 2024. These entities generated a total NBI of around EUR 120 million in Q1 24
- The disposal of Société Générale Madagasikara in Madagascar is effective since December 2024. This subsidiary generated revenues of around EUR 20 million in Q1 24
- The Bernstein joint venture was officially launched on April 2, 2024

¹ Main entities in Morocco included in the scope of the disposal: Société Générale Marocaine de Banques whose brand is Société Générale Maroc, Société d'équipement Domestique et Ménager "EQDOM" (Specialised Financing), La Marocaine Vie (Insurance), Société Générale de Leasing au Maroc (Specialised Financing), Investima SA (Bank), Sogecapital Gestion (Financial Company), Sogecapital Placement (Portfolio Company), Sogecapital Bourse (Stock market intermediation).

Macroeconomic environment of the quarter:

- Latest publications of the main economic indices and forecasts:
 - ✓ The eurozone composite PMI for March 2025 stands at 50.4 up from 49.6 in December 2024
 - ✓ In its March 2025 interim report, the OECD anticipates annual real GDP growth of 1.0% in 2025 for the euro area, with a growth of 0.8% expected in France
 - ✓ According to Eurostat, euro area inflation rate decreased to 2.2% in March 2025 from 2.3% in February 2025. France's inflation level stands at 0.9% in March 2025
- In this economic context, the US Federal Reserve kept its rates unchanged, while the ECB continued the downward trend in key policy rates:
 - ✓ ECB has lowered the deposit facility rate 6 times since June 2024 by 25 basis points each time to go from 4% before the first cut in June 2024 to 2.5% on March 12, 2025 following the last ECB monetary policy meeting
 - ✓ The US Federal Reserve cut its fed funds rates by 100 basis points between September 2024 and December 2024, but kept the rates unchanged during the last 2 FOMC meetings in January 2025 and March 2025 at 4.25%-4.50%

Main financial highlights communicated:

Net banking income:

- In 2025, revenues are expected to be above their 2024 level by more than +3%, excluding the impact of disposed assets (around EUR 1.2 billion)
- On February 6, 2025, at Q4 24 results publication, the Group also communicated the following elements related to its businesses :
 - ✓ The revenues for French Retail, Private Banking and Insurance stood at EUR 8.7 billion in 2024. They were impacted by the last short term hedge headwinds for a total amount of around EUR 420 million, of which around EUR 270 million in Q1 24
 - ✓ BoursoBank continued its strong momentum in client acquisition with an increase of 1.3 million clients in 2024 reaching a total of more than 7.2 million clients at end of 2024. BoursoBank is expected to exceed 8 million clients in 2025
 - ✓ Global Markets generated revenues of around EUR 5.9 billion in 2024 thanks to conducive market conditions. In 2025, Global Markets revenues are expected to be at the high-end of our guidance range of EUR 4.9-5.5 billion
 - ✓ Ayvens average used car sales results continued its normalisation to reach EUR 1,267 per vehicle² in Q4 24 (vs. EUR 1,420 per vehicle in Q3 24). This normalisation should continue in 2025

Operating expenses:

- In 2025, costs are expected to decrease by more than -1% vs. 2024, excluding the impact of disposed assets (around EUR -0.8 billion)
- The Group cost/income ratio target in 2025 is below 66%
- Transformation charges in 2024 amounted to EUR 613 million out of a target of EUR 1 billion over 2024-2026 period. Most of the remaining transformation charges are expected to be accounted for in 2025

² Excluding the impact of reduction in depreciation costs and Purchase Price Allocation

- As part of the Mandatory Annual Negotiation (NAO) regarding Societe Generale SA in France, the following measures representing globally 3% of the Gross Annual Remuneration (RAGB) were announced in December 2024, effective in April 2025:
 - ✓ Three collective measures amounting to at least +1% of the RAGB: mainly to support the lowest paid employees (salary increase up to EUR 31,000 for all employees with at least one year seniority)
 - ✓ An increase of +2% of the RAGB for individual increases
- As a reminder, as part of the Mandatory Annual Negotiation (NAO), collective and individual measures representing globally more than 5% of the RAGB were announced in December 2023 and effective since April 2024:
 - ✓ Three collective measures including notably: salary increases from +2.5% for fixed salaries up to EUR 45,000, +1.5% for fixed salaries above EUR 45,000 and up to EUR 60,000 and +1% for fixed salaries above EUR 60,000 and up to EUR 80,000 as well as a specific premium of EUR 1,200 for employees with gross fixed salary lower than EUR 62,000
 - ✓ An increase of +2% of the RAGB related to the envelope for individual increases and of at least +2.5% in French retail banking in the context of its transformation

Cost of risk:

- In 2025 the cost of risk is expected to be within the 25-30 basis points range

Profitability:

- In 2025, ROTE target is above 8%

Capital:

- End 2024, the CET1 ratio stood at 13.3%. The CET1 ratio is expected to remain above 13% throughout all quarters in 2025 post Basel IV implementation, including notably:
 - ✓ A positive impact of the announced disposals of around 45 basis points in 2025 at closing, of which around 40 basis points in Q1 25 following the finalisations of SGEF, SGPBS and Societe Generale Kleinwort Hambros disposals
 - ✓ Basel IV impact of around -50 basis points expected in Q1 25

Calendar :

April 10, 2025	Beginning of the quiet period
April 30, 2025	First quarter 2025 results
May 20, 2025	Combined General Meeting
July 31, 2025	Second quarter 2025 and first half 2025 results
October 30, 2025	Third quarter 2025 and nine-months 2025 results