

# INVESTOR PRESENTATION

## SOCIETE GENERALE COVERED BOND PROGRAMS SG SFH & SG SCF



September 2016

BUILDING TOGETHER  
TEAM SPIRIT  SOCIETE  
GENERALE

## DISCLAIMER

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**This document may contain a number of forecasts and comments relating to the targets and strategies of the Societe Generale Group.**

**These forecasts are based on a series of assumptions, both general and specific, notably - unless specified otherwise - the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.**

**This information was developed from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. The Group may be unable:**

- to anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;**
- to evaluate precisely the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this presentation.**

**There is a risk that these projections will not be met. Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when basing their investment decisions on information provided in this document.**

**Unless otherwise specified, the sources for the rankings are internal.**

**The Group's condensed consolidated accounts at 30 June 2016 thus prepared were examined by the Board of Directors on 2 August 2016. The Statutory Auditors' limited review of the condensed consolidated financial statements is currently underway.**

**The financial information presented for the six-month period ending 30 June 2016 has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date.**

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## SOCIETE GENERALE GROUP RESULTS (1<sup>st</sup> HALF 2016)

### GENERAL PRESENTATION: **SG SFH & SG SCF**

1. **SG SFH COVERED BOND PROGRAM**
2. **SG SCF COVERED BOND PROGRAM**

## Q2 16: SOLID RESULTS IN A CHALLENGING ENVIRONMENT

### Overall good business performance

Group NBI<sup>(1)</sup> at EUR 7.2bn in Q2 16 vs. EUR 6.5bn in Q2 15, up +11.5%<sup>(1)\*</sup>  
Good performance of Group Core Businesses and impact of Visa transaction (EUR 725m in Q2 16).  
H1 16 Group NBI<sup>(1)</sup> at EUR 13.2bn, up +4.3%<sup>(1)\*</sup> vs. H1 15

Strict monitoring of costs : +1.3%\* vs. Q2 15, stable (-0.6%\*) vs. H1 15

Cost of risk down 5.3%\* vs. Q2 15. Commercial cost of risk at 38bp vs. 44bp in Q2 15

Strong increase of Group Net Income<sup>(1)</sup>: EUR 1,599m in Q2 16 vs. EUR 1,137m in Q2 15, up +44.6%<sup>(1)\*</sup>  
H1 16 Group net Income<sup>(1)</sup> of EUR 2,428m vs. EUR 1,970m in H1 15, +25.5%<sup>(1)\*</sup>



**Significant increase of EPS<sup>(1)</sup> at EUR 2.77 at end-H1 16, up +25% vs. end-H1 15**

### Strong Balance Sheet ratios

Steady capital generation: Fully loaded CET 1 at 11.1%, vs. 10.9% at end-2015

Total Capital ratio at 16.7% at end-June 2016 vs. 16.3% at end-2015



**Net Tangible Asset Value per Share at EUR 55.37 (+4% vs. H1 15)**

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

(1) Excluding revaluation of own financial liabilities and DVA (refer to p. 34-35)

NB. Solvency ratios based on CRR/CRD4 rules integrating the Danish compromise for insurance. See Methodology, section 5. Impact of Visa transaction in the Corporate Centre EUR 725m in NBI and EUR 662m in Group Net Income

## SOLID RESULTS FROM A WELL-BALANCED BUSINESS MODEL

### H1 16 figures

Net Banking  
Income (EUR m)

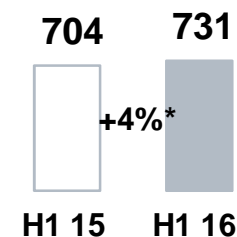
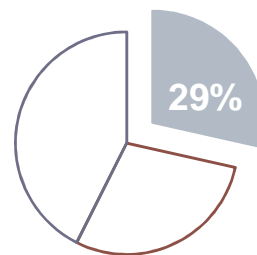
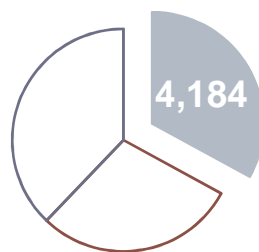
Average Allocated  
Capital  
(% of capital allocated to  
Core Businesses)

Group  
Net Income (EUR m)

Adjusted  
RONE

#### FRENCH RETAIL BANKING

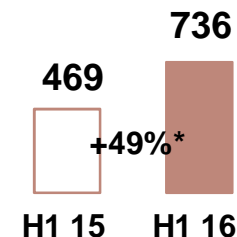
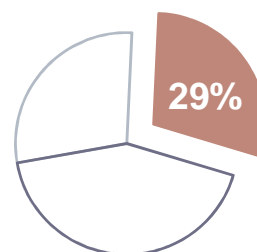
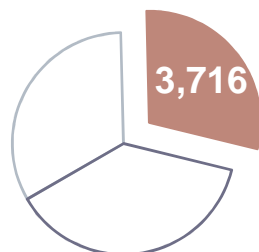
- Three premium complementary brands
- Client-centric transformation generating fee revenue
- Fast growing leader on-line bank



14.8%

#### INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

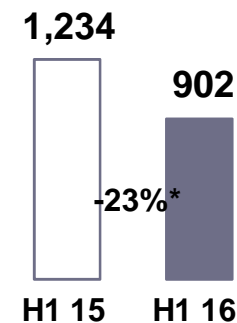
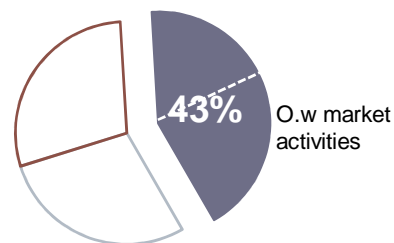
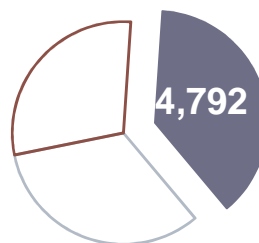
- Rebalanced business portfolio
- Positioned in fast growing areas outside the Euro-zone
- Dynamic financial services



14.7%

#### GLOBAL BANKING AND INVESTOR SOLUTIONS

- Multispecialist and well positioned business model
- Re-focused on the most attractive and synergetic segments in the new regulatory environment



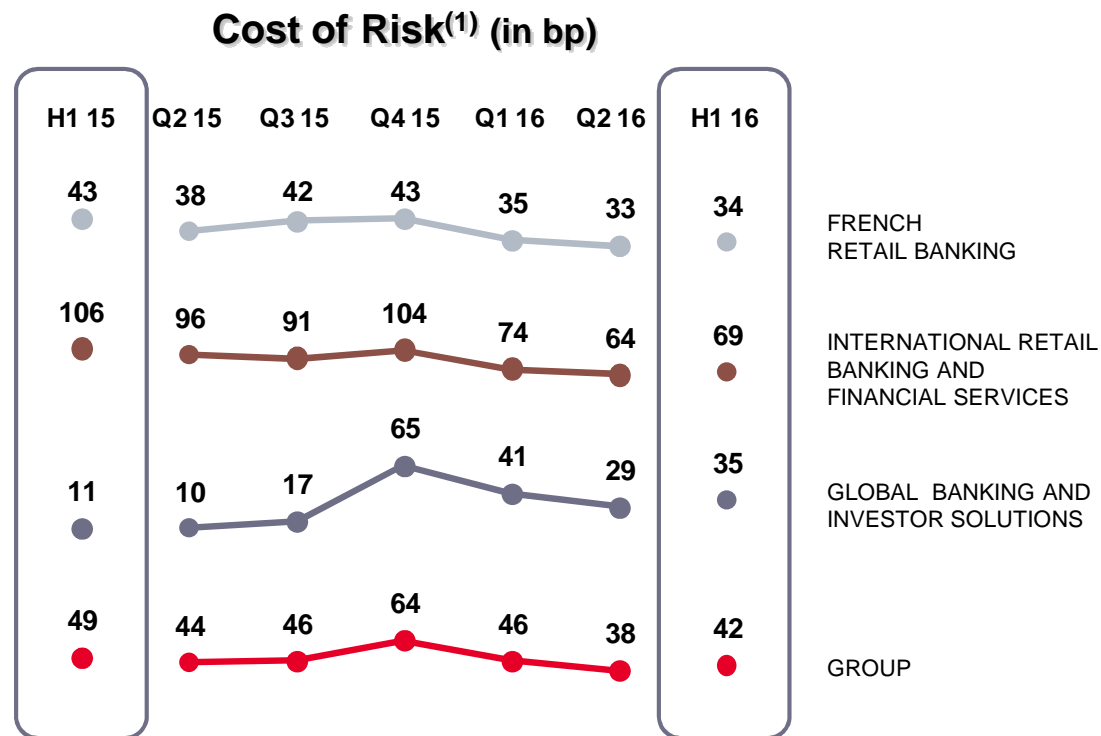
10.1%

Note: RONE adjusted for IFRIC 21 and Euribor fine Refund (EUR +218m in Q1 16) for Global Banking and Investor Solutions, and excluding PEL/CEL in French retail Banking

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

**Q2 16: LOW COST OF RISK**

- French Retail Banking
  - Confirmation of lower cost of risk
  
- International Retail Banking and Financial Services
  - Confirmation of downward trend in cost of risk
  - Stable in Russia
  
- Global Banking and Investor Solutions
  - Stabilisation of cost of risk on Energy and Commodities
  - Low Cost of Risk overall
  
- Group gross doubtful loan coverage ratio at 64% in Q2 16



**Group Net Allocation to Provisions<sup>(2)</sup>  
(in EUR m)**

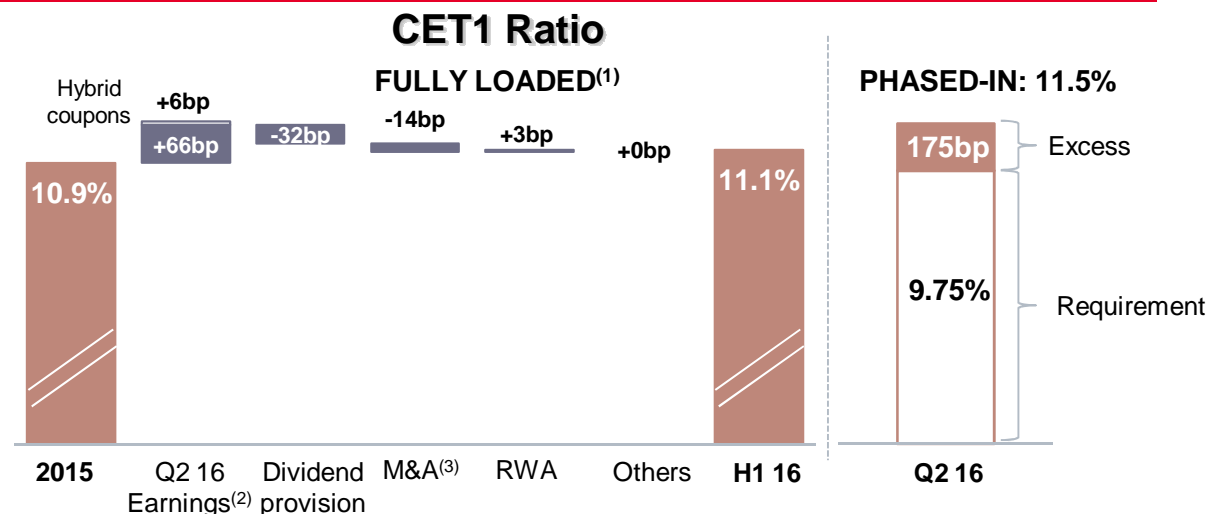
H1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16	H1 16
(1 137)	(524)	(571)	(757)	(524)	(464)	(988)

(1) Excluding provisions for disputes. Outstandings at beginning of period. Annualised

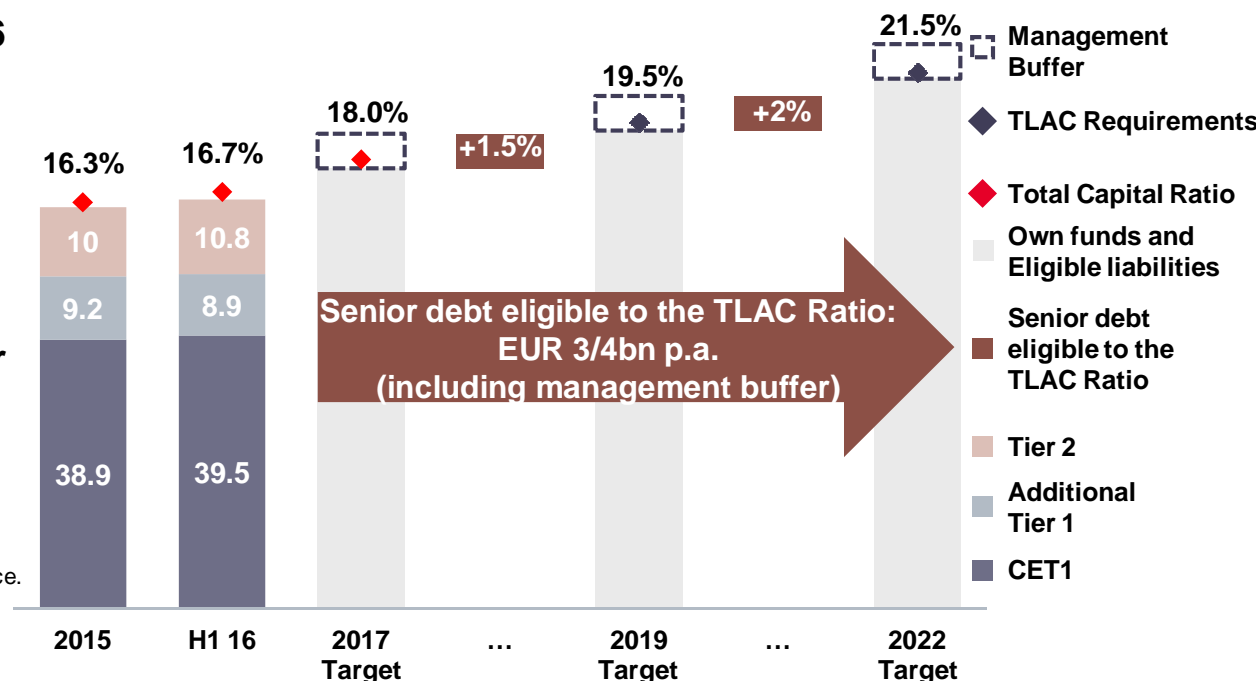
(2) Adjusted for allocation to collective provision for disputes in Q2 15 (EUR -200m), allocation of EUR -400m in Q4 15 and allocation of EUR -200m in Q2 16

## SOLID CAPITAL POSITION

- CET1<sup>(1)</sup> ratio stable at 11.1% vs. Q1 16
  - Steady earnings capital generation
  - Bolt-on acquisitions: ALD-Parcours, Kleinwort-Benson
- Capital position well above regulatory requirement
  - Significant management buffer: 175bp at end-June 2016
  - Total Capital ratio at 16.7% up +23bp vs. Q1 16
  - New Pillar 2 framework disclosed by ECB
- Reduced needs to meet TLAC requirements
  - ~EUR 3/4bn p.a., including management buffer



### Solvency Ratios and Regulatory Requirements (EUR bn)



(1) Fully loaded based on CRR/CRD4 rules, including Danish compromise for insurance. See Methodology, section 5 of Q2 16 results presentation

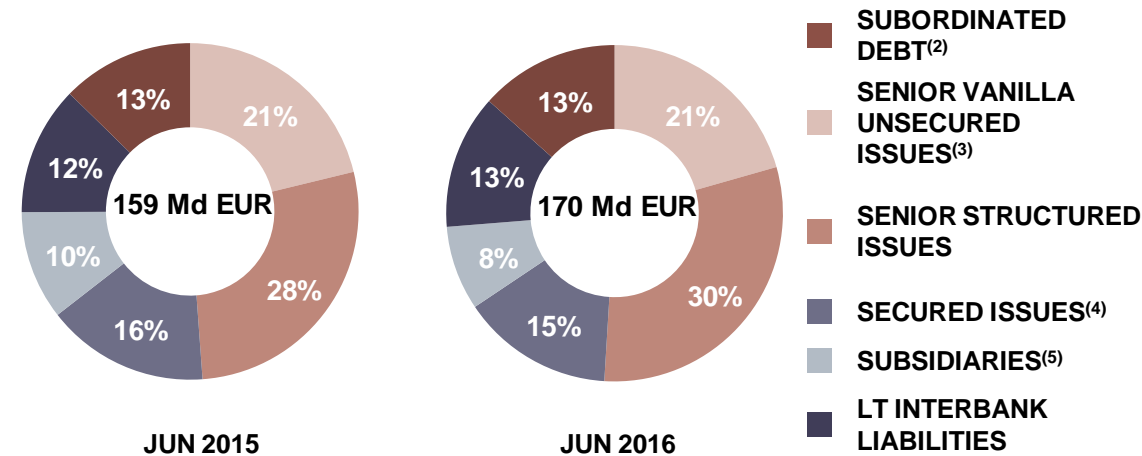
(2) Excluding non recurring items and IFRIC 21 adjustments

(3) Parcours and Kleinwort-Benson acquisitions

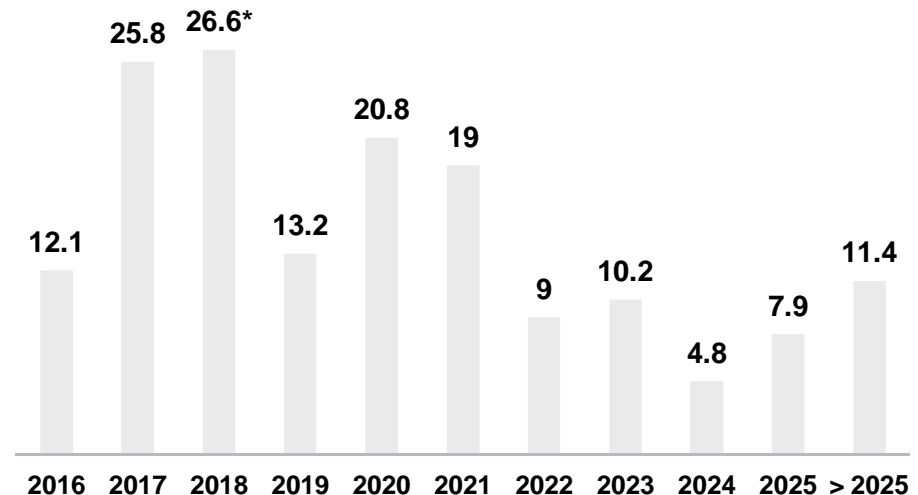
## DIVERSIFIED ACCESS TO LONG TERM FUNDING SOURCES

- Access to diversified and complementary investor bases through:
  - Subordinated issues
  - Senior vanilla issuances (public or private placements)
  - Senior structured notes distributed to institutional investors, private banks and retail networks, in France and abroad
  - Covered bonds (SFH, SCF) and securitisations
- Issuance by Group subsidiaries
  - Access to local investor bases by subsidiaries which issue in their own names or issue secured transactions (Russian entities, ALD, GEFA, Crédit du Nord, etc.)
  - Increased funding autonomy of IBFS subsidiaries
- Balanced amortisation schedule

Long Term Funding Breakdown<sup>(1)</sup>



Long Term Funding<sup>(1)</sup> Amortisation Schedule  
(as of 30 June 2016, EUR bn)



(1) Funded balance sheet at 30/06/2016 and 30/06/2015, modelled maturity for structured issues.

(2) Including undated subordinated debt

(3) Including CD & CP >1y

(4) Including CRH




(5) Including IFI

\* Including TLTRO



**LONG TERM FUNDING PROGRAMME**

- New parent company 2016 funding programme EUR 31.3bn
  - Including EUR 17bn of structured notes
- Completed at 59% at 13<sup>th</sup> July 2016 (EUR 18.4bn, including 56% of structured notes)
  - Competitive funding conditions: MS6M+47bp, average maturity of 5.6 years
  - Diversification of the investor base (currencies, maturities)
- Additional EUR 2.3bn issued by subsidiaries

Q2 16 LANDMARK ISSUANCE	<p><b>Societe Generale Inaugural SGD 425M 10NC5 Tier 2</b></p>  <p><b>Societe Generale Inaugural SGD Tier 2 10 NC5 SGD 425,000,000</b></p> <ul style="list-style-type: none"> <li>• 2<sup>nd</sup> largest Tier 2 issue launched by a non Asian bank in SGD</li> <li>• Over-subscribed (x3) from local investors</li> <li>• Attractive level towards EUR and USD curves</li> </ul>	<p><b>Societe Generale Inaugural USD 500M 20Y Bullet Formosa Tier 2</b></p>  <p><b>Societe Generale Inaugural Formosa Tier 2 USD 500,000,000</b></p> <ul style="list-style-type: none"> <li>• First French bank to launch a subordinated Formosa Tier 2 issuance</li> <li>• Placed to Taiwanese insurance companies</li> <li>• Attractive level towards EUR and USD curves</li> </ul>	<p><b>Societe Generale AUD 325M 12NC7 TIER2</b></p>  <p><b>Societe Generale 12NC7 Tier 2 AUD 325,000,000</b></p> <ul style="list-style-type: none"> <li>• Orderbook of almost AUD 400m from 70 high quality accounts</li> <li>• Further diversification of our investor base</li> <li>• Attractive level toward EUR and USD curves</li> </ul>
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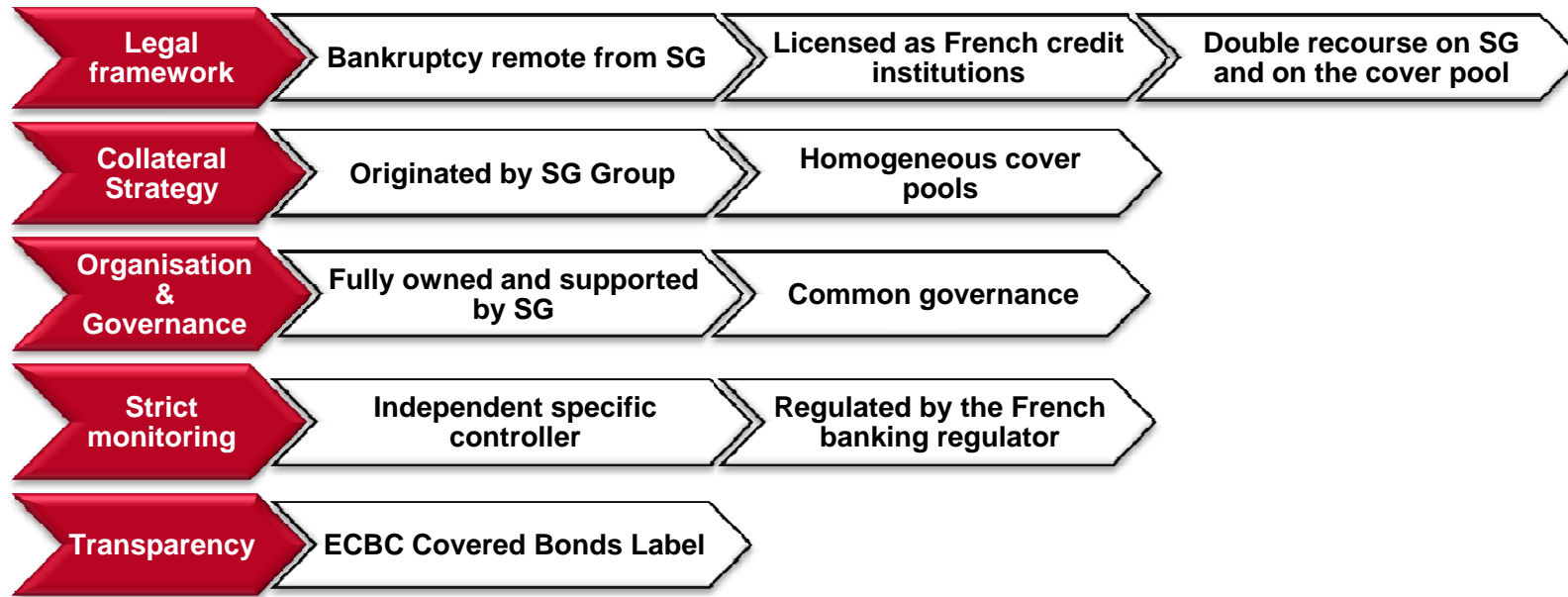
SOCIETE GENERALE GROUP RESULTS (1<sup>st</sup> HALF 2016)

**GENERAL PRESENTATION: SG SFH & SG SCF**

- 1. SG SFH COVERED BOND PROGRAM**
- 2. SG SCF COVERED BOND PROGRAM**

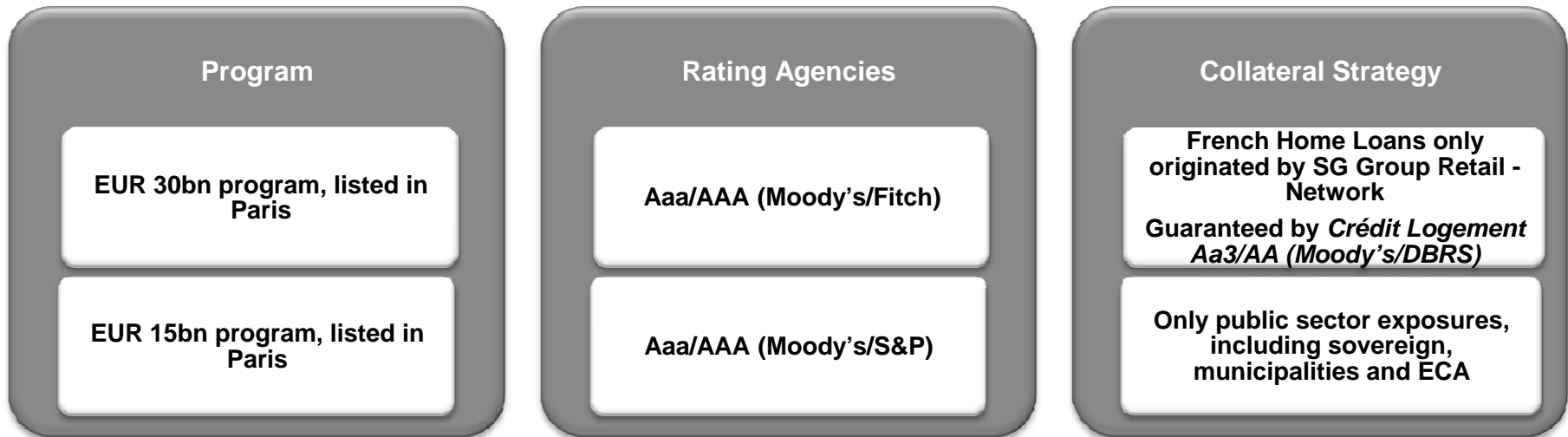
Two issuers with similar structure, a centralized and strict monitoring

SG SCF & SG SFH have many points in common



SG SFH

SG SCF



### Supervision

- Direct supervision by the European Central Bank
- Monitoring of the cover pool and certification of the legal ratios by an independent statutory auditor (Specific Controller)

### Exclusive Legal Purpose

- Business purpose limited by law to the sole refinancing of eligible assets
- Restrained legal eligibility criteria targeting an extremely high quality collateral selection
- Substitution assets limited to 15% of the privileged debt

### Insolvency derogating regime

- Segregation of cover pool assets and legal preferential claim for covered bonds investors
- Absolute seniority of payments over all creditors, no early redemption or acceleration
- Regulated covered bonds are exempted from bail-in (BRRD)

### Transfer of Collateral

- Valid and enforceable legal transfer of full title as security under the European Collateral Directive
- Procures a double recourse on the cover pool and on SG

### Legal mitigants

- Legal Cover Ratio (105%)
- Liquidity needs coverage for a 180 days period with restricted liquid assets
- Strict monitoring of asset liability mismatch in terms of WAL and gaps with regulatory limits

## Covered bonds provide preferential regulatory treatment for bank investors

### Capital Requirements Regulations (CRR) (10% Weighting)

• **SG SFH (Art 129.1.e)**

- Residential loans all fully guaranteed by Crédit Logement (Aa3/AA for Moody's/DBRS)
- Loan to Income (LTI) lower or equal to 33%
- No mortgage liens on the residential property when the loan is granted, and for the loans granted from 1 January 2014 the borrower is contractually committed not to grant such liens without the consent of the credit institution

• **SG SCF (Art 129.1.a.b)**

- Exposures to or guaranteed by central and local governments and public sector entities
- Exposures to or guaranteed by central and local governments and third country (other than EU) public sector entities rated step 1



### High Quality Liquid Assets (L1 & L2A)\*

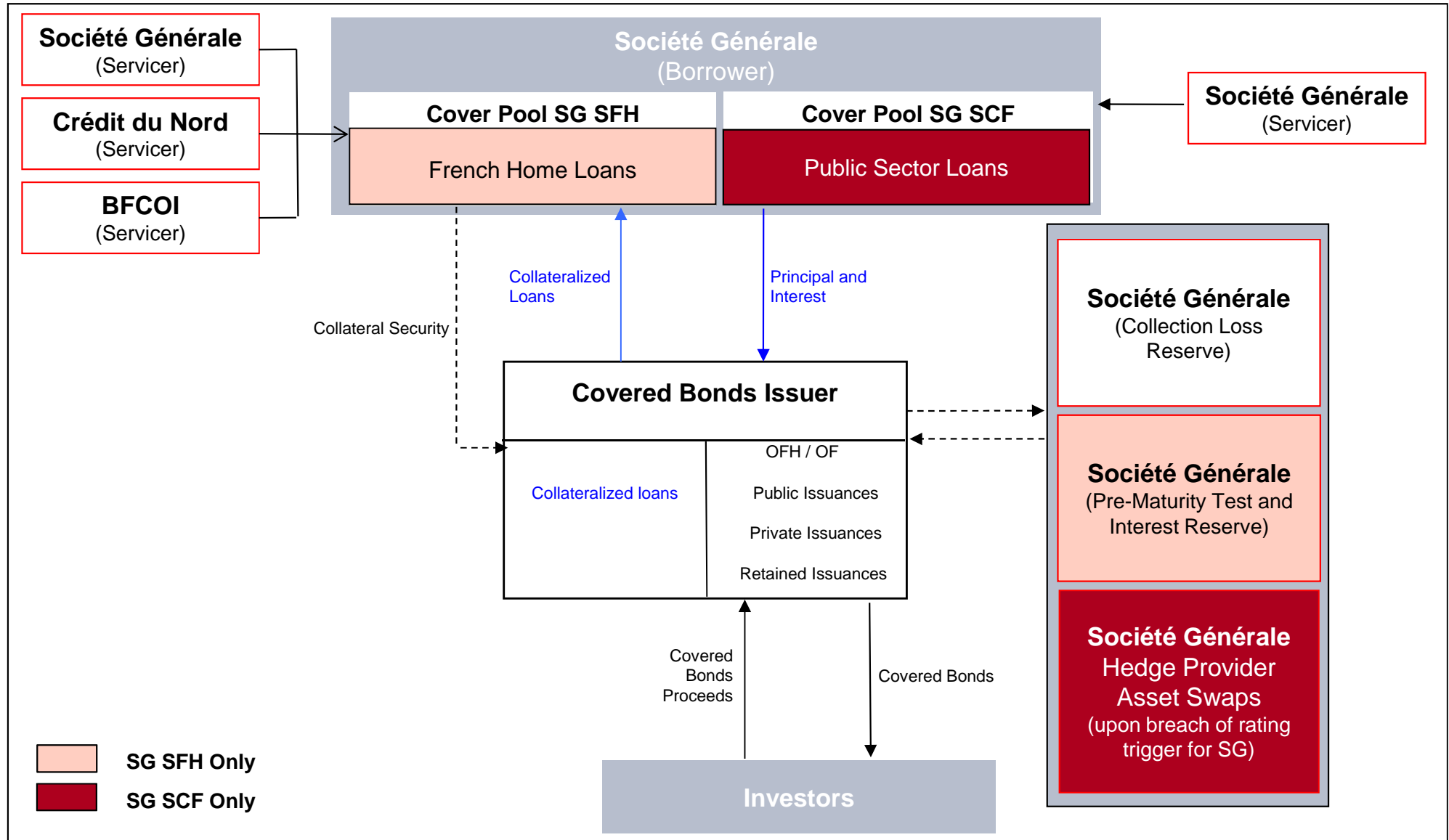
- UCITS compliant (52.4) ([http://ec.europa.eu/finance/investment/legal\\_texts/index\\_fr.htm](http://ec.europa.eu/finance/investment/legal_texts/index_fr.htm))
- Transparency requirements (art. 129 (7))\*
- Minimum issuance size (at least EUR 250 million for L2A and EUR 500 million for L1)
- Step 1 covered bond ratings by 2 ECAs
- Cover Ratio > 102% (SG SCF: 124.06% and SG SFH:109.05%)
- Exposures towards Credit institutions <15 % of outstanding covered bonds



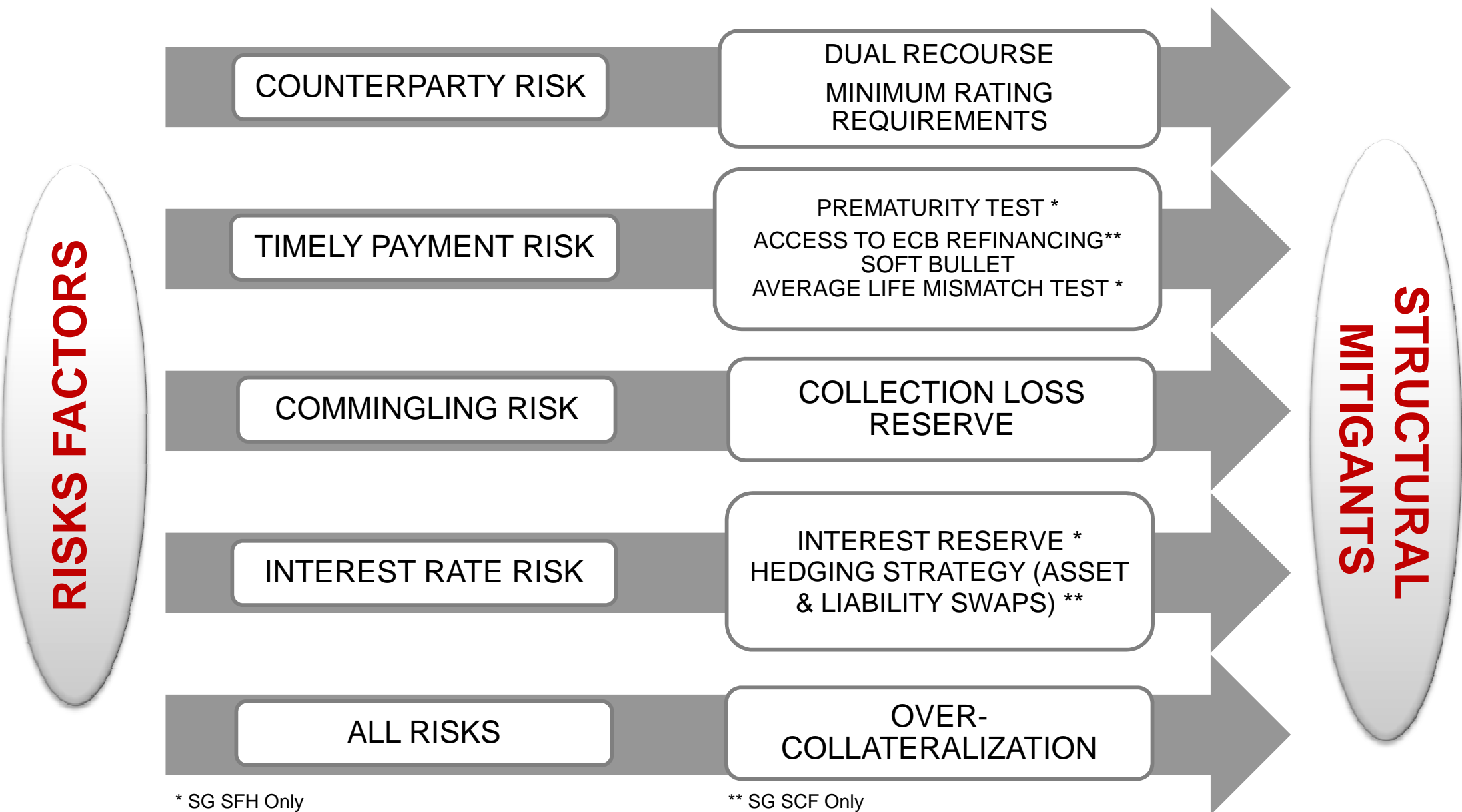
\* cf. ECBC Report available on the investor website (<http://www.societegenerale.com/fr/mesurer-notre-performance/investisseurs/investisseurs-dette>)

# Comprehensive and simple structures compliant with Rating Agencies criteria

## Current Structure



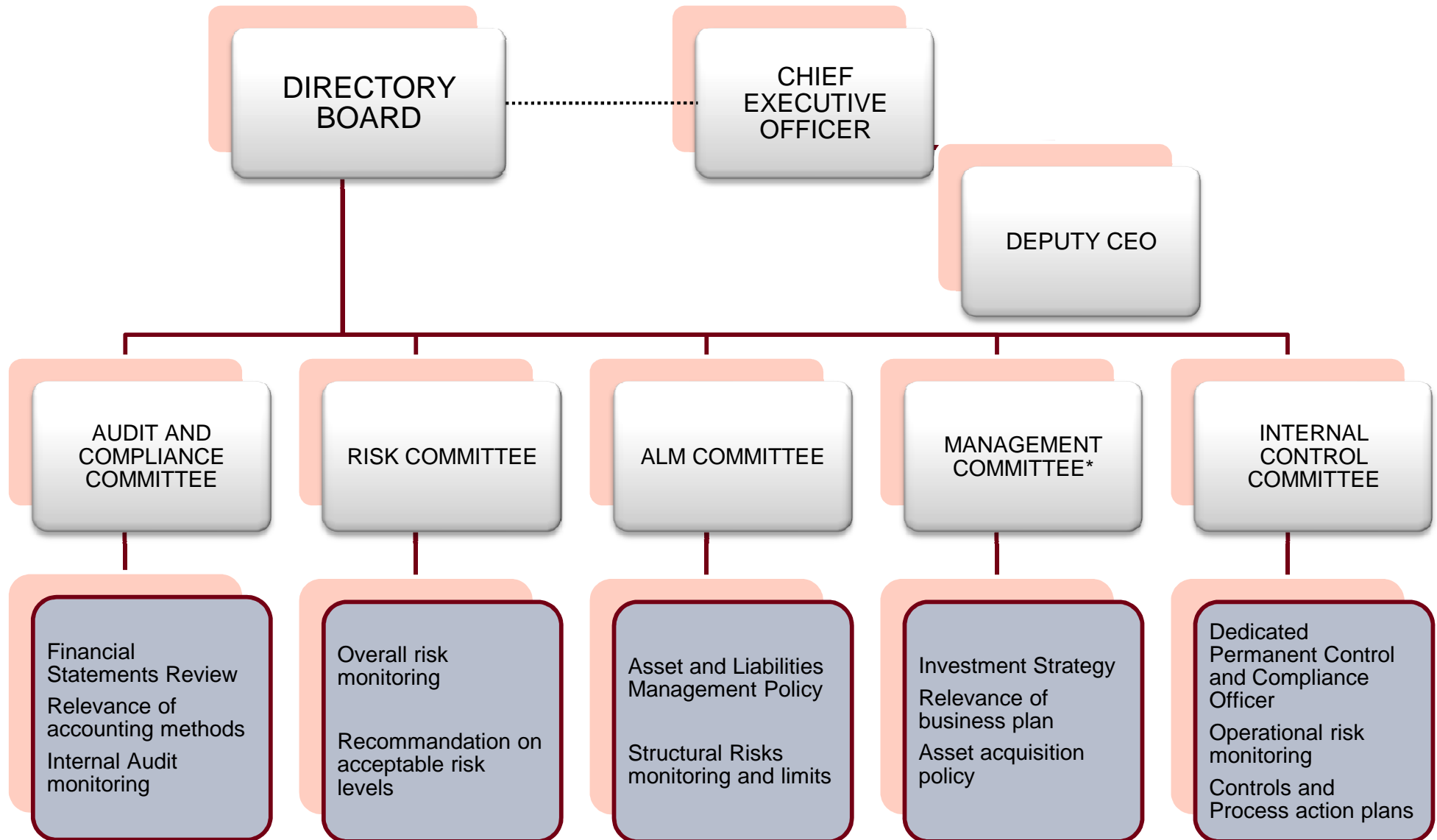
Risks are rigorously managed and strongly mitigated



\* SG SFH Only

\*\* SG SCF Only

## Dedicated governance and strong control environment



\* SG SCF Only



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SOCIETE GENERALE GROUP RESULTS (1<sup>st</sup> HALF 2016)

GENERAL PRESENTATION: **SG SFH & SG SCF**

- 1. SG SFH COVERED BOND PROGRAM**
- 2. SG SCF COVERED BOND PROGRAM**

## Collateral investment policy in line with SG Group Business Strategy

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### Strategic integration in the Group

- SG SFH is the main refinancing entity for the French Home Loan business originated by the SG Group French Retail Network
- Realizes funding advantages to increase SG Group competitiveness

### Attractive and resilient market segment

- Low home ownership rate allowing further development of the French Home Loan business
- Resilient home prices
- High quality and well performing prime loans
- Dedicated mutual guarantee mechanism (Crédit Logement)

### Concentration on core competences

- Home loans represent 50% of French retail network
- Sustained home loan production focusing on upscale clients

### Strict selection criteria

- Double credit approval at origination at SG and Crédit Logement levels
- Due diligence on legal compliance of the selected assets made by the Specific Controller
- Additional self-imposed investment restrictions at SG SFH level: residual maturity can not exceed 30 years, no unpaid instalment, borrowers are not SG employees

# Strategic Integration in SG Group: Diversified home loans origination and sources of collateral



## ENTITIES REFINANCED THROUGH SG SFH



A solid universal bank in the service of the economy

**2 246**  
agencies

**€ 21.4bn**  
home loans outstanding



8 regional banks

**899**  
agencies

**€ 3.3bn**  
home loans outstanding

DEVELOPPONS ENSEMBLE L'ESPRIT D'EQUIPE



29 agencies

Leading player in the economic environment of la Réunion & Mayotte

**€ 80m** (↗)  
home loans outstanding

## FUTURE ENTITY TO BE REFINANCED THROUGH SG SFH



N°1 in the online bank in France

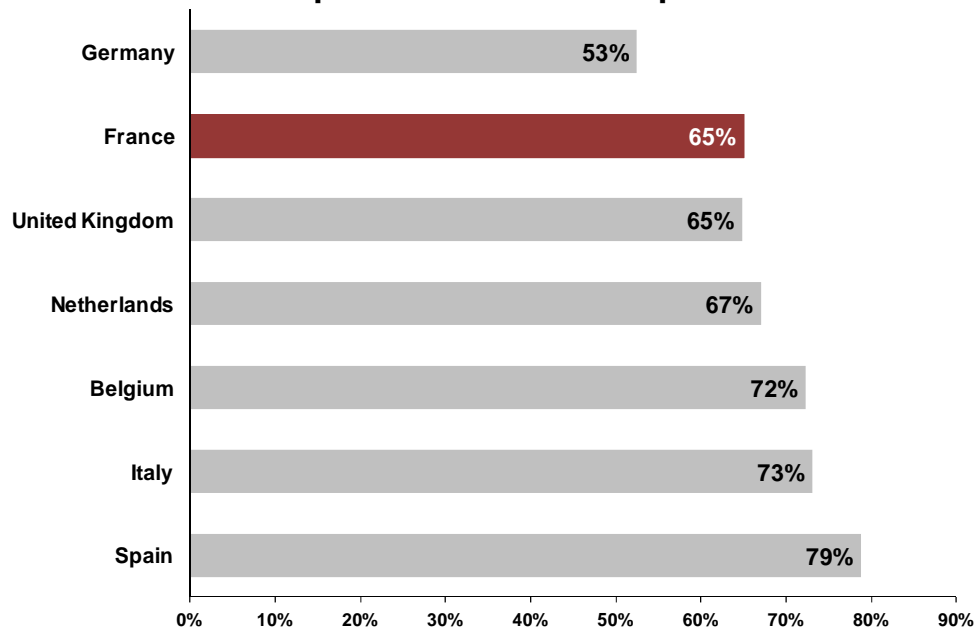
Leading player of the brokerage and on-line savings

**~€ 1.0bn – 2.0bn**  
home loans outstanding

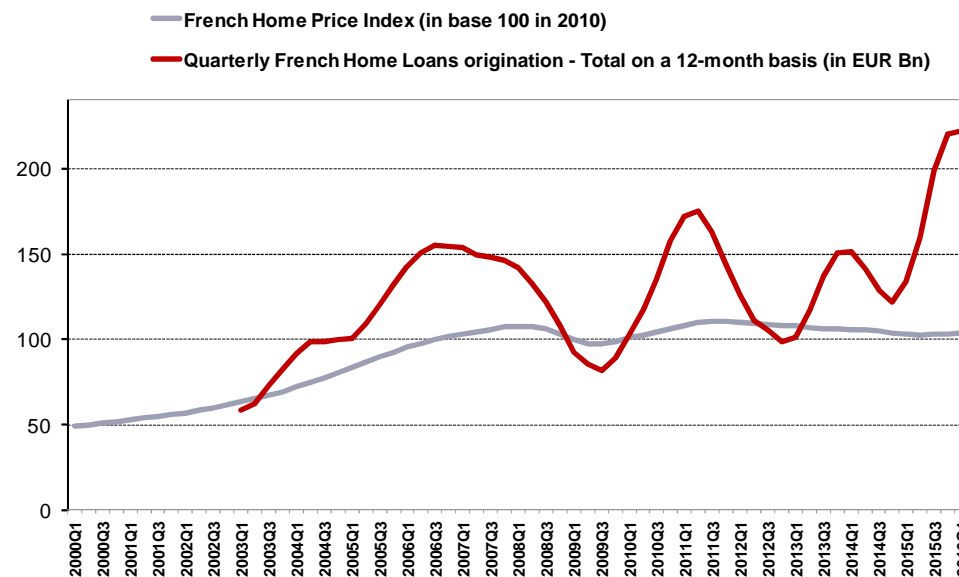
# Attractive and resilient market segment : French home loan market context

- 65% ownership rate (second lowest in EU)
- 30.2% of French households bearing residential loans
- Home prices resilient (very limited impact during financial crisis)
- Maturity at origination below French market practice

European home ownership %

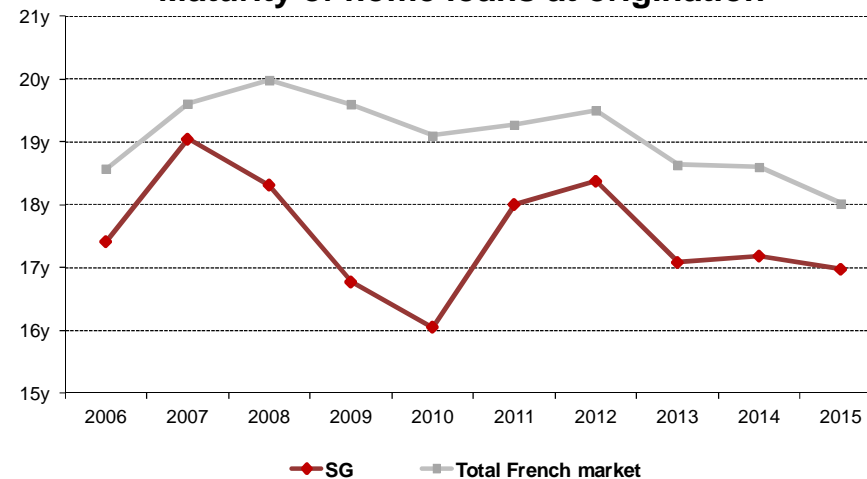


Source : Eurostat, 2014



Source : Banque de France / Insee-Notaries

Maturity of home loans at origination

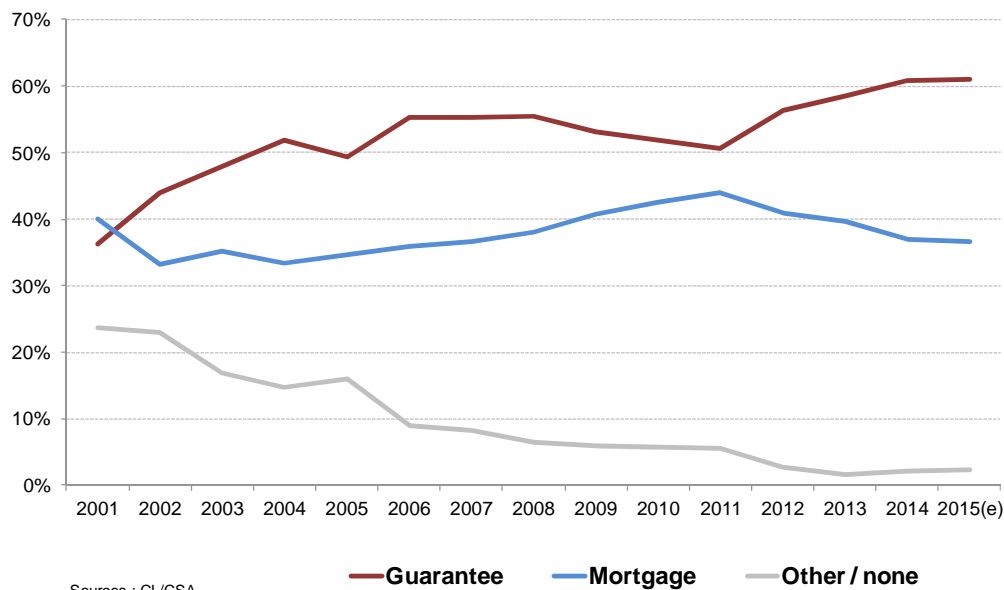


Source: ACPR - SG

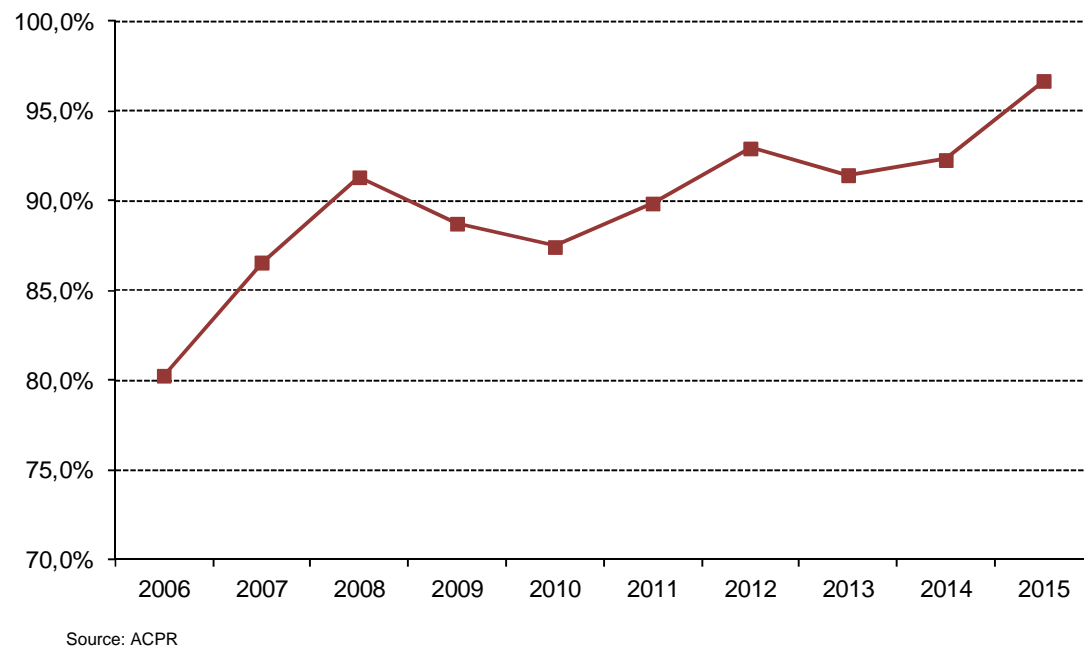
## Attractive and resilient market segment: French home loans main characteristics

- Mostly fully fixed rate loans with constant instalments
- Amounts lent are based on the borrower's capacity to repay
- Guaranteed rather than mortgage loans
- No home equity loan market

Type of security of French Home loans outstanding



Portion of fixed rate loans in French home loans origination

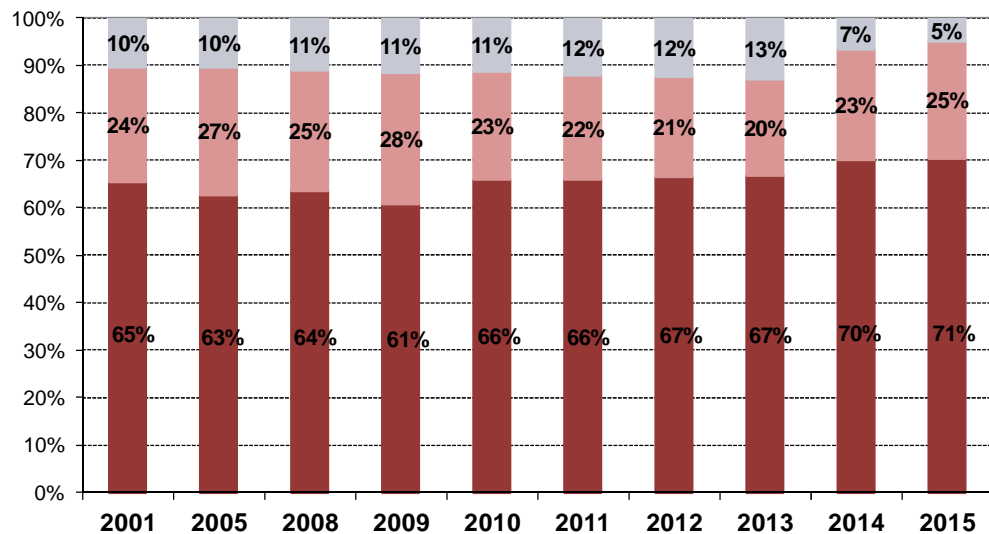


## Attractive and resilient market segment: A prime home loan market

- The French home loan market is a prime home loan market
  - \_ Mainly on existing properties (+/- 2/3)
- Default rates remain at low level
  - \_ At national level
  - \_ Especially when guaranteed by Crédit Logement

French market – Loan purpose  
(Crédit Logement classification)

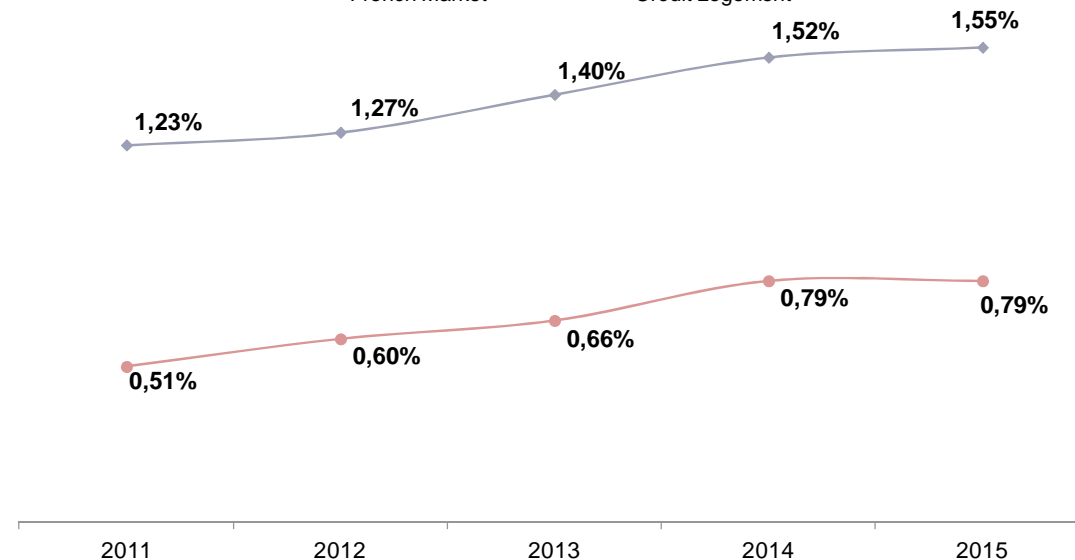
■ Old property ■ New property ■ Works



Source : Observatoire de la Production des Crédits Immobiliers (OPCI)

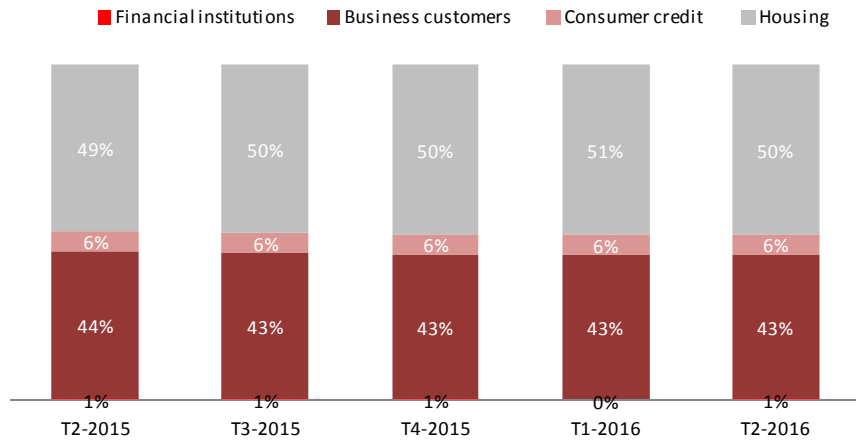
Doubtful home loans

◆ French Market ● Crédit Logement



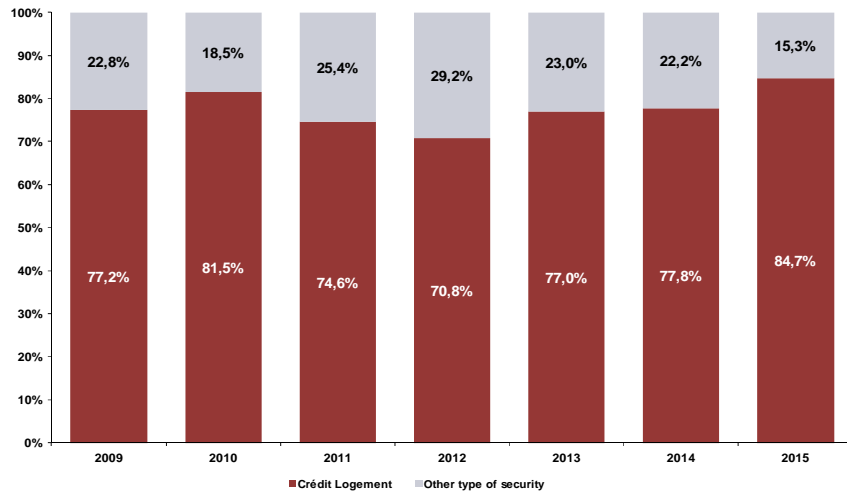
Source ACPR, Crédit Logement

**Société Générale loans breakdown**



**Societe Generale production's structure**

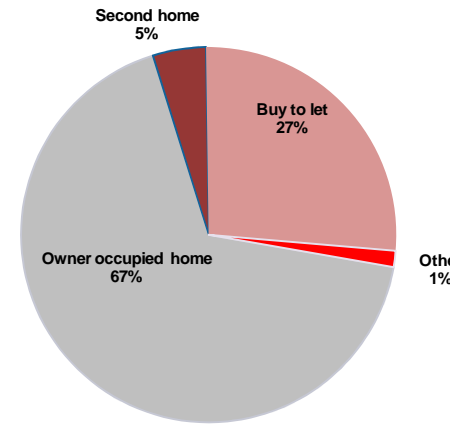
Annual SG Habitat Retail origination – Breakdown by type of security



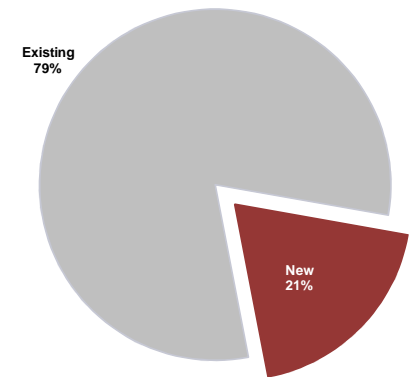
**Société Générale French Home Loan Business**

Performing outstanding breakdown as of end of 2015

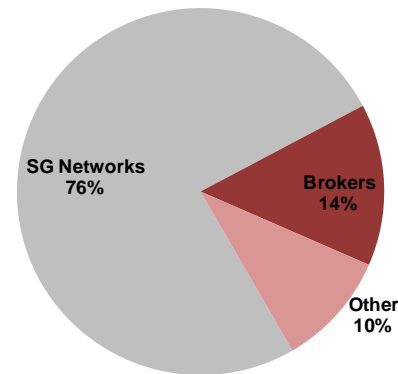
**Type of loan purpose**



**Type of clients**



**Type of acquisition channel**



## CREDIT LOGEMENT PERFORMANCE

- **“Guaranteed loans” market share in home loan market** : in 2015, guaranteed loans represented 56%(\*) of the overall residential loans granted in France
- **Crédit Logement is the national leader** of the home loan guarantee market, with a market share of around 42%.
- Main figures(\*):

in EUR Bn	2010	2011	2012	2013	2014	2015
French home loan production	165,5	156,5	109,2	140,5	121,6	192,6
CL Guarantee production	56,3	51,1	35,1	49,1	43,2	80,4
<i>CL guarantee production market share</i>	<i>34%</i>	<i>33%</i>	<i>32%</i>	<i>35%</i>	<i>36%</i>	<i>42%</i>
French home loan outstanding	688,2	722,3	754,9	783,4	802,4	834,1
CL Guarantees outstanding	201,9	224,0	232,9	245,5	254,3	280,3
<i>CL guarantees outstanding market share</i>	<i>29%</i>	<i>31%</i>	<i>31%</i>	<i>31%</i>	<i>32%</i>	<i>34%</i>

- Disbursements on guarantee calls and full partner bank compensations are paid from the **Mutual Guarantee Fund (MGF)\*\***, while Crédit Logement overheads are covered by fees partly spread over the life time of the guarantees.
- Crédit Logement NBI also comprises interest income from the MGF investments and reached EUR 435m in 2015 (EUR 215m in 2014) including an exceptional cash flow event (balancing cash adjustment of EUR 143.5m).

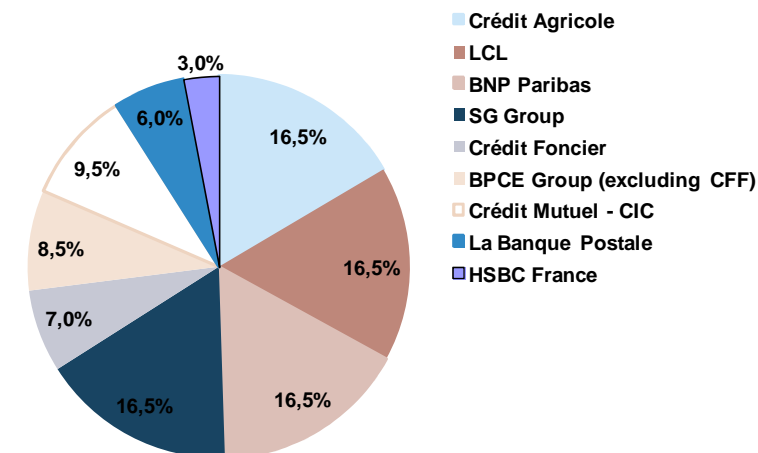
(\*) Source: Enquête annuelle 2015 du SG ACPR sur le financement de l'habitat

(\*\*) which funds are collected from the initial fee payments when guarantees are granted



## OTHER CREDIT LOGEMENT CREDENTIALS

- **Crédit Logement is backed by all larger French banks:**
  - \_ Long term rating
    - Aa3 by Moody's (under stable outlook)
    - AA by DBRS
  - \_ Commitment of partners and shareholders to rebuild the MGF if necessary.
- **Crédit Logement, a financial institution supervised by the French Banking Regulator (*Autorité de Contrôle Prudentiel et de Résolution*)**
- **Despite the 2008/2009 financial crisis, Crédit Logement risk remains low and totally under control**
- **In 2015 the MGF covers 2.1 times all doubtful debts (defined as >3 months instalments arrears)**

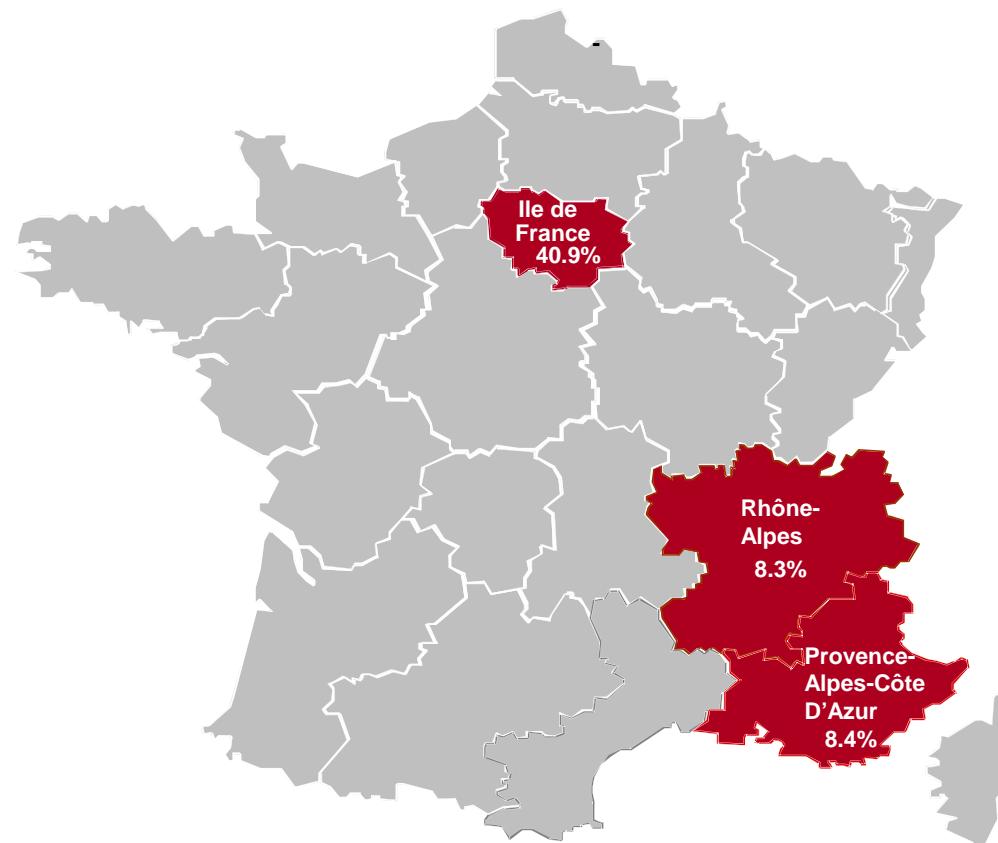


in EUR Mn	2010	2011	2012	2013	2014	2015
CL Guarantees outstanding	201 927	223 976	232 870	245 470	254 288	280 344
CL MGF outstanding	3 231	3 518	3 703	3 950	4 120	4 571
Balance Sheet - Doubtful debt outstanding	380	482	588	730	889	1 078
Off Balance Sheet - Doubtful debt outstanding	513	661	809	898	1 119	1 146
Total Doubtful debt outstanding	893	1 143	1 397	1 628	2 008	2 224
<i>Doubtful debt % of the guarantees outstanding</i>	<i>0,44%</i>	<i>0,51%</i>	<i>0,60%</i>	<i>0,66%</i>	<i>0,79%</i>	<i>0,79%</i>
<i>CL MGF outstanding / Total Doubtful debt outs</i>	<i>3,6</i>	<i>3,1</i>	<i>2,7</i>	<i>2,4</i>	<i>2,1</i>	<i>2,1</i>
Written off amounts	5,0	2,9	6,5	13,9	19,8	29,7
<i>Write-offs (N) / Doubtful debt outstanding (N-1)</i>	<i>0,78%</i>	<i>0,32%</i>	<i>0,57%</i>	<i>1,00%</i>	<i>1,21%</i>	<i>1,48%</i>
<i>Write-offs (N) / CL MGF outstanding</i>	<i>0,15%</i>	<i>0,08%</i>	<i>0,17%</i>	<i>0,35%</i>	<i>0,48%</i>	<i>0,65%</i>

## High quality and well diversified cover pool (1/3)

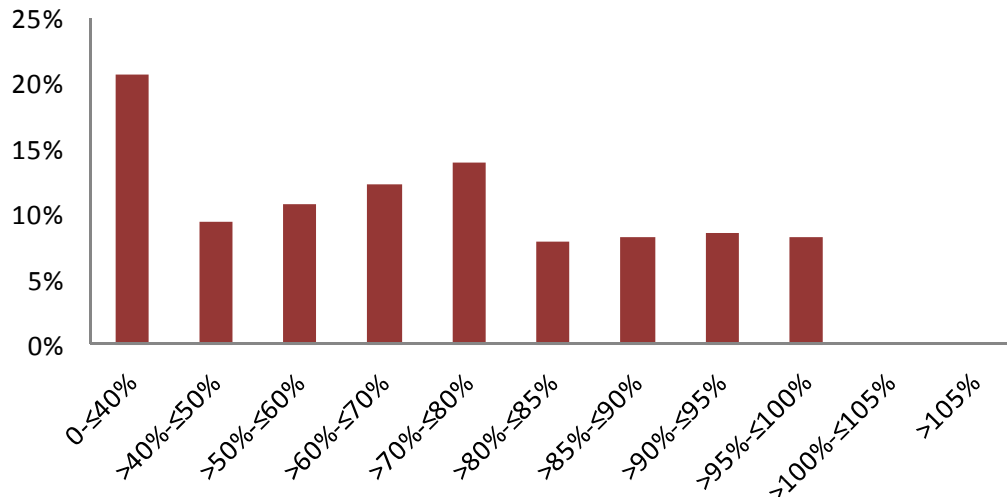
<b>Collateral</b>	<b>100% prime French residential loans &amp; guaranteed by Crédit Logement</b>
<b>Pool size</b>	<b>EUR 24.8bn</b>
<b>Number of borrowers</b>	<b>238,959</b>
<b>Number of loans</b>	<b>316,232</b>
<b>Average Loan Balance</b>	<b>78,268</b>
<b>Current WA LTV</b>	<b>63.6%</b>
<b>WA Seasoning</b>	<b>61 months</b>
<b>WA Remaining Term</b>	<b>156 months</b>
<b>Non performing loans</b>	<b>0</b>

**Geographical distribution**

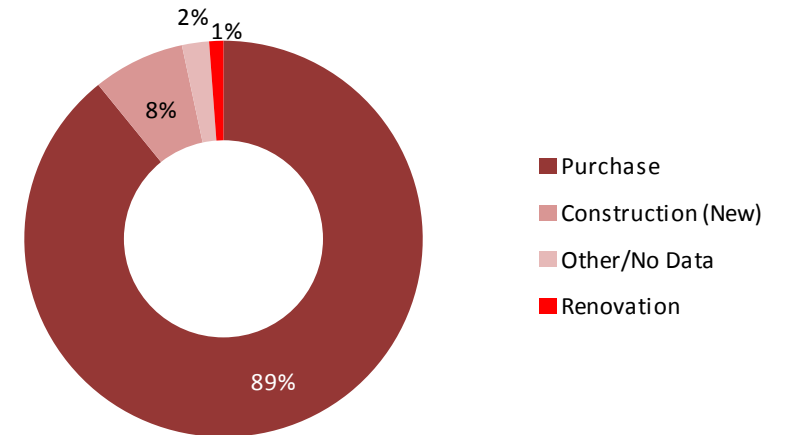


Figures as of end of June 2016

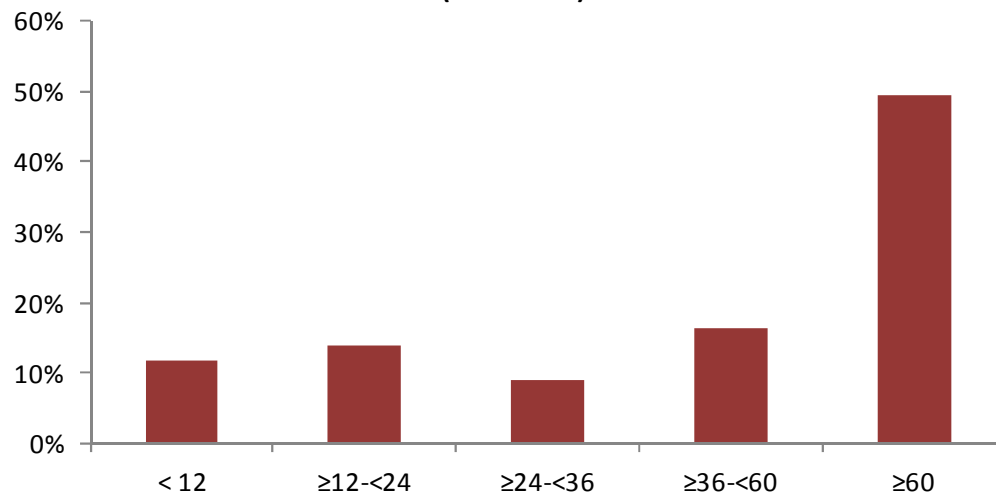
### Indexed LTV Distribution



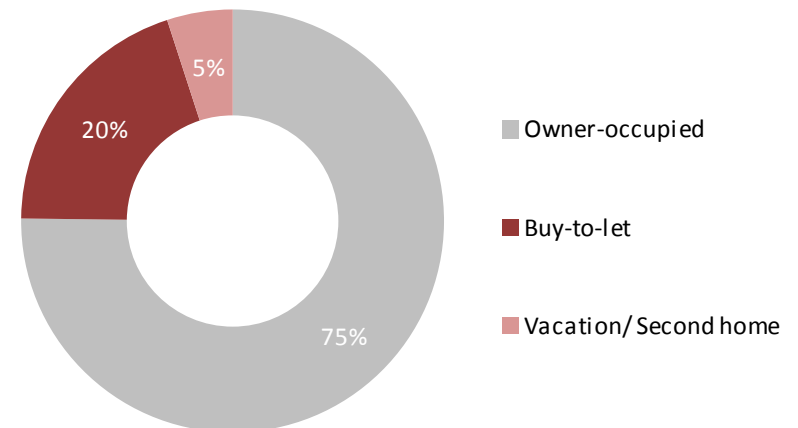
### Loan Purpose



### Seasoning (in months)

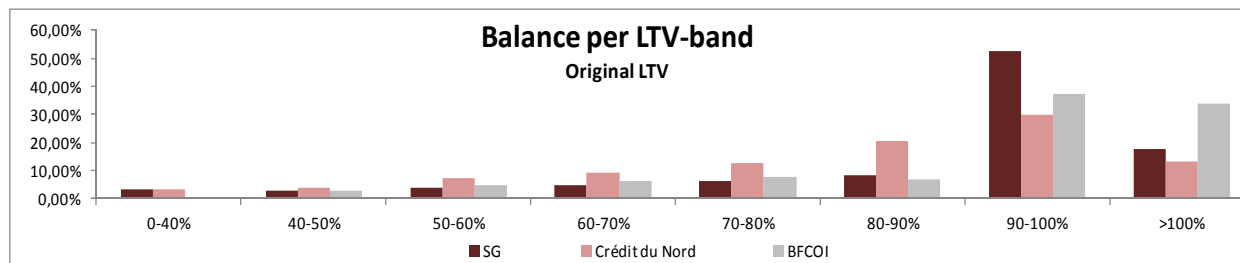
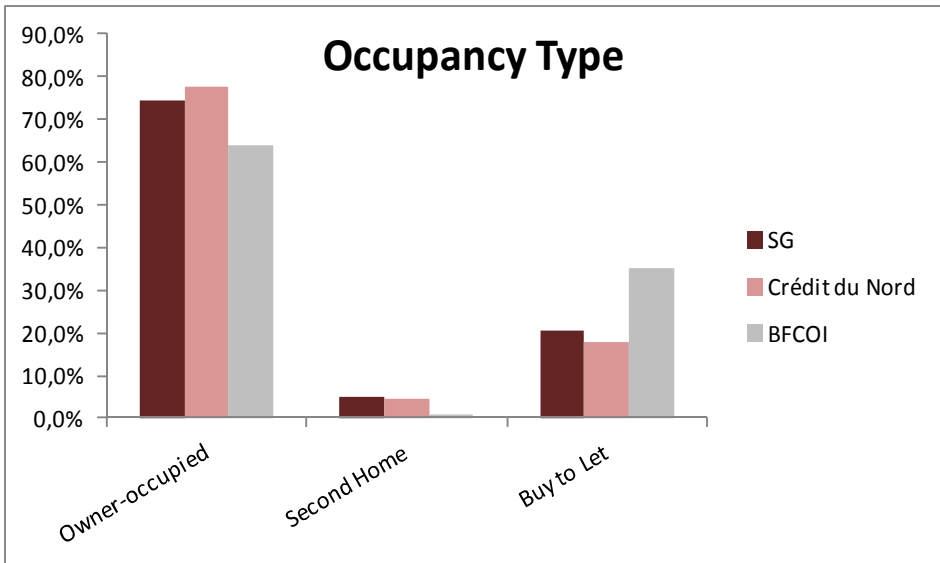
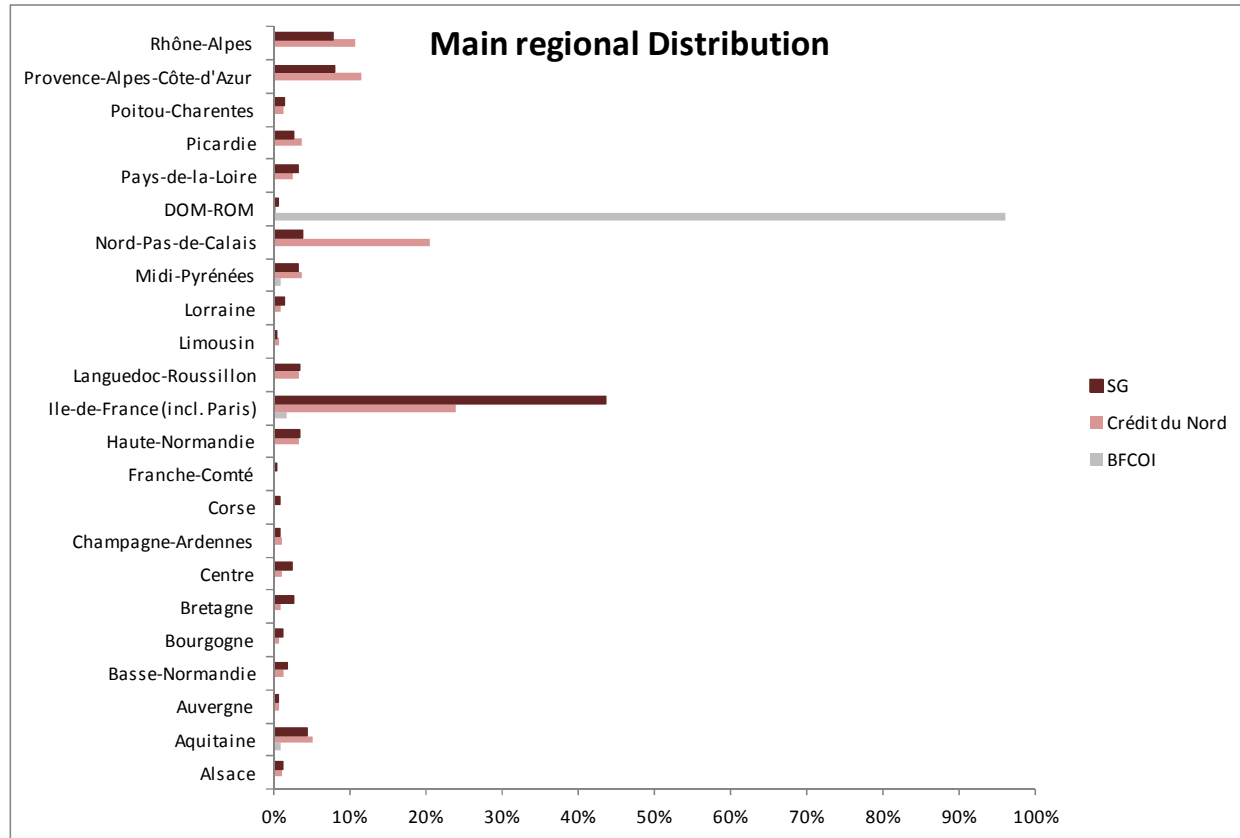
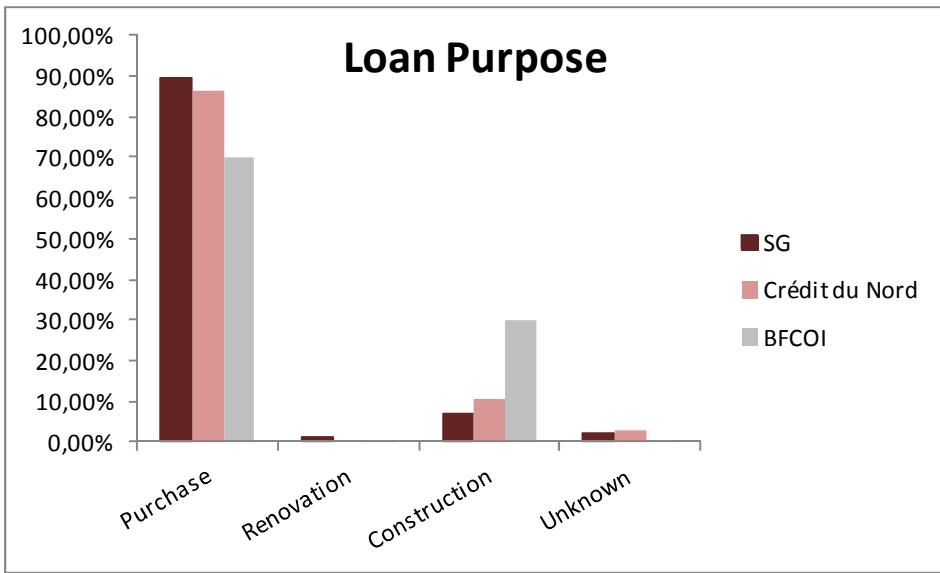


### Occupancy type



Figures as of end of June 2016

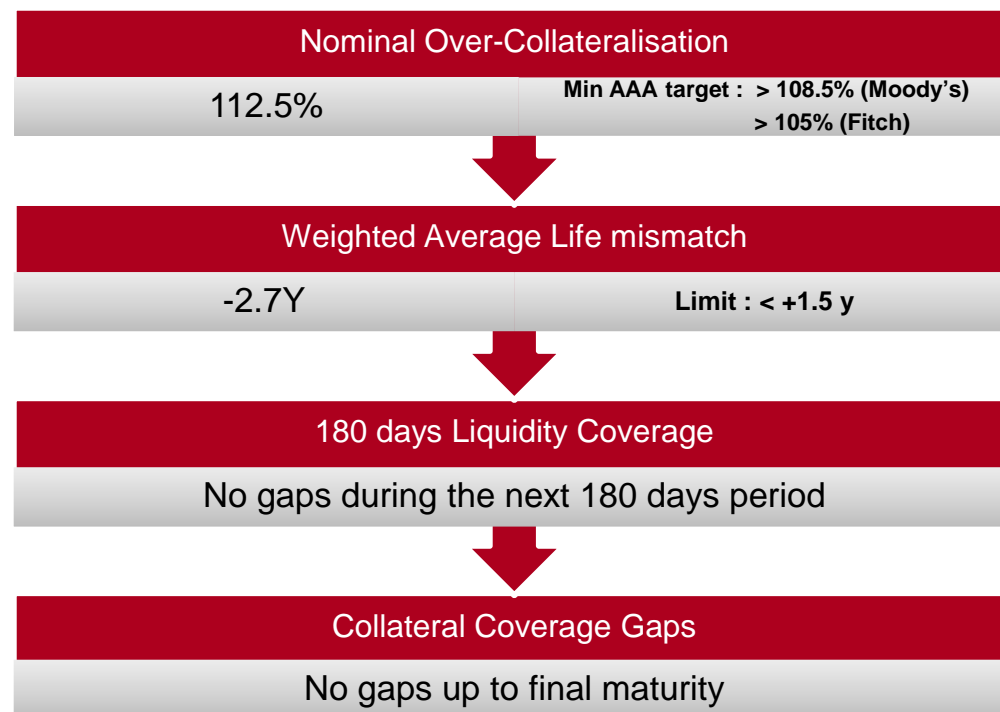
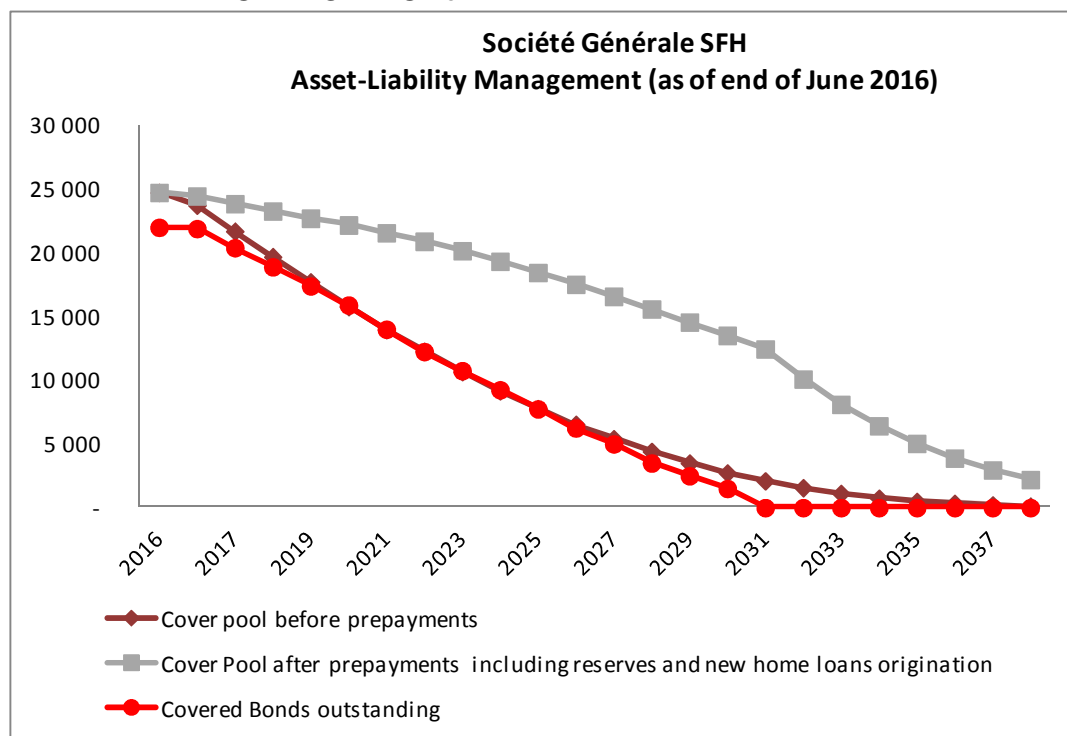
# Well diversified and homogeneous sub-cover pools (3/3)



Figures as of end of June 2016

## Dynamic, projective and cautious ALM monitoring

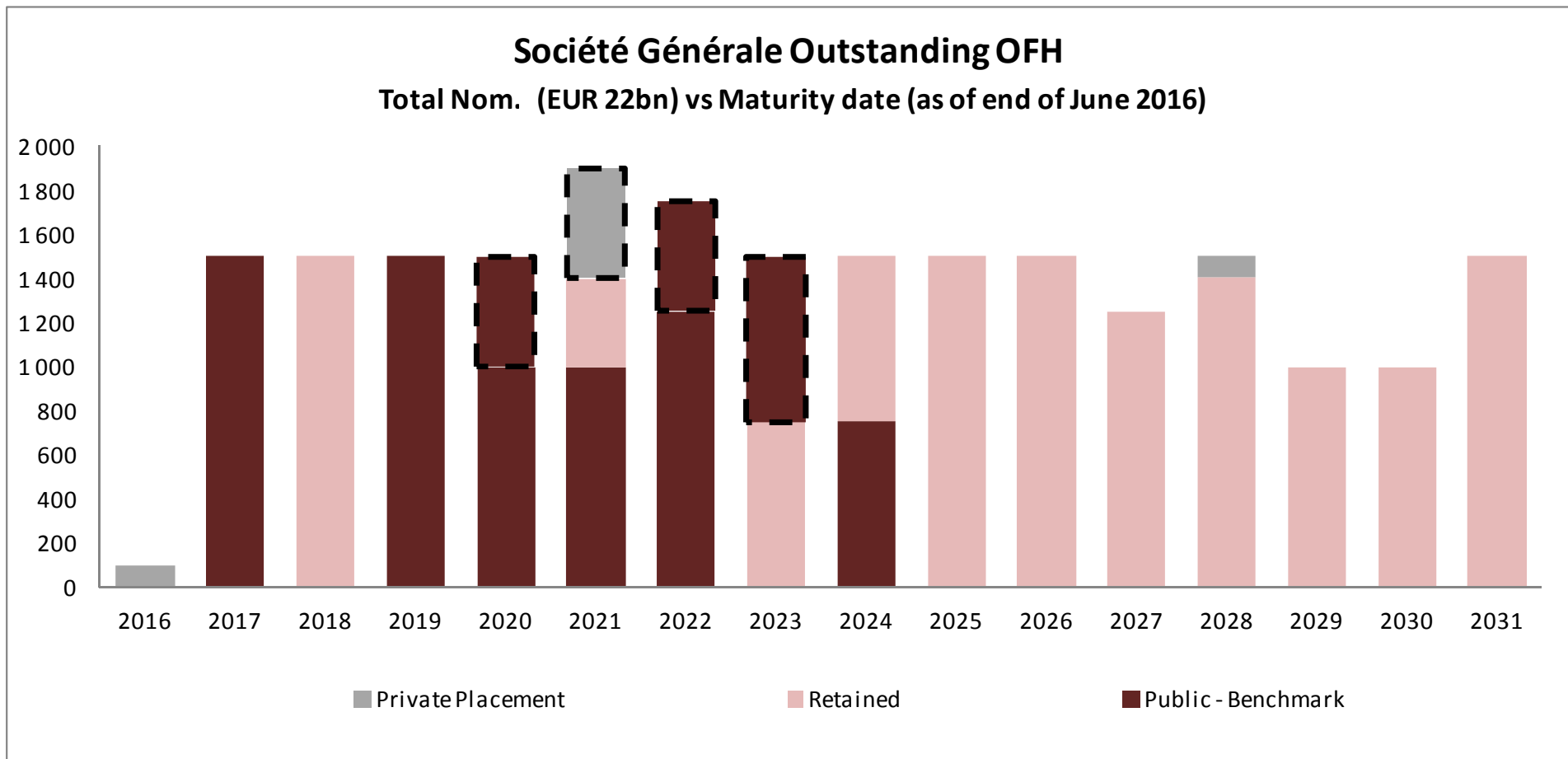
- Covered Bonds fully backed up to their final maturities
- The structure has been set up taking into account best ALM practice
  - Tight projective monitoring of ALM metrics
  - Definition and strict follow-up of a coverage long-term plan based on available eligible assets and conservative new production assumptions
- Stress Tests have been designed to ensure the resilience of the structure to downgraded economic environment



Figures as of end of June 2016

## Funding Strategy: well balanced mix between Group funding needs and issuance capacity

- Last issuance in March 2016: EUR 500M, 5y maturity, soft bullet format
- The SG Group funding strategy allocated around EUR 1.0bn per year to the SFH programme
- Strong issuance capacity (Retained issuances: EUR 12.56Bn as of end of June 2016)



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# CONTENTS



SOCIETE GENERALE GROUP RESULTS (1<sup>st</sup> HALF 2015)

GENERAL PRESENTATION: **SG SFH & SG SCF**

1. **SG SFH COVERED BOND PROGRAM**

2. **SG SCF COVERED BOND PROGRAM**

## Collateral investment policy in line with SG Group Business Strategy

### Strategic integration in the Group

- SG SCF is the main refinancing entity for the Public Sector financing originated mainly by the SG Group French Retail Network and the Investment Bank
- Realises funding advantages to increase SG Group competitiveness

### Strategic key financing areas

- Municipalities and Local Governments financing
- Public utilities and service providers
- Public infrastructure projects such as expansion of the national grid, renewable energy, harbours, airports, highways, schools and social housing buildings
- Export Credit Agencies guaranteed transactions

### Concentration on core competences

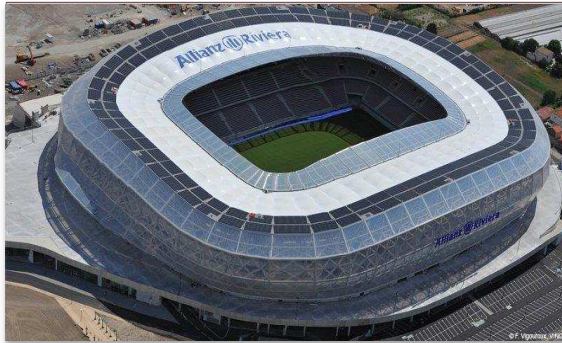
- Very good performance of SG Group Export and Infrastructure Financing
- Trade & Export Finance Award 2016 : Most innovative investment bank in Western Europe
- Energy Risk Awards 2016 : Innovation of the year

### Strict selection criteria

- Stringent selection based on a multi-step process
- Reputable Law firms certify eligibility of each asset class to be refinanced
- Specific Controller performs ex ante his due diligence on the proposed collateral assets
- SG SCF's Management Committee validates new types of assets



**Collateral investment policy in line with SG Group Business Strategy:  
Financing new innovative projects supporting economic growth and development**



**STADE DE NICE**



**LGV TOURS-BORDEAUX**



**MUCEM - MARSEILLE**



**BUS HYBRIDES – DIJON**



**PHILHARMONIE DE  
PARIS**



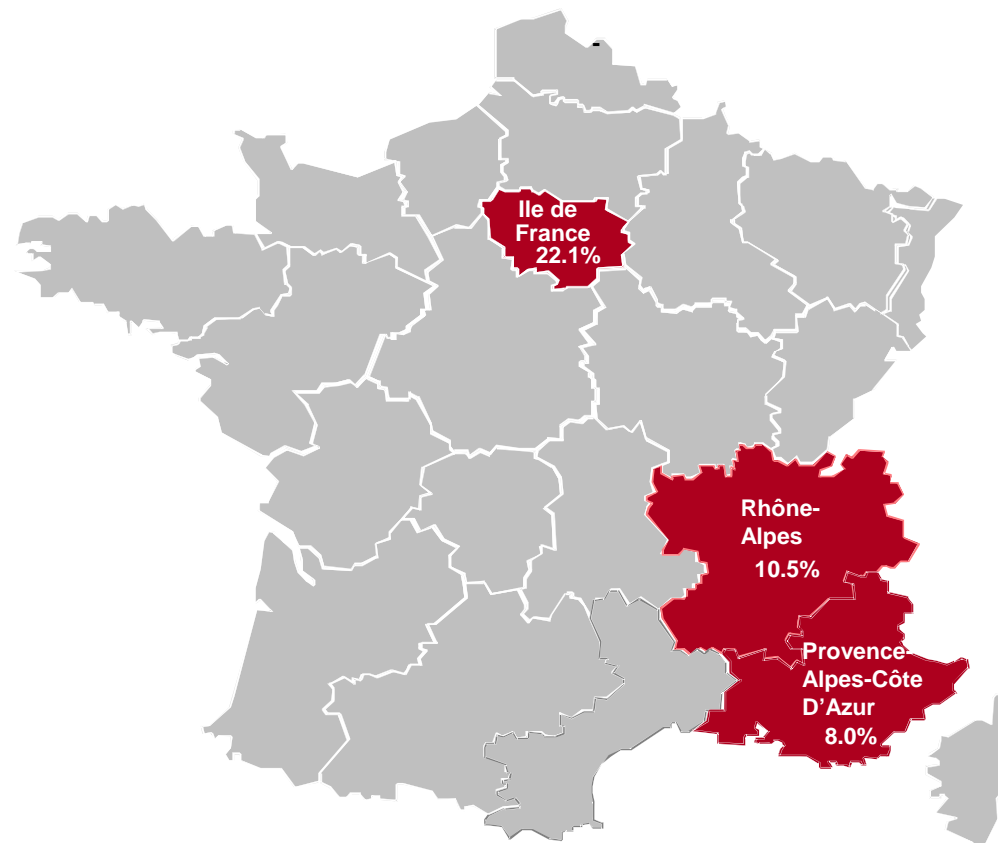
**VELODROME – SAINT QUENTIN EN Y.**



## High quality and well diversified cover pool (1/2)

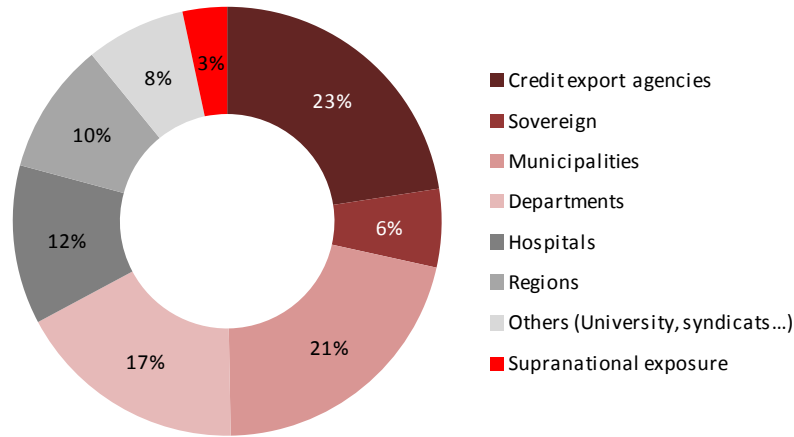
<b>Collateral</b>	<b>Exposures to / or guaranteed by eligible public entities</b>
<b>Pool size</b>	EUR 11.794bn
<b>Number of borrowers</b>	659
<b>Number of loans</b>	1,707
<b>Average Loan Balance</b>	EUR 17,897,512
<b>Currency Distribution</b>	EUR: 92% USD: 8%
<b>WA Remaining Term</b>	133 months
<b>ECB Eligible Assets</b>	61.7%
<b>Non performing loans</b>	0

**Geographical distribution in France (86% of the Cover Pool)**

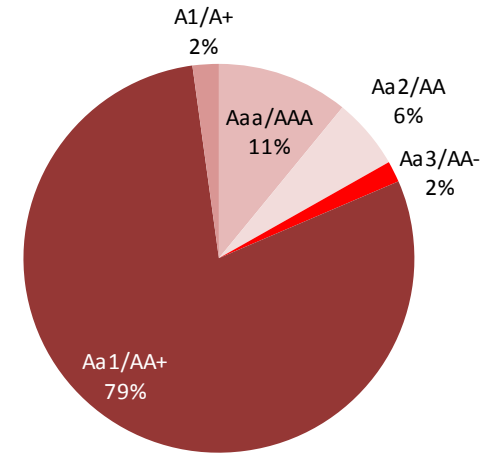


Figures as of end of June 2016

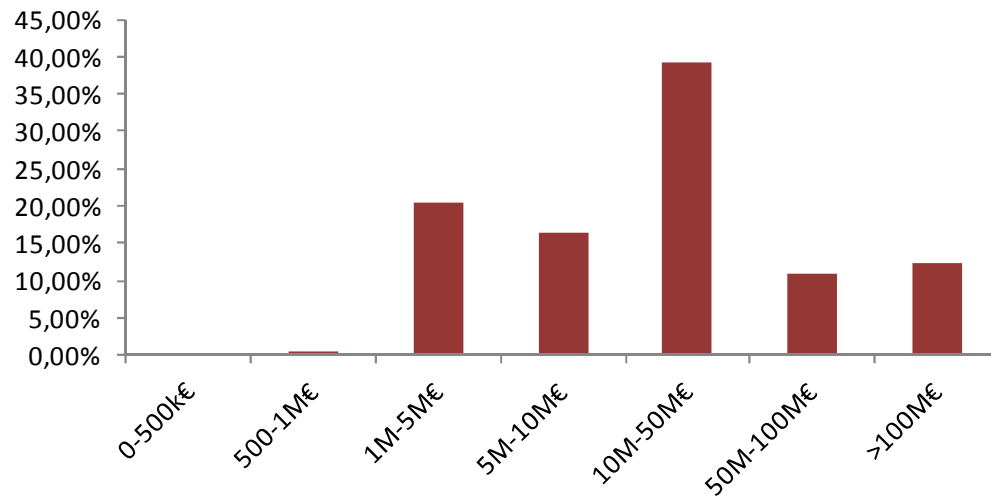
**Borrower type**



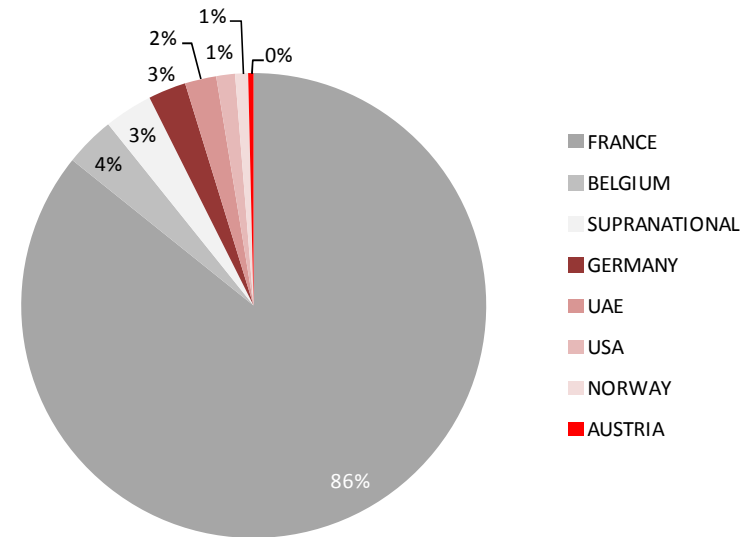
**Pool Distribution by exposure rating**  
 (SG internal rating in rating agencies equivalent)



**Loan size distribution**



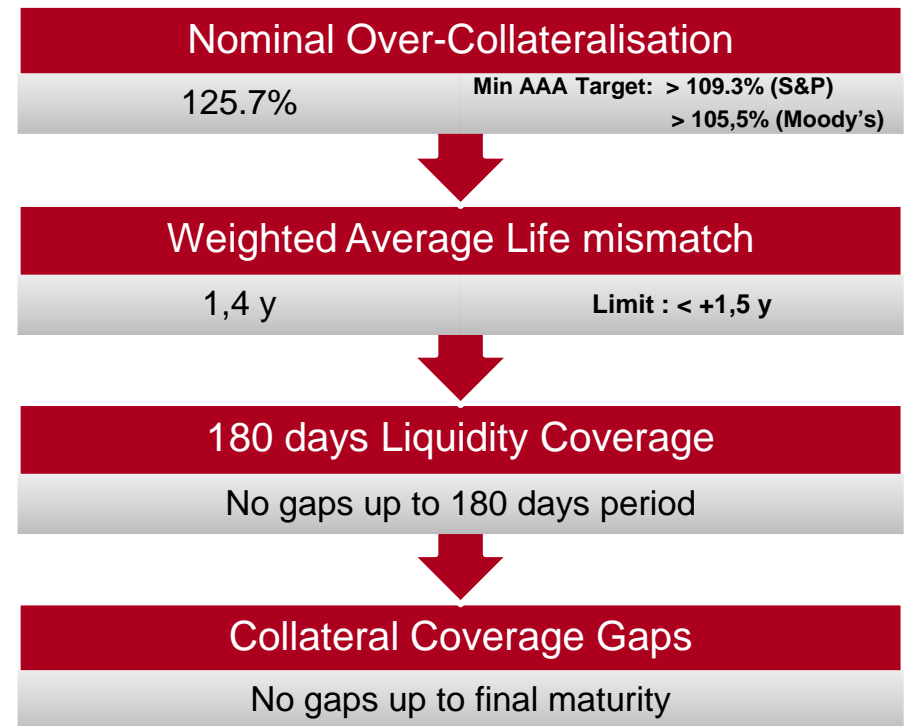
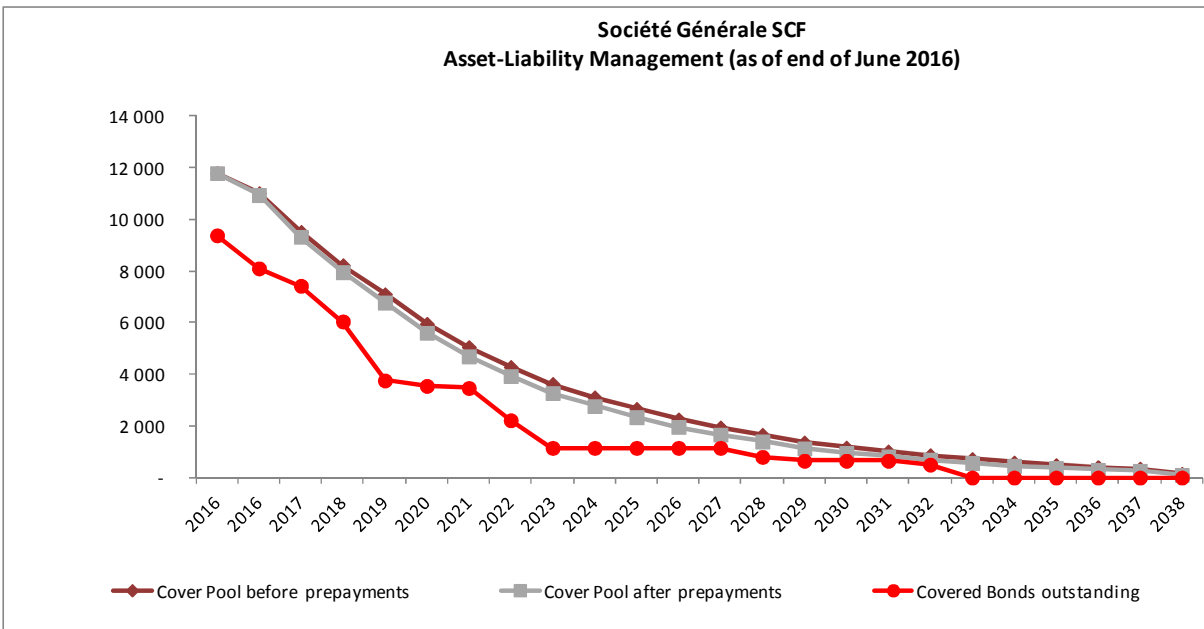
**Country Final Exposure**



Figures as of end of June 2016

## Dynamic, projective and cautious ALM monitoring

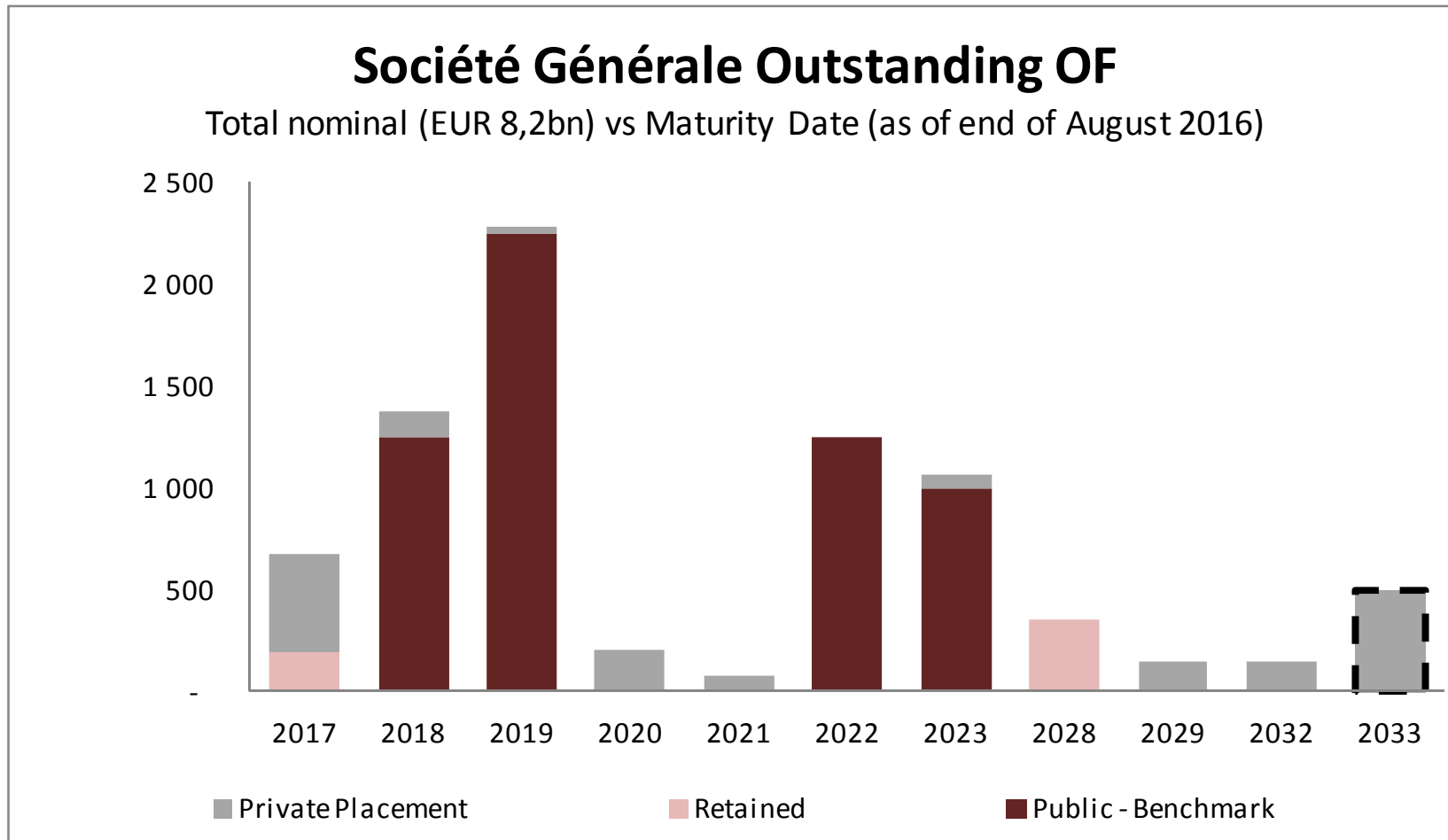
- Covered Bonds fully backed up to their final maturities
- The structure has been set up taking into account best ALM practice
  - Tight projective monitoring of ALM metrics
  - Definition and strict follow-up of a coverage long-term plan based on available eligible assets and conservative new production assumptions
- Stress Tests have been designed to ensure the resilience of the structure to downgraded economic environment



Figures as of end of June 2016

**Funding Strategy: well balanced mix between Group funding needs and issuance capacity**

- Last Club Deal issuance in August 2015: EUR 500M, 18y maturity, soft bullet format
- Issuance capacity (Retained issuances: EUR 0.5Bn)



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## APPENDICES

Appendix 1 : Focus on Crédit Logement

Appendix 2 : Focus on SG SFH Eligibility Criteria

Appendix 3 : Useful Links

Appendix 4 : Main Contacts

- The guarantee provided by Crédit Logement is based on the contribution of each borrower to the **Mutual Guarantee Fund (MGF)** which is a dedicated guarantee on residential loans
- How does the MGF work and where the money comes from?
  - Initial fee for every borrower benefiting from a CL guarantee,
  - Defaulted loans are bought back by Crédit Logement and MGF funds repay the bank,
  - When a loan is fully repaid, part of the initial fee is reimbursed to the borrower (calculated according to the global rate of use of the MGF)
- The MGF mechanism is more profitable to the borrowers in comparison with the standard guarantees offered by some other institutions:
  - Less expensive than a mortgage constitution fee,
  - Borrowers can get back some portion of their initial contribution

- Crédit Logement provides guarantees of home loans in case of non repayment by borrowers, as an alternative to the traditional registration of a mortgage
  - Each home loan granted by SG and guaranteed by Crédit Logement has to satisfy both Crédit Logement and SG credit policies
  - Its unique knowledge of the home loan market (working with all the French banks) allows Crédit Logement to remain well aware of market practices
- Crédit Logement has signed agreements with 230 partner banks it is working with, these agreements stating the rights and obligations of each partner bank
- The use of Crédit Logement guarantees has real competitive advantages both for banks and borrowers

### For Borrowers

- Competitive cost, with repayment of a high portion of the contribution to the Mutual Guarantee Fund (MGF),
- Allow avoidance of French mortgage registration, heavy process
- Flexible: efficient process allowing quick obtaining and cancellation (once loan is fully repaid), with no extra deregistration cost in case of early repayment.

### For Banks

- No cost involved, and automatic process to obtain the guarantee approval based on precise criteria
- No administrative burden to follow on the mortgage,
- Full and rapid compensation when a guaranteed loan is defaulting,
- Recovery process fully managed by Crédit Logement, in particular Crédit Logement developed an expertise on this activity



### Granting process

- When receiving a guarantee request, in mostly cases through electronic transmission or its extranet, the process works as follows:
  - Internal review of its own register to assess Crédit Logement exposure on this borrower,
  - Automated analysis by the DIAG system,
  - Manual assessment by analysts, in circumstances where DIAG has not provided an automatic clearance.
- DIAG combines a score, limits and professional rules with two main axis of analysis:
  - Customer ability to repay the loan,
  - Analysis of the borrower's available assets.

### Recovery process

- When called on a guarantee, after three unpaid instalments, the process is the following:
  - The recovery analyst, after receiving the whole file from the bank, contacts the borrower and try, within a limited period of time, to get full repayment of unpaid amounts
  - Crédit Logement manages to put back to normal loan process 50% of guarantee calls
  - Otherwise, Crédit Logement's target is to get an out of Court sale, but may initiate the property seizure. After sale, Crédit Logement has still the ability to pursue the borrower
  - During the whole procedure, Crédit Logement may secure its recovery by obtaining a judicial mortgage, within less than a week

## Focus on SG SFH Eligibility Criteria

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- The home loan from which it arises is denominated in Euros and is governed by French law,
- the tax residence of the home loan debtor is located in France,
- the underlying property is located in France,
- on the relevant Selection Date, the outstanding principal amount of the home loan from which arises the Home Loan Receivable is lower or equal to EUR 1 000 000,
- the loan-to-value ratio of the home loan is no more than or equal to one hundred per cent. (100%),
- on the relevant Selection Date the remaining term for the home loan is no more than thirty (30) years,
- the debtor under the home loan has paid at least one (1) installment in respect of the such home loan,
- the home loan does not present any arrears,
- the debtor under the home loan is not an employee of the originator of such home loan,
- the home loan is secured by a joint and several guarantee (*cautionnement solidaire*) of Crédit Logement acting as loan guarantor,
- the home loan can be either amortizing on a monthly, quarterly or bi-yearly basis or with bullet repayment as of the relevant Selection Date,
- in respect of bullet repayment home loans, the initial maturity shall be strictly superior to twenty-four (24) months and the aggregate amount of bullet repayment home loans shall not represent more than 5% of the Collateral Security Assets,
- the debtor under the home loan does not benefit from a contractual right of set-off,
- the lender under the home loan has managed and serviced the home loan between the date upon which the home loan has been made available to the debtor and the Selection Date (i) in a consistent manner pursuant to its Servicing Procedures and (ii) in compliance with all legal and regulatory provisions applicable to the home loan,
- prior to the date upon which the home loan had been made available to the debtor thereof, all lending criteria and preconditions as applied by the originator of the home loan pursuant to its customary lending procedures were satisfied,
- the opening by the debtor under the home loan of a bank account dedicated to payments due under the home loan is not provided in the relevant contractual arrangements as a condition precedent to the originator of the home loan making the home loan available to the debtor under the home loan; and
- no amount drawn under the home loan is capable of being redrawn by the relevant debtor.

# APPENDIX 3 Useful Links

## Covered Bonds Label website <https://www.coveredbondlabel.com/>



SG SFH



SG SFH (Last update: 14/07/2015)

<http://www.societegenerale.com/fr/m...>

### CONTACT LIST

Name	Surname	Function	E-mail
Mahouche	Sylvie	Issuer	sylvie.mahouche@socgen.com
BENICHOU	JONATHAN		jonathan.benicou@socgen.com

### POOL PROGRAMS LIST

Identifier	Country	Model	Nat. trans. templ.	Type
Credit Home Loan SFH		Obligations à l'habitat	Go to website	Mortgage

### BOND LIST

ISIN	Pool Identifier	Initial Date of Issuance	Maturity Date	Face value*	Coupon	Syn.	Listed	Tapped	Ext.	EEA*	LCR**
	Credit Home Loa...	17/07/2013	17/07/2018	EUR 1,500,000,000	Fixed	No	Yes	No	Yes	Yes	N/A
	Credit Home Loa...	17/07/2013	17/07/2030	EUR 1,000,000,000	Fixed	No	Yes	No	Yes	Yes	N/A
	Credit Home Loa...	06/04/2012	27/03/2029	EUR 500,000,000	Fixed	No	Yes	No	Yes	Yes	N/A
	Credit Home Loa...	06/05/2012	27/02/2029	EUR 500,000,000	Fixed	No	Yes	No	Yes	Yes	1
	Credit Home Loa...	04/03/2013	27/03/2024	EUR 750,000,000	Fixed	No	Yes	No	Yes	Yes	N/A
	Credit Home Loa...	06/05/2012	28/07/2023	EUR 1,000,000,000	Fixed	No	Yes	No	Yes	Yes	N/A
	Credit Home Loa...	06/05/2012	28/07/2023	EUR 500,000,000	Fixed	No	Yes	No	Yes	Yes	1
	Credit Home Loa...	06/05/2012	26/08/2026	EUR 1,000,000,000	Fixed	No	No	No	Yes	Yes	N/A

## Société Générale website: <http://www.societegenerale.com/fr/mesurer-notre-performance/investisseurs/investisseurs-dette>

2015	2014	2013	2012	2011	2010
Présentation investisseurs					
Prospectus		16/03/2015		↓ <a href="#">SG SFH – Base Prospectus dated 16 March 2015</a>	
French Covered Bonds Label Reporting / Asset Reports		30/06/2015		↓ <a href="#">SG SFH – French Covered Bond Label Reporting 30.06.2015 (xls)</a>	
		30/06/2015		↓ <a href="#">SG SFH – French Covered Bond Label Reporting 30.06.2015 (pdf)</a>	
		30/06/2015		↓ <a href="#">SG SFH – Asset Report – 2015.06.30</a>	
		31/05/2015		↓ <a href="#">SG SFH – Asset Report-2015.05.31</a>	
		30/04/2015		↓ <a href="#">SG SFH – Asset Report-2015.04.30</a>	
		31/03/2015		↓ <a href="#">SG SFH – Asset Report-2015.03.31</a>	
		31/01/2015		↓ <a href="#">SG SFH – Asset Reports – 2015.01.31 (pdf)</a>	
		29/02/2015		↓ <a href="#">SG SFH – Asset Reports – 2015.02.28 (pdf)</a>	
		31/03/2015		↓ <a href="#">SG SFH – French Covered Bond Label Reporting</a>	
		31/03/2015		↓ <a href="#">SG SFH – French Covered Bond Label Reporting</a>	

## Prospectus website : <http://prospectus.socgen.com/>

Program search

Search criteria

Issuer: SOCIETE GENERALE SCF | Program: | Document type: | Year: | Reset | Search

Showing 1 to 10 of 29 entries

Issuer	Program	Year	Document type	Document Name	PDF link
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2012	Program documentation	Société Générale SCF - EMTN Program dated 25 May 2012	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2008	Program documentation	EMTN Program 2008_Base Prospectus dated 22.05.2008_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2008	Program Supplement	Supplement 2008_01 dated 14.11.2008_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2008	Program Supplement	Supplement 2008_02 dated 02.04.2009_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2009	Program Supplement	Supplement EMTN 2009_02 dated 4 December 2009_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2011	Program Supplement	Supplement EMTN 2011_03 dated 4 April 2012_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2009	Program documentation	Société Générale SCF - EMTN Programme dated 27 May 2009	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2009	Program Supplement	Supplement EMTN 2009_01 dated 30 September 2009_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2009	Program Supplement	Supplement EMTN 2009_03 dated 23 February 2010_SG SCF	↓
SOCIETE GENERALE SCF	DEBT ISSUANCE PROGRAM	2011	Program Supplement	Supplement EMTN 2011_02 dated 15 Novembre 2011_SG SCF	↓

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