

# Legal information

# 2001

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## Report of the board of directors on the resolutions submitted to the general meeting

We have called this Joint Shareholders' Meeting today to submit eighteen resolutions for your approval. The purpose of each resolution is detailed and commented upon below.

### *Report of the board of Directors on the resolutions to be considered by the meeting as an ordinary meeting*

#### **I. Approval of the financial statements for 2001, dividend payment and related party agreements**

The *first and second resolutions* concern the approval of the parent company financial statements for 2001 and the allocation of income. Detailed comments on the parent company financial statements appear in the annual report.

The dividend per share is set at EUR 2.10 with a 50% tax credit of EUR 1.05 in France. For some legal entities, the tax credit is now equal to 15% of the dividend paid.

The share will be traded ex-dividend on April 25, 2002 and the dividend will be payable in cash as of that date.

The *third resolution* seeks your approval of the consolidated financial statements, in compliance with the legal obligation set by French law number 2001-420 of May 15, 2001. Comments on the consolidated accounts also appear in the annual report.

The *fourth resolution* relates to related party agreements covered by article L225-38 of the *French Commercial Code*, which are covered in the special report of the Statutory Auditors. As no new related party agreements were concluded during 2001, this report covers solely the application of previously approved agreements.

#### **II. Authorization to issue bonds and similar securities**

The *fifth resolution* relates to the issue of bonds and similar securities, which may include subordinated, redeemable or undated securities.

As last year, it fixes the maximum amount of the authorization at EUR 15 billion or its equivalent in other currencies or currency units.

This amount will enable the Company:

- to meet its normal funding requirements with respect to specific investor requirements, up to EUR 10 billion, whether these funding requirements relate to subordinated, unsubordinated or structured issues. This amount is also intended to enable the Group to increase its issuance in order to meet customer demand.
- with the rest of this amount, that is to say EUR 5 billion, to secure the means to actively manage the Company's borrowings by making public exchange offers on previously issued debt securities, without these operations resulting in an increase in the Company's total borrowings.

The use of all or part of this authorization will depend on the effective requirements of the Company.

#### **III. Authorization to repurchase Société Générale shares**

The *sixth resolution* concerns the renewal of the authorization for the Company to repurchase its own shares granted to the Board of Directors by the Shareholders' Meeting of May 4, 2001.

Like the previous authorization, the number of shares thus purchased may not exceed 10% of the Company's issued capital stock at the time of purchase and the number of shares held by the Company may not exceed 10% of the capital stock. This authorization is valid for a period of eighteen months.

It is submitted for approval for the same reasons as those given in the past.

Share purchases may be made for the cancellation of shares, in order to improve return on equity and earnings per share. For this reason, the Meeting is also requested to renew the authorization to reduce capital relating to the said cancellation,

for a period of twenty-six months, under the *seventeenth resolution*.

Share purchases may also be made to enable the implementation of an employee incentive scheme with respect to Group targets, or for operations reserved for employees, as well as in the event of acquisitions or for the active management of the Company's equity. Shares may also be purchased with a view to regulating the Group's share price, by systematically acting against the prevailing market trend. The share buyback program may be used to buy or sell shares according to opportunities on the market.

Share purchases and the sale and transfer of shares thus acquired may be concluded by any means, with the maximum purchase price set at EUR 97, i.e. 2.5 times net assets per share, and the minimum sales price fixed at EUR 39, equal to net assets per share.

An information notice duly registered with the French Securities and Exchange Commission (Commission des Opérations de Bourse) was drawn up prior to this Meeting.

As required by law, shareholders are informed that during 2001, under the previous authorization for the sale and purchase of Société Générale shares, 13,645,806 shares were purchased at an average price of EUR 61.06 and 15,734,604 shares were sold at an average price of EUR 69.86.

Total trading costs including taxes amounted to EUR 1,014,639.72. At December 31, 2001, the company held 17,794,280 of its own shares (4.12 % of capital), of nominal value EUR 1.25, valued, at cost price, at EUR 56.46.

The shares were bought with a view to an acquisition, to grant stock options and under the share cancellation program.

Under the share buyback programs authorized by the previous General Meetings, 20,864,161 shares were purchased prior to the 2001 financial year.

These buybacks were notably used to:

- implement stock option plans in 1999, 2000 and 2001,
- pay for the acquisition of 51% of TCW in shares,
- cancel 7,200,000 shares on February 20, 2002.

Including shares purchased since December 31, 2001 and the use made of the shares purchased, the Company held 9,494,721 shares at February 20, 2002, after 7,200,000 shares were cancelled.

In order to meet legal requirements, the authorization granted under the sixth resolution applies to a maximum of 10% of the total number of shares comprising the capital stock, and does not take into account shares already held.

#### **IV. Appointment of a Director, Mr Robert A. Day**

The *seventh resolution* concerns the appointment of a director for a four-year term. Mr Robert A. Day was appointed Censor of Société Générale on May 16, 2001.

The *eighth resolution* concerns ratification of the co-option to the Board of Directors on February 20, 2002 of Mr. Anthony Wyand as a replacement for CGNU, which has resigned.

### ***Report of the board of Directors on the resolutions to be considered by the meeting as an extraordinary meeting***

#### **V. Amendments to the Company's by-laws to comply with new legislative provisions enacted in France relating to new economic regulations (Loi "NRE" number 2001-420 of May 15, 2001).**

The *ninth resolution* concerns substantial amendments made to the different articles of the by-laws given the recent appli-

cation of new legislative provisions enacted in France (Loi "NRE" number 2001-420).

It introduces into the by-laws the option to dissociate the functions of Chairman and Chief Executive Officer and revises the powers of the same and the Board of Directors to reflect new legislative provisions. (Amendments 8, 9, 10, 11, 13 and 14). The terms of General Management will be determined at the first Board of Directors meeting held after this Meeting.

Furthermore, the resolution provides for the possibility to publicly broadcast the Meeting, notably via the internet, if so decided by the Board of Directors and announced in the notice of meeting and/or convocation.

It also adapts the conditions for participating in General Meetings to the regulations in force on the date of the Meeting, so as to comply with the new act relating to the new economic regulations.

## VI. Other changes to the by-laws

The *tenth resolution* concerns the reduction of the Censors' mandate from 6 years to a maximum of 4 years, to bring the term into line with that of the directors.

The *eleventh resolution* proposes a change in the 15% limit on voting rights exercised in General Meetings introduced in 2000.

As explained when this limit was adopted, this mechanism – which is in no way designed to be used as a defense against a public offer, since it becomes null and void once one person holds more than 50.01% of capital – guarantees shareholder rights against a creeping takeover, by obliging any person who wishes to take over the company to make a public offer at an attractive price for shareholders.

At the General Meeting held during 2001, shareholders were informed that the Board was considering canceling this limit for all proxy voters, since the 15% limit previously applied to proxy voters with the exception of the Chairman of the Meeting in his capacity as legal proxy voter.

Today, the Board of Directors recommends removing the discrepancy between the situation applicable to the Chairman and that of other proxy holders, with the 15% threshold applying solely on an individual basis. At present, no shareholder in the Company meets this threshold.

## VII - Renewal of financial authorizations

### **Authorization to increase capital within a maximum overall limit**

The *twelfth* and *thirteenth resolutions* authorize the Board of Directors to increase the capital stock, up to a maximum overall limit, by issuing securities with an immediate or deferred equity component, with or without preferential subscription rights, or by incorporating reserves, retained earnings or additional paid-in capital.

The limit had been set at EUR 600 million (excluding the incorporation of reserves, retained earnings or additional paid-

in capital) by the General Meeting of April 18, 2000, which granted the authorization for a twenty-six month period.

It seems necessary to maintain this EUR 600 million limit in order to reinforce the Group's development and financing resources, notably with a view to carrying out acquisitions.

In this respect, on the basis of article L 225-129 of the *French Commercial Code*:

– the *twelfth resolution* is designed to authorize the Board of Directors to increase the Company's capital stock, within a maximum overall limit of EUR 600 million, through the issue of any securities (except preferred shares, non-voting preferred-dividend shares and investment certificates) resulting in said capital increase and, within a maximum limit of EUR 1.2 billion, by incorporating reserves, retained earnings or additional paid-in capital;

– the *thirteenth resolution* sets the limit to the capital increase that can be carried out without preferential subscription rights at EUR 600 million, with the corresponding authorization applicable notably to the exchange of shares under a public offer.

These authorizations, which are valid for a twenty-six month period, cancel those granted in 2000, for the remaining term of the same.

The transactions covered by the *fifteenth* and *sixteenth resolutions* submitted for approval by shareholders remain outside the scope of these resolutions.

Moreover, the following comments apply to these resolutions:

### **a) Maximum limits set for capital increases**

The *twelfth resolution*, which authorizes the issue of securities with preferential subscription rights, sets the maximum nominal amount of the capital increase resulting from the issue of securities giving access to Société Générale's capital at EUR 600 million.

This amount is subject to additional capital increases arising from the adjustment of the rights of holders of certain securities in the event of the issue of new securities, where applicable.

Any immediate, deferred or potential capital increases corresponding to issues with preferential subscription rights or, under the *thirteenth resolution*, without preferential subscription rights, are subject to this limit.

A special limit is nonetheless applied to capital increases made by incorporation of reserves, retained earnings, additional paid-in capital or any other item that may be incorporated into capital;

this limit is set at EUR 1.2 billion, and is added, where applicable, to the previous limit.

These transactions may be carried out either via the allocation of free shares to shareholders or by increasing the nominal value of existing shares. They are of a different nature to the issue of securities, since they have no impact on the volume of the Company's shareholders' equity.

Furthermore, the resolution stipulates that the maximum nominal amount of issues of debt securities with an equity component may not exceed EUR 4 billion.

The authorization submitted for approval entails shareholders' express surrender of their preferential subscription rights to any other securities with an equity component to which the securities issued may give right via subscription, exchange, issue of a certificate or any other means.

The *thirteenth resolution*, as required by law, separates the maximum limit relating to transactions that may be carried out without preferential subscription rights. This authorization is necessary to afford the Board of Directors the possibility of reducing formalities and shortening the regulatory timeframe required to carry out an issue by placement on either the French market or international markets, or both simultaneously, in line with market conditions. This placement method is a means of broadening the Company's shareholder base, and thus its brand awareness, as well as optimizing shareholders' equity.

The overall maximum limit of such issues is also set at EUR 600 million, which corresponds with the principle of authorizations previously granted to the Board of Directors by the General Meeting.

In the event of issues made within this limit, the Board may reserve shareholders a priority subscription period during which time they may subscribe for shares before the public. This is only possible for issues made on the French market.

The maximum nominal amount of issues of debt securities with an equity component is set at the same amount as that given in the *twelfth resolution*, i.e. EUR 4 billion.

In all cases, the transactions that may be carried out under this resolution must comply with the unused portion of the overall limits defined in the previous resolution, since any amount used within the framework of either resolution must comply with these limits.

## **b) Means of determining and justifying the issue price**

Direct or deferred issues without preferential subscription

rights are governed by the legal principle that third parties who are not already shareholders may not subscribe for or be allocated shares at a price below the minimum set by law. This minimum price is currently the average opening price of the share on the Paris Bourse over ten consecutive days chosen from the twenty days preceding the start of the issue (adjusted to take into account the difference in the date on which the shares bear interest if the dividend for the previous year has not yet been detached).

On the basis of this principle, the Board of Directors will set the issue price for the securities in the best interests of the company and its shareholders, taking into account all the relevant parameters, such as the general stock market trend, the market for the share, the yield spread against the market in the case of bonds, the number of shares to be subscribed for by rights attached to shares or bonds and the duration of these rights, where applicable, the issue price of the rights, and, where appropriate, the redemption terms of the same.

A fair issue price will be determined by taking into account all the elements imposed by both the law and financial market regulations.

## **c) Securities liable to be issued and timeframe during which share allocation rights may be exercised**

Under these overall authorizations, all categories of securities with an equity component may be issued (except preferred shares, non-voting preferred-dividend shares and investment certificates). This therefore includes shares, convertible bonds or bonds redeemable in shares, warrants, composite securities and more generally all authorized securities that give or potentially give access to the Company's capital.

The rights to shares attached to these securities and the timeframe during which they may be exercised will be set in accordance with the rules applicable to the different securities at the time of the issue.

The corresponding shares may therefore be created after a period that varies according to the nature and structure of the securities issued at the outset. For example, in the event of the issue of rights to subscribe to shares in two years' time (i.e. a very short time before the expiry of the aforementioned authorizations), the capital increase resulting from the exercise of these rights will be carried out within 7 years, since the maximum time after which this type of rights may be exercised currently stands at five years.

In the event of the issue of complex securities, the corresponding potential capital increase may only be completed after

a much longer period (depending on the elements comprising the securities and the successive rights to shares by conversion, redemption or the exercise of rights attached to the same).

In any case, the Board confirms that the period during which shares may be allocated will not exceed 15 years from the date of this Meeting, for shares attached to securities issued either by the Company itself or by a company in which it directly or indirectly holds the majority stake.

**Limit to the authorization to increase capital stock in case of a public share exchange offer for the Company's shares**

Until 1999, shareholders regularly authorized the Board to utilize the powers granted to it to increase the Company's capital by all legal means, in compliance with current regulations, when a public tender or exchange offer for the shares of the Company is under way.

Since the publication of a recommendation of the second report of the Committee on Corporate Governance in 1999, the Board suggested that the scope of this authorization be limited, in order to put a stop to criticism that it may be used for purely defensive purposes.

The General Meeting of May 4, 2001 thus authorized the Board to increase capital in case of a public share exchange offer only to enable, where applicable, the completion of acquisitions presented to the Board prior to the launch of the offer.

Under the *fourteenth resolution*, the Board proposes that this authorization be renewed unchanged.

**Continued development of employee shareholdings (authorization to issue shares reserved for employees)**

In May 1997, the Extraordinary General Meeting authorized the Board to carry out capital increases reserved for Group employees up to a maximum nominal amount of FRF 400 million.

Under the *fifteenth resolution*, shareholders are asked to renew this authorization, which will replace that granted in May 1997 for all transactions decided after this Meeting.

Within the framework of the continued development of employee shareholdings, the authorization will be increased to a maximum nominal amount of EUR 100 million.

This authorization will be valid for five years.

It will enable the issue of reserved shares, or other securities giving access to the Company's capital, in distinct segments, where applicable:

- for employees and retired employees of Société Générale and former employees in early retirement who are members of the Company Savings Plan;

- for employees, retired employees or former employees in early retirement of Société Générale or companies and groupings affiliated to it as defined by the regulations in force, who are members of Company or Group Savings Plans;

- in accordance with the provisions of articles L225-129 and L225-138 of the *French Commercial Code* and articles L443-1 and following of the French Labor Code.

This authorization entails the cancellation, for the said employees, of the preferential subscription rights to shares or other securities with an equity component and all other securities to which the securities issued may give right.

The subscription price shall be set according to the terms and limits laid out by the aforementioned articles. As a result, this price may not be above the average opening price of the twenty trading days prior to the date of the decision that sets the subscription date, or below this average less the maximum discount accepted by legislation on the date of the Board's decision (currently 20%). In accordance with the new legal provisions, the decision setting the subscription date can be taken either by the Board of Directors or by the Chairman.

Lastly, the Board of Directors may, under the new provisions stipulated by law, allocate free shares or securities with an equity component instead of the aforementioned discount and/or employer contribution, within the limits set by article L443-5 of French labor law.

Shareholders will be informed of the definitive terms of any operations carried out under this authorization, and their impact, in the supplementary reports of the Board of Directors and the Statutory Auditors, in accordance with the legal provisions in force.

**Authorization to grant share subscription or purchase options**

The *sixteenth resolution* is intended to renew the possibility of granting share subscription or purchase options to certain employees and senior officers of Société Générale and to extend the scope of the authorization, which is currently limited to Société Générale and its subsidiaries, to the companies or economic interest groupings that are directly or indirectly affiliated to it according to the terms of article L225-180 of the *French Commercial Code*.

The total number of options thus granted may not give rise to the subscription or purchase of shares representing more than 10% of Société Générale's capital stock at the date on which they are granted and the maximum duration of the options may not exceed 10 years from this date.

The subscription or sales price will be set in accordance with the legal provisions in force on the date on which the options are granted. In accordance with current provisions, the subscription price may not be less than 80% of the average opening price of the twenty trading days prior to the allocation date and the sale price may not be less than 80% of the average purchase price of shares held. It is underscored that the Board's policy since 1998 has been to grant a discount against the average subscription price only exceptionally.

Furthermore, in accordance with current laws, the options may not be granted:

- during the ten trading days before or after the date of publication of the consolidated financial statements,
- between the date on which the Company's management bodies receive information which, if made public, could have a significant impact on the Company's share price, and ten trading days after the said information is made public,
- or less than twenty trading days after the shares are traded ex-dividend or ex-rights.

This authorization, which entails shareholders' express surrender of their preferential subscription rights to any securities to be issued when the options are exercised, is valid for thirty-eight months as of the date of this Meeting and cancels that granted in May 1997, for the remaining term of the same.

The Board will inform the General Meeting of transactions carried out under this authorization each year.

## VIII. Authorization to reduce capital by canceling shares

The *seventeenth resolution* seeks to renew for a twenty-six month period the authorization granted to the Board on April 18, 2000 to cancel the Company's own shares under the authorizations granted by shareholders within the framework of the share buyback programs, up to a maximum amount of 10% of capital in any twenty-four month period.

In application with regulations governing credit institutions, such transactions shall be carried out with the authorization of the Credit Institution Council of the Banque de France (Comité des établissements de crédit et des entreprises d'investissement).

## IX - Delegation of authority

As in the past, the *eighteenth resolution* delegates general authority for formalities.

## Special report of the statutory auditors on certain related party transactions

*(Free translation of the French original)*

*For the year ended December 31, 2001*

To the Shareholders of Société Générale,

In our capacity as statutory auditors of your Company, we are required to report on certain contractual agreements with certain related parties.

We are not required to ascertain whether any contractual agreements exist but to inform you, on the basis of the information provided to us, of the terms and conditions of agreements indicated to us. It is not our role to comment as to whether they are beneficial or appropriate. It is your responsibility, under the terms of Article 92 of the March 23, 1967 Decree, to evaluate the benefits resulting from these agreements prior to their approval.

We hereby inform you that we have not been advised of any agreements concluded during the year ended December 31, 2001 which would be covered by Article L225-38 of French Company Law (*Code de Commerce*).

In accordance with the March 23, 1967 Decree, we have been advised that the following agreements, approved in prior years, remained effective in the year ended December 31, 2001.

### ***Agreement with Société Foncière Sophia and AGF***

On August 2, 2000, the Board of Directors of your Company approved an agreement concerning a partnership with Société Foncière Sophia. This agreement includes the followings:

– The partial disposal of the property development business of Société Générale has occurred on June 26, 2001, via the sale of 30% of the share capital of Sogéprom to Sophia for an amount of EUR 11.9 million and of 10% to AGF, for an amount of EUR 4 million. This sale is subjected to a supplementary transaction amount based on the net results for the financial years 2001 and 2002 ; no supplementary amount has been paid in respect of this transaction for the 2001 financial year.

– The disposal of all shares in Gesnov, a property and rental management company of Société Générale, has occurred on February 23, 2001 for an amount of EUR 0.9 million.

### ***Agreement with Société Foncière Lyonnaise***

On December 8, 1997, your Company signed with Société Foncière Lyonnaise, a subsidiary of Commercial Union Assurance Company plc, an agreement concerning the sale of the “Edouard VII” real estate complex. The terms and conditions of the guarantees on the operation included a rental guarantee granted to the purchaser by Société Foncière Capucines Caumartin.

No payment has been made by your Company in relation to this guarantee during the 2001 financial year.

We conducted our work in accordance with professional standards. These standards require that we perform the necessary procedures to verify that the information provided to us is consistent with the documentation from which it has been extracted.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
ANDERSEN



Philippe Peuch-Lestrade



Isabelle Santenac

ERNST & YOUNG AUDIT



Christian Mouillon

## Resolutions submitted to the general meeting of shareholders 2002

### *For consideration by the meeting as an ordinary meeting*

#### First resolution

##### **Approval of the parent company financial statements**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, having been informed of the Board of Directors' and Statutory Auditors' reports, approves the parent company financial statements at December 31, 2001, as well as the transactions reflected in these statements and described in the reports.

The General Meeting approves net income after taxes of EUR 2,006,650,509.51 for the 2001 financial year.

#### Second resolution

##### **Allocation of income and dividend payment**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, decides that of net income after taxes for the period, amounting to EUR 2,006,650,509.51, EUR 1,036,263 will be allocated to the legal reserve.

For fiscal purposes, this amount is allocated to the special reserve for long-term capital gains.

Following these allocations, the net balance stands at EUR 2,005,614,246.51. To this amount are added the retained earnings from the previous year of EUR 1,627,289,503.57. The new balance, EUR 3,632,903,750.08 constitutes income available for distribution, to be used as follows:

- allocation of EUR 309,287,957 to the special reserve for long-term capital gains,
- allocation of EUR 805,215,393.31 to retained earnings,
- allocation to common shares of total dividends of EUR 891,110,896.20. The net dividend per share with nominal value EUR 1.25 amounts to EUR 2.10, plus a tax credit of EUR 1.05 for physical persons and legal entities under the parent companies regime, or, for other shareholders, a tax credit of 15% of the dividend paid.

Shares will be traded ex-dividend on April 25, 2002 and dividends will be payable as of that date.

Following these allocations:

- reserves are increased from EUR 8,819,217,454.63 at year-end 2000, to EUR 9,579,262,586.06, including additional paid-in capital on the capital increases carried out in 2001 in the amount of EUR 449,720,911.43,
- retained earnings will stand at EUR 2,432,504,896.88, compared with EUR 1,627,289,503.57 at year-end 2000. Retained earnings may be increased by the dividends on any Société Générale shares held by the Company as treasury stock at the time dividends are paid.

The General Meeting notes, in accordance with the law, that the dividend paid on each share for the three preceding fiscal years was as follows:

<i>(in French francs with equivalent in euros)</i>						
	1998*		1999**		2000***	
	Net dividend	Tax credit****	Net dividend	Tax credit****	Net dividend	Tax credit****
Par action	24.60	12.30				
soit en euros	3.75	1.88	6.20	3.10	2.10	1.05

- \* Nominal value FRF 30
- \*\* Nominal value EUR 5
- \*\*\* Nominal value EUR 1.25
- \*\*\*\* Tax credit of 50%

In accordance with articles 209 quater 1 and 223 D of the French tax code, the General Meeting decides to allocate an additional EUR 58,244,645.50 to the special reserve for long-term capital gains by transfer from other reserves.

#### Third resolution

##### **Approval of the consolidated financial statements**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, having been informed of the Board of Directors' and Statutory Auditors' reports, approves the consolidated financial statements at December 31, 2001.

#### Fourth resolution

##### **Agreements covered by article L 225-38 of the French Commercial Code**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, having been informed of the special report of the Statutory Auditors on the absence of related party agreements covered by article L 225-38 of the *French Commercial Code* signed during 2001, and on the implementation of such agreements that had previously

been concluded and authorized by the General Meeting, approves the transactions described in the said report.

## Fifth resolution

### **Authorization to issue bonds and other similar securities (in particular subordinated securities, redeemable securities or undated securities)**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report, authorizes the Board of Directors to proceed, at its own discretion, on one or more occasions, with the creation and issue, in France or abroad, up to a maximum nominal amount of EUR 15 billion, or its equivalent, of bonds and similar securities (in particular subordinated, redeemable or undated securities) denominated either in euros, or in foreign currencies or in any other monetary units established by reference to several currencies, with or without a mortgage collateral or other type of guarantee, within the proportions, terms and periods, issue and amortization rates and conditions the Board may deem appropriate.

The General Meeting grants full powers to the Board of Directors, which retains the right to sub-delegate the same in accordance with the law, to proceed with this or these issues, as well as to determine the characteristics of the securities issued, which may include a variable rate of interest and a fixed or variable redemption premium above the nominal value, any such premium being in addition to the maximum nominal amount fixed above.

In compliance with the law, this authorization is valid for a five-year period as of the date of this decision.

This authorization will replace that granted by the Joint General Meeting of May 4, 2001 under the fourth resolution, for the remaining term of the same, as of the date of the next meeting of the Board of Directors deciding to use it.

## Sixth resolution

### **Authorization to purchase and sell Société Générale shares**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, having been informed of the report of the Board of Directors and the information notice approved by the French Securities and Exchange Commission (Commission des opérations de bourse), authorizes the Board of Directors to purchase Société Générale shares, in accordance with article L225-209 of the *French Commercial Code*.

The purchase and sale of these shares may be carried out using any means, including options, and at any time, including in case of a public share exchange offer, in compliance with the laws in force.

The maximum purchase price is set at EUR 97 and the minimum selling price is fixed at EUR 39. These shares may be freely allocated, under the conditions stipulated by the law, in particular articles L443-1 and following of French labor law.

The number of shares thus purchased may not, on the date the purchases are made, exceed 10% of the Company's issued capital stock and the number of shares held by the Company may not exceed 10% of the capital stock.

On the basis of capital stock at February 20, 2002, a maximum number of 42,433,852 shares could be thus purchased, for a total amount of around EUR 2,630,898,824 .

This authorization is intended to allow the following operations:

- canceling shares in order to increase ROE and earnings per share;
- offering shares as part of an employee incentive scheme with respect to Group targets;
- offering employees of the Company or affiliated companies under article L233-16 of the *French Commercial Code* the possibility to purchase shares, either directly or through a Company mutual fund, under the conditions stipulated by the law, in particular articles L443-1 and following of the *French Labor Code*;
- granting stock options to employees or senior officers of the Company or affiliated companies under article L225-180 of the *French Commercial Code*;
- using securities with a view to acquiring new companies through an exchange offer or any other means, to improve the conditions of such an operation;
- holding the securities, selling or otherwise transferring them with a view to actively managing shareholders' equity in terms of the company's funding requirements;
- regulating the Company share price, by systematically acting against the prevailing market trend.
- buying or selling shares according to opportunities on the market.

The objectives set out above make no pre-suppositions as to the effective use of the buyback authorization, which will depend on requirements and opportunities.

Shares purchased may be held, sold or transferred using any means, or canceled in accordance with the authorization granted under the seventeenth resolution of the Joint Shareholders' Meeting.

Full powers are granted to the Board of Directors to use this authorization, with the option of delegating all the necessary powers to the Chairman or a Chief Executive Officer or any member of General Management, to:

- carry out transactions, formalities and declarations;
- adjust the purchase or sale price of the shares as well as the number stipulated above in line with the impact that these transactions have on the value and the number of outstanding shares, should the nominal share value be modified, should capital stock be increased through incorporation of reserves or allocation of bonus shares, should there be a stock split or reverse split, should the capital be reduced, should reserves or other assets be distributed or any other transaction carried out on capital stock.

This authorization is valid for an eighteen-month period.

This authorization will replace, as of the date on which the Board of Directors decides to use it, that granted by the Joint General Meeting of May 4, 2001 under the fifth resolution, for the remaining term of the same.

## Seventh resolution

### **Appointment of a Director, Mr Robert A. Day**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, appoints Mr Robert A. Day as a Director.

This mandate is granted for a period of four years, and will come to an end after the General Meeting to be held in 2006 to approve the financial statements of the preceding fiscal year.

## Eighth resolution

### **Ratification of the co-option of Mr. Anthony Wyand**

The General Meeting, under the conditions required for Ordinary Meetings as to quorum and majority, ratifies the co-option to the Board of Directors of Mr. Anthony Wyand, as decided by the Board of Directors at its meeting on

February 20, 2002, as a replacement for CGNU Plc, which had resigned its seat on the Board.

This mandate is granted for the remaining term of the mandate of CGNU Plc, namely until the outcome of the General Meeting called in 2003 to approve the financial statements of the preceding fiscal year.

## **For consideration by the meeting as an extraordinary meeting**

### **Ninth resolution**

#### **Amendments to the Company's by-laws to comply with the new with new legislative provisions enacted in France relating to new economic regulations (Loi "NRE" number 2001-420 of May 15, 2001).**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report, decides to amend the Company's by-laws to comply with the new economic regulations.

As a result, it decides to amend articles 8, 9, 10, 11,13 and 14 of the by-laws.

#### **• Article 8**

*Article 8 of the by-laws now reads as follows:*

"The Board of Directors determines the the Company's strategy and ensures its implementation, subject to the powers expressly attributed to the General Meeting and within the scope provided for in the corporate purpose, it considers all matters that affect the Company's operations and settles by its decisions matters which concern it."

#### **• Article 9**

*Article 9 paragraph 1 now reads as follows:*

"The Board of Directors elects a Chairman from among its natural person members, determines his remuneration and sets the duration of his term of office, which may not exceed that of his term of office as Director."

*Article 9, paragraph 2, first sentence now reads as follows:*

"No member of 70 years of age or more shall be appointed Chairman."

*Article 9 is supplemented by a third paragraph, which reads as follows:*

"The Chairman represents the Board of Directors. He organizes and manages its work, and reports to the General Meeting. He

ensures the Company's bodies operate correctly and in particular ensures that the Directors are able to fulfill their functions."

### • Article 10

*Article 10 of the by-laws now reads as follows:*

"The Board of Directors meets as often as is required by the interests of the Company, upon convocation by the Chairman, either at the registered office or in any other place indicated in the convocation. The Board examines the questions placed on the agenda.

It will meet when at least one third of its members or the Chief Executive Officer submits a request for a meeting with a specific agenda to the Chairman.

If the Chairman is unable to attend, the Board of Directors can be convened either by one third of its members, or the Chief Executive Officer or a Chief Executive, provided they are a member of the Board.

Apart from where specifically provided for, Directors are called to meetings by letter or by any other means. In any event, the Board may always deliberate validly if all its members are present or represented."

### • Article 11

*The following paragraph is inserted after paragraph 3:*

"The Chief Executive Officer attends meetings of the Board."

*The fifth paragraph, which becomes the sixth paragraph, reads as follows:*

"At the request of the Chairman of the Board of Directors, members of General Management, the Statutory Auditors or other persons from outside the Company with specific expertise with respect to the items on the agenda may attend all or part of a Board meeting."

### • Article 13

*Article 13 reads as follows. Note that the terms of General Management will be decided at the first Board meeting held after this General Meeting:*

"The General Management of the Company is the responsibility of either the Chairman of the Board of Directors, or by any other individual appointed by the Board of Directors and having the title of Chief Executive Officer.

The Board of Directors may choose between the two general management structures, and its decision is only valid if:

- the agenda with respect to this choice is sent to members at least 15 days before the date of the Board meeting,
- at least two-thirds of Directors are present or represented.

Shareholders and third parties shall be informed of this decision in accordance with the regulations in force.

When the Chairman of the Board of Directors assumes responsibility for the general management of the Company, the provisions relating to the Chief Executive Officer shall be applicable to him.

The Chief Executive Officer shall be granted exhaustive powers to act on behalf of the Company in all matters. He shall exercise these powers within the scope of the Company's purpose and subject to those powers expressly assigned by law to meetings of shareholders and Board of Directors. He shall represent the company vis-à-vis third parties.

The Board of Directors sets the remuneration and the duration of the Chief Executive Officer's term, which may not exceed that of the dissociation of the functions of Chairman and Chief Executive Office nor, where applicable, the term of his Directorship.

No person aged 70 or more shall be appointed Chief Executive Officer. If the Chief Executive Officer in office reaches 70 years of age, his functions shall end at the end of the next Ordinary General Meeting called to approve the financial statements of the preceding fiscal year.

On recommendation by the Chief Executive Officer, the Board of Directors can appoint up to five persons to assist the Chief Executive Officer, who shall have the title of Chief Executive.

In agreement with the Chief Executive Officer, the Board of Directors determines the extent and duration of the powers granted to Chief Executives. The Board of Directors sets their remuneration. With respect to third parties, Chief Executives have the same powers as the Chief Executive Officer."

### • Article 14

*The following paragraph is inserted after paragraph 2:*

"The Meeting may be publicly broadcast if decided by the Board of Directors and announced in the notice of meeting and/or convocation".

*The 9th paragraph, which becomes the 10th paragraph, is amended as follows, and a new paragraph is inserted:*

"These formalities must be completed at least two days, or a shorter period if mentioned in the Meeting notice, before the Meeting is held, unless the regulations in force shorten this period."

"The registration and non-transferability of shares may only be revoked in accordance with the regulations in force."

## Tenth resolution

### **Modification of the length of the mandate of Censors**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report, decides to reduce the maximum duration of Censors' term of office to four years and to amend article 7 of the by-laws as follows:

*The 3rd paragraph now reads as follows:*

"They are appointed for a period of four years and the Board can renew their term of office or put an end to it at any time".

## Eleventh resolution

### **Change in the limit to voting rights exercised in General Meetings**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report, decides to cancel the overall limit on the voting rights of proxies and to amend article 14 of the by-laws as follows:

*The four paragraphs relating to limits on voting rights now read as follows:*

"The number of votes at General Meetings to be used by one shareholder, either individually or as a proxy, may not exceed 15% of total voting rights at the date of the meeting.

This 15% limit does not apply to the Chairman or any other proxy with respect to the total number of voting rights they hold on a personal basis and in their capacity as proxy, provided each shareholder for which they act as proxy complies with the rule stipulated above.

For the purposes of applying these limits, shares held by a single shareholder include shares held indirectly or jointly in accordance with the conditions described in Articles L233-7 and following of the *French Commercial Code*.

This limit ceases to apply when a shareholder acquires – either directly or indirectly or jointly with another person – more than 50.01% of the company's voting rights following a public share exchange offer."

## Twelfth resolution

### **Authorization granted to the Board of Directors to increase capital stock, up to a maximum overall limit, by issuing securities with an immediate or deferred equity component, or by incorporating reserves, retained earnings or additional paid-in capital**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the report of the Board of Directors and the special report of the Statutory Auditors,

1. authorizes the Board of Directors to increase the Company's capital, on one or more occasions:

a) through the issue of any securities, including freestanding warrants, with an immediate or deferred equity component, except preferred shares, non-voting preferred-dividend shares and investment certificates,

b) and/or by incorporation of reserves, retained earnings, additional paid-in capital or any other item that may be incorporated by the allocation of free shares or an increase in the nominal value of existing shares.

2. fixes the limits for the operations authorized above as follows:

– the maximum total increase in nominal capital that may result from the issue of securities authorized under 1.a) above, is EUR 600 million,

– the maximum total increase in nominal capital that may result from the incorporation authorized under 1.b) above, is EUR 1.2 billion, which is added to the overall limit set in the previous paragraph,

– the whole taking into account the amount of capital increases resulting from the adjustment of the rights of holders of certain categories of capital stock in the event of new financial transactions, where applicable.

Moreover, the maximum nominal amount of issues of debt securities with an equity component may not exceed EUR 4 billion.

– the securities provided for above may be denominated in euros, or in foreign currencies or in any other monetary unit established by reference to several currencies, up to the maximum total authorized in euros or its equivalent at the date of issue;

– in the case of issues with preferential subscription rights, the securities not subscribed for by shareholders in proportion to

their existing shareholding, or under the priority right granted to them to subscribe for shares not subscribed for by other shareholders if the Board has created such a right in connection with the issue, may be offered to the public.

This authorization entails shareholders' express surrender of their preferential subscription rights to any other securities with an equity component to which the securities issued may give rights.

4. grants full powers to the Board of Directors, which retains the right to sub-delegate said powers in accordance with the law, to:

- carry out these issues within a period of twenty-six months from the date of this meeting, to decide on the amounts, terms and conditions of the issues and, in particular, on the type and form and characteristics of the securities to be created, together with their issue price and their payment method, it being understood that the amount to be received by the Company in respect of each share issued without preferential subscription rights will not be less than the minimum amount set by the law;

- fix the terms and conditions for exercising the rights attached to the shares, notably, the date from which the shares will bear dividends, even retroactively, it being stipulated that in the case of the issue of bonds with share subscription warrants, the strike price of the share subscription right may not be less than the minimum amount set by the law;

- decide, where applicable, that the holders of shares issued through the incorporation of reserves, retained earnings and additional paid-in capital will not be allowed to sell or otherwise transfer their rights, or that they will not be allowed to sell their rights to fractions of shares and that the corresponding shares will be sold.

- limit the amount of each capital increase to the total amount of subscriptions received;

- to charge, if thought appropriate, the cost of the issues against the corresponding additional paid-in capital, and to deduct the necessary amount from this total to increase the legal reserve to a tenth of the new capital.

- note that the capital increase has been completed and to modify the by-laws accordingly;

- conclude all agreements that may be useful for the successful completion of the issue, the listing and the servicing of the securities;

- and, generally, take all measures that are appropriate, the whole in accordance with the laws and regulations in force at the time of the issues.

5. decides that this authorization replaces that granted by the eleventh resolution of the General Meeting of April 18, 2000, for remaining term of the same.

### Thirteenth resolution

#### ***Limit applicable to capital increases carried out under the twelfth resolution, by the issue of securities without preferential subscription rights***

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the report of the Board of Directors and the special report of the Statutory Auditors,

1. authorizes the Board of Directors to increase the Company's capital on one or more occasions through the issue, without preferential subscription rights, of any securities, including free-standing warrants, with an immediate or deferred equity component, as authorized under paragraph 1.-a) of the twelfth resolution, these securities being issued:

- in compensation for securities that may be offered to Société Générale in reply to a public exchange offer;

- following the issue of securities with an equity component giving access to Société Générale's capital by a company in which Société Générale directly or indirectly holds the majority stake.

2. fixes the following limits:

- the maximum total increase in nominal capital which may result from the issues of securities without preferential subscription rights is EUR 600 million,

- the maximum nominal amount of issues of debt securities with an equity component may not exceed EUR 4 billion.

- the whole within the limit of the unused portion of the maximum amounts set in the twelfth resolution.

3. decides that:

- the securities provided for above may be denominated in euros, or in foreign currencies or in any other monetary unit established by reference to several currencies, up to the maximum total authorized in euros or its equivalent at the date of issue;
- preferential subscription rights to the securities covered by this resolution will be cancelled, though the Board of Directors will have the option to reserve a priority subscription period, the length and terms of which it shall set, during which shareholders may subscribe for securities issued, in proportion to their holding, without this giving rise to the creation of transferable or negotiable rights.

This authorization entails shareholders' express surrender of their preferential subscription rights to any other securities with an equity component to which the securities issued may give rights.

4. grants to the Board of Directors the same powers as those defined under the twelfth resolution to carry out these issues within a period of twenty-six months from the date of this Meeting, it being understood that in the event of the issue of securities to compensate securities tendered under a public share exchange offer, the Board of Directors will set the exchange parity and, where applicable, the cash component payable.

5. decides that this authorization replaces that granted by the twelfth resolution of the General Meeting of April 18, 2000, for the remaining term of the same.

## Fourteenth resolution

### ***Authorization to increase capital stock in case of a public share exchange offer for the Company's shares.***

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, decides that if a public share exchange offer has been made for the Company's shares the Board of Directors may only use the authorizations granted to it by the General Meeting to increase capital stock if the capital increase, which may be carried out by all legal means and in accordance with the legal provisions in force, is designed to enable the completion of acquisitions presented to the Board of Directors prior to the exchange offer and if the said capital increase is not reserved for named beneficiaries.

This decision will remain in force until the next Meeting called to approve the financial statements for the preceding fiscal year.

## Fifteenth resolution

### **Authorization to issue shares or other securities reserved for employees and former employees**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the report of the Board of Directors and the special report of the Statutory Auditors, authorizes the Board of Directors, to increase the capital stock, in accordance with articles L225-129 and L225-138 of the *French Commercial Code* and articles L443-1 and following of the French Labor Code, in accordance with its own decisions, on one or more occasions, up to a maximum nominal amount of EUR 100 million, by the issue of reserved shares or other securities with an equity component, if necessary in distinct segments:

- for employees and retired employees of Société Générale and former employees in early retirement who are members of the Company Savings Plan;
- for employees, retired employees or former employees in early retirement of Société Générale or companies and groupings affiliated to it as defined by the regulations in force, who are members of Company or Group Savings Plans that provide the opportunity to participate in capital increases reserved for employees, in accordance with the provisions of the articles mentioned above.

Beneficiaries may subscribe for the shares either directly or indirectly via one or more mutual funds.

This decision entails the cancellation, for the said employees, of the preferential subscription rights to shares or other securities with an equity component to which the securities issued may give right.

This authorization is valid for five years from the date of this Meeting, and cancels that granted by the Joint Shareholders' Meeting of May 13, 1997, for its remaining term and for all transactions decided after this Meeting.

The General Meeting grants full powers to the Board of Directors, which retains the right to delegate in accordance with the law, to:

- set the terms and conditions of membership of the Group Savings Plan;
- set the subscription price for new shares, in accordance with the conditions set in article L443-5 of the French Labor Code;

- allocate free shares or securities with an equity component instead of the discount and/or employer contribution, within the limits set by article L443-5 of the *French Labor Code*;
- determine the terms and conditions of the transaction(s) to be carried out, and notably to:
  - decide upon the companies whose employees and retired employees and former employees in early retirement can subscribe to shares issued under the present authorization;
  - set the minimum length of service of beneficiaries of new shares and, within the legal limits, set the timeframe granted to subscribers to pay for these shares;
  - determine whether subscriptions must be made via a mutual fund or directly;
  - decide on the amount of the issue, the subscription price(s), the duration of the subscription period, the date on which the new shares bear dividends and more generally, the terms of each issue;
  - after each capital increase, to charge, at its discretion, the cost of the issues against the corresponding additional paid-in capital, and to deduct the necessary amount from this total to increase the legal reserve to a tenth of the new capital.
- carry out all acts and formalities to note the capital increase(s) carried out under this authorization, to amend the by-laws accordingly, and more generally, to take all necessary measures relating to the transaction.

## Sixteenth resolution

### **Authorization to grant share subscription or purchase options**

The General Meeting, under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the report of the Board of Directors and the special report of the Statutory Auditors, in accordance with legal requirements, notably in articles L225-177 to L225-185 and L225-209 of the *French Commercial Code*:

- authorizes the Board of Directors to grant, on one or more occasions, options to subscribe for new Société Générale shares or to purchase existing Société Générale shares;
- decides that the Board of Directors shall choose the beneficiaries of these options among the employees and senior officers defined by the law, from both Société Générale and

companies and economic interest groupings that are directly or indirectly related to it according to the terms of article L225-180 of the *French Commercial Code*;

- decides that the total number of options thus granted may not give rise to the subscription or purchase of shares representing more than 10% of the Société Générale's capital stock at the date on which they are granted and that the maximum duration of the options may not exceed 10 years from their allocation date;
  - sets the duration of this authorization, which replaces that granted by the Joint Shareholders' Meeting of May 13, 1997, for the remaining term of the same, at 38 months;
  - decides that the share subscription or purchase price will be fixed in accordance with the legal provisions in force;
- grants full powers to the Board of Directors, which retains the right to sub-delegate within the legal limits, to implement this authorization, notably to:
    - set the conditions in which the options will be granted;
    - determine how the price and the number of shares to be subscribed for or purchased will be adjusted if the Company carries out transactions on its capital;
    - carry out all acts and formalities to note the capital increase(s) carried out under this authorization, to amend the by-laws accordingly, and more generally, to take all measures relating to the transaction.

This authorization entails shareholders' express surrender of

## Report of the statutory auditors on the issue of marketable securities

*(Free translation of the French original)*

### Extraordinary General Meeting

To the Shareholders of Société Générale,

In our capacity as statutory auditors of your Company and in compliance with Articles L225-135, L228-92 and L228-95 of French Company Law, we hereby report on the proposed capital increase through the issuing of securities, with or without cancellation of preferential subscription rights, upon which you are called to vote under Resolutions 12 and 13 respectively.

Your Board of Directors proposes that it be empowered for a period of 26 months to determine the terms and conditions of these operations and requests that you waive any preferential subscription rights as set out in Resolution 13. This empowerment replaces the one granted at the Shareholders' Meeting of April 18, 2000 and described in its Resolutions 11 and 12. The maximum amount of capital raised from these issues would be EUR 600 million, with a maximum debt of EUR 4 billion.

We have reviewed the proposed issues of securities and carried out such procedures, as we considered necessary in accordance with French professional standards.

Subject to a further review of the terms and conditions of the proposed issues of securities, we have nothing to report on the methods of determination of the issue price as described in the Board of Directors' report.

Since the issue price has not yet been determined, we do not express an opinion on the final conditions for the issues of securities, and, consequently, on the proposed cancellation of preferential subscription rights, the principal of which is, however, inherent to the operation submitted for your approval.

In accordance with Article 155-2 of the March 23, 1967 decree, we will issue a supplementary report when the issues of securities have been performed by your Board of Directors.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES

Andersen



Philippe Peuch-Lestrade



Isabelle Santenac

ERNST & YOUNG AUDIT



Christian Mouillon

## Report of the statutory auditors on the proposed reduction in capital through the cancellation of own shares purchased or to be purchased by the company

*(Free translation of the French original)*

### Extraordinary General Meeting

To the Shareholders of Société Générale,

In our capacity as statutory auditors of your Company and in compliance with Article L225-209 of French Company Law, we hereby report on the proposed reduction in capital by the cancellation of own shares purchased by the Company, upon which you are called upon to vote under Resolution 17.

We have reviewed the proposed reduction in capital and carried out such procedures as we considered necessary in accordance with French professional standards.

This operation involves the repurchase by your Company of its own shares, representing an amount not in excess of 10% of its total capital, in accordance with conditions stipulated by Article L225-209 of French Company Law. You are requested

to approve this operation under Resolution 6 that can be applied for a period of 18 months.

Your Board of Directors proposes that it be empowered, for a period of 26 months, to proceed with the cancellation of own shares purchased by the Company under the authorization granted to repurchase its own shares within a limit of 10% of its total capital for each period of 24 months.

We have nothing to report on the conditions of the proposed capital reduction, which will be performed after the Shareholders' Meeting has given prior approval for the Company to repurchase its own shares as described in Resolution 6.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
Andersen



Philippe Peuch-Lestrade



Isabelle Santenac

ERNST & YOUNG AUDIT



Christian Mouillon

## Report of the statutory auditors on the issue of marketable securities reserved for employees and former employees

*(Free translation of the French original)*

### Extraordinary General Meeting

To the Shareholders of Société Générale,

In our capacity of statutory auditors of your Company and in compliance with Articles L 225-135 and L 225-138 of French Company Law, we hereby report on the proposed capital increase of a maximum EUR 100 million through the issuing of shares and other securities giving rights to the capital, reserved for employees and former employees of Société Générale and related companies or company members of the Groups Saving Plan, upon which you are called to vote under Resolution 15.

Your Board of Directors proposes that it be empowered to determine the terms and conditions of this operation and requests that you waive your preferential subscription rights.

We have reviewed the proposed capital increase reserved for the employees and former employees of the Group in accor-

dance with Article L 225-129-VII of French Company Law and carried out such procedures as we considered necessary in accordance with French professional standards.

In accordance with Article L 443-5 of French Company Law, the exercise price of the new shares will be on a par with the average market price, quoted over the previous 20 days of trading on the French stock exchange, where the Company's shares are listed, until the day preceding the Board of Directors' meeting at which the opening date for subscriptions is decided. The mark down on the price thus determined may not exceed 20%.

Subject to a further review of the terms and conditions of the proposed capital increase, we have nothing to report on the methods of determination of the issue price as described in the Board of Directors' report.

Since the exercise price has not yet been determined, we do

not express an opinion on the final terms and conditions for the increase in capital and, consequently, on the proposed cancellation of preferential subscription rights, the principal of which is, however, inherent to the operation submitted for your approval.

In accordance with Article 155-2 of the March 23, 1967 decree, we will issue a supplementary report when the increase in capital has been performed by your Board of Directors.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
Andersen

ERNST & YOUNG AUDIT



Philippe Peuch-Lestrade



Isabelle Santenac



Christian Mouillon

## Report of the statutory auditors on the stock option plan

*(Free translation of the French original)*

### Extraordinary General Meeting

To the Shareholders of Société Générale,

In our capacity as statutory auditors of your Company and in compliance with Article L225-177 of French Company Law (*Code du Commerce*) and Article 174-19 of the Decree of March 23, 1967, we hereby report on the employee stock option plan reserved for the employees and directors of Société Générale and affiliated companies, which you are called upon to vote under Resolution 16.

We reviewed the proposed conditions for the determination of the subscription or purchase price and carried out those procedures we considered necessary in accordance with French professional standards.

We have nothing to report on the proposed conditions for the determination of the subscription or purchase price.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
Andersen

ERNST & YOUNG AUDIT



Philippe Peuch-Lestrade



Isabelle Santenac



Christian Mouillon

## By-laws (if approved by the General Meeting of April 23, 2002)

### *Type of company - Name* *Registered office - Purpose*

#### Article 1

The Company, named Société Générale, is a joint-stock company incorporated by deed approved by the Decree of May 4, 1864, and is approved as a bank.

The duration of Société Générale, previously fixed at 50 years with effect from January 1, 1899, was then extended by 99 years with effect from January 1, 1949.

Under the legislative and regulatory provisions relating to credit institutions, notably the articles of the Monetary and Financial Code that apply to them, the Company is subject to commercial laws, in particular articles 210-1 and following of the French Commercial Code, as well as by the current by-laws.

#### Article 2

Société Générale's registered office is at 29, boulevard Haussmann, Paris 9.

In accordance with current legal and statutory provisions it may be transferred to any other location.

#### Article 3

The purpose of Société Générale is, under the conditions determined by the laws and regulations applicable to credit institutions, to carry out with individuals or corporate entities, in France or abroad :

- all banking transactions,
- all transactions related to banking operations, including in particular investment related services or allied services as listed by articles L321-1 and L321-2 of the Monetary and Financial Code,
- all acquisitions of interests in other companies.

Société Générale may also on a regular basis, as defined in the conditions set by the French Banking Regulation Committee, engage in all transactions other than those mentioned above, including in particular insurance brokerage.

Generally, Société Générale may carry out, on its own behalf, on behalf of a third party or jointly, all financial, commercial, industrial or agricultural personalty or realty transactions,

directly or indirectly related to the above-mentioned activities or likely to facilitate the accomplishment of such activities.

### *Capital - Shares*

#### Article 4

The share capital amounts to 530,423,152.50 euros. It is divided into 424,338,522 shares of 1.25 euros par value, each fully paid up.

The capital may be increased, reduced or divided into shares of different par value on decision of the competent meeting or meetings of shareholders.

#### Article 5

Each share gives right, in the ownership of the Company's assets and in the liquidating surplus, to a percentage equal to that fraction of the registered capital that it represents.

All shares which make up or which will make up the registered capital will be given equal rank as regards taxes. Consequently, all taxes which for whatever reason may become payable on account of capital reimbursement for certain of them only, either during the life of the Company or during its liquidation, shall be divided between all the shares making up the capital during such reimbursement so that, while allowing for the par and non-amortized value of the shares and for their respective rights, all present or future shares shall carry entitlement for their owners to the same effective advantages and to the right to receive the same net sum.

Whenever it is necessary to possess a certain number of shares in order to exercise a right, it is incumbent on shareholders who own fewer shares than the total number required to assemble the necessary number of shares.

#### Article 6

Shares may, in accordance with the holder's wishes, be registered or bearer shares. Such shares shall be freely negotiable unless otherwise stipulated by law.

Any shareholder acting on his own or jointly, who comes to hold directly or indirectly at least 0.5% of the capital or voting rights or a multiple thereof, must inform the Company within fifteen days of the time at which he exceeds each of these thresholds, and must also indicate in his declaration the

number of any securities he holds which may give rise to his holding capital stock in the future. Mutual fund management companies must provide this information based on the total number of shares held in the Company by the funds they manage.

Failure to comply with this requirement will be penalized in accordance with legal provisions on this matter, at the request of one or more shareholders with at least a 5% holding in the Company's capital or voting rights. The said request will be duly recorded in the minutes of the General Meeting.

Any shareholder acting on his own or jointly, is also required to inform the Company within fifteen days if the percentage of his capital or voting rights falls below each of the thresholds described in paragraph 2 above.

The Company can at any time, in accordance with current statutory and regulatory provisions, request that the organisation responsible for securities clearing provide information relating to the shares giving the right to vote in its General Meetings, either immediately or over the long term, as well as to holders of the said shares.

The rights of shareholders shall comply with applicable statutory and regulatory provisions.

## **Board of directors**

### **Article 7**

#### **I – Directors**

The Company is administered by a Board of Directors made up of two categories of Directors:

#### **– Directors appointed by the Shareholders' Ordinary General Meeting**

There are at least nine of these Directors, and fifteen at the most.

The functions of directors appointed by the Ordinary General Meeting shall expire four years after the approval of the current article. This provision does not apply to Directors in office at the time of this approval.

However, the Ordinary General Meeting shall be able to set a term of between two and four years for the mandates of Directors it will appoint on expiry of current mandates of Directors, in order that a sufficient number of mandates of Directors appointed by this meeting will be renewed each year to enable the full renewal of all mandates in four years' time.

When, in application of current legal and statutory provisions, a Director is appointed to replace another, then his term of office shall not exceed that term of office remaining to be served by his predecessor.

#### **– Directors elected by personnel**

The status and methods of electing these Directors are laid down by Articles L225-27 to L225-34 of the French Commercial Code, as well as by these by-laws.

There are three elected Directors, with one of these three representing the executives and the other two representing other personnel.

In any event, their number may not exceed one-third of the Directors appointed by the General Meeting.

Their term of office is three years.

Regardless of the appointment procedure, the duties of a Director cease at the end of the Ordinary General Meeting called to approve the financial statements of the previous fiscal year and held during the year in which his term of office expires.

Directors may be re-elected, as long as they meet the legal provisions, particularly with regard to age.

Each Director must hold at least two hundred shares.

#### **II – Methods of electing Directors elected by personnel**

For each seat to be filled, the voting procedure is that set forth by law.

The first Directors elected by the staff will begin their term of office during the Board of Directors' Meeting held after publication of the full results of the first elections.

Subsequent Directors shall take up office on expiration of the out-going Directors' terms of office.

If, in any circumstances and for any reason whatsoever, there shall remain in office less than three Directors before the normal end of the term of office of such Directors, vacant seats shall remain vacant until the end of such term of office and the Board shall continue to meet and take decisions validly until that date.

Elections shall be organized every three years so that a second vote may take place at the latest fifteen days before the normal end of the term of office of out-going Directors.

For both the first and second ballot, the following deadlines should be adhered to:

– posting of the date of the election at least eight weeks

- before the date of polling,
- posting of the lists of the electors at least six weeks before the date of polling,
- registration of candidates at least five weeks before the date of polling,
- posting of lists of candidates at least four weeks before the date of polling,
- sending of documents required for absentee voting at least three weeks before the date of polling.

The candidatures or lists of candidates other than those entered by a representative trade union should be accompanied by a document including the names and signatures of one hundred employees presenting the candidates.

Polling takes place the same day, at the work place, and during working hours. Nevertheless, the following may enter absentee votes:

- employees not present on the day of polling,
- employees working abroad,
- employees of a department or office, or seconded to a subsidiary in France not having a polling station, or who cannot vote in another office.

Each polling station consists of three elective members, with the Chairman being the oldest one among them. The Chairman is responsible for seeing that voting operations proceed correctly.

Votes are counted in each polling station, and immediately after closing of the polls; the report is drawn up as soon as the counting has been completed.

Results are immediately sent to the Head Office of Société Générale, where a centralized results station will be set up with a view to drafting the summary report and announcing the results.

Methods of polling not specified by Articles L225-27 to L225-34 of the French Commercial Code or these articles of incorporation, are decreed by the General Management after consulting with representative trade unions.

### **III – Censors**

On the proposal of the Chairman, the Board of Directors may

appoint one or two censors.

Censors are convened and attend Board of Directors' meetings in a consultative capacity.

They are appointed for a period not exceeding four years and the Board can renew their term of office or put an end to it at any time.

They may be selected from among the shareholders or non-shareholders, and receive an annual remuneration determined by the Board of Directors.

### **Article 8**

The Board of Directors determines the Company's strategy and ensures its implementation. Subject to the powers expressly attributed to the General Meeting and within the scope provided for in the corporate purpose, it considers all matters that affect the Company's operations and settles by its decisions matters which concern it.

### **Article 9**

The Board of Directors elects a Chairman from among its natural person members, determines his remuneration and sets the duration of his term of office, which may not exceed that of his term of office as Director.

No member of 70 years of age or more shall be appointed Chairman. If the Chairman in office reaches the age of 70, his duties shall cease after the next Ordinary General Meeting called to approve the financial statements of the preceding fiscal year.

The Chairman represents the Board of Directors. He organizes and manages its work, and reports to the General Meeting. He ensures the Company's bodies operate correctly and in particular ensures that the Directors are able to fulfil their functions.

### **Article 10**

The Board of Directors meets as often as is required by the interests of the Company, upon convocation by the Chairman, either at the registered office or in any other place indicated in the convocation. The Board examines the questions placed on the agenda.

It will meet when at least one third of Board members or the Chief Executive Officer submits a request for a meeting with a specific agenda to the Chairman.

If the Chairman is unable to attend, the Board of Directors can

be convened either by one third of its members, or the Chief Executive Officer or a Chief Executive Officer “délégué”<sup>(1)</sup>, provided they are a member of the Board.

Apart from where specifically provided for, Directors are called to meetings by letter or by any other means. In any event, the Board may always deliberate validly if all its members are present or represented.

### Article 11

Board meetings are chaired by the Chairman of the Board of Directors, or in his absence, by a Director designated for this purpose at the beginning of the meeting.

Every Director may give his proxy to another Director, but a Director may act as proxy for only one other Director and a proxy can only be given for one specific meeting of the Board.

In all cases, deliberations of the Board are valid only if at least half the members are present.

The Chief Executive Officer attends meetings of the Board.

One or several delegates of the Central Works Council attend Board meetings, under conditions laid down by the legislation in force.

At the request of the Chairman of the Board of Directors, members of General Management, the Statutory Auditors or other persons from outside the Company with specific expertise with respect to the items on the agenda may attend all or part of a Board meeting.

Resolutions are adopted by a majority vote of the Directors present or represented. In the event of a tie, the Chairman holds a casting vote.

A member of management staff named by the Chairman serves as Secretary of the Board.

Minutes are prepared and copies or extracts certified and delivered in accordance with the law.

### Article 12

Members of the Board may receive Director’s fees in the form of a global sum set by the General Meeting distributed by the Board among its members as it sees fit.

(1) Legal term when another person in the Company has the function of CEO.

## General Management

### Article 13

The General Management of the Company is the responsibility of either the Chairman of the Board of Directors, or any other individual appointed by the Board of Directors to act as Chief Executive Officer.

The Board of Directors may choose between the two general management structures, and its decision is only valid if:

- the agenda with respect to this choice is sent to members at least 15 days before the date of the Board meeting,
- at least two-thirds of Directors are present or represented.

Shareholders and third parties shall be informed of this decision in accordance with the regulations in force.

When the Chairman of the Board of Directors assumes responsibility for the general management of the Company, the provisions relating to the Chief Executive Officer shall be applicable to him.

The Chief Executive Officer shall be granted exhaustive powers to act on behalf of the Company in all matters. He shall exercise these powers within the scope of the Company’s purpose and subject to those powers expressly assigned by law to meetings of shareholders and Board of Directors. He shall represent the company vis-à-vis third parties.

The Board of Directors sets the remuneration and the duration of the Chief Executive Officer’s term, which may not exceed that of the dissociation of the functions of Chairman and Chief Executive Office nor, where applicable, the term of his Directorship.

No person aged 70 or more shall be appointed Chief Executive Officer. If the Chief Executive Officer in office reaches 70 years of age, his functions shall end at the end of the next Ordinary General Meeting called to approve the financial statements of the preceding fiscal year.

On recommendation by the Chief Executive Officer, the Board of Directors can appoint up to five persons to assist the Chief Executive Officer, who shall have the title Chief Executive Officer “délégué”.

In agreement with the Chief Executive Officer, the Board of Directors determines the extent and duration of the powers

granted to Chief Executive Officers “délégués”. The Board of Directors sets their remuneration. With respect to third parties, Chief Executive Officers “délégués” have the same powers as the Chief Executive Officer.

## *Shareholders' meeting*

### **Article 14**

The General Meeting is made up of all Société Générale shareholders.

It is called and deliberates as provided by legal provisions in force.

The Meeting may be publicly broadcast if decided by the Board of Directors and announced in the notice of meeting and/or convocation.

It meets at the Company's head office or in any other place in metropolitan France indicated in the convocation notice.

Such meetings are chaired by the Chairman of the Board or in his absence by a Director appointed for the purpose by the Chairman of the Board.

Regardless of the number of shares held, every shareholder has the right, upon proof of his identity, to participate in the General Meetings, by personally attending them, by returning his ballot by mail or by a representative, provided:

- in the case of holders of registered shares, that their names are entered in the Company registry;
- in the case of holders of bearer shares, that they have deposited at the place mentioned in the convocation notice, a certificate delivered by a qualified person stating that the shares in their account are unavailable until the date of the Meeting,

and, where applicable, to provide the Company with proof of their identity, in line with the legal provisions in force.

These formalities must be completed at least two days, or a shorter period if mentioned in the Meeting notice, before the Meeting is held, unless the regulations in force shorten this period.

The registration and non-transferability of shares may only be revoked in accordance with the regulations in force.

Shareholders may participate in General Meetings by video-conference or any other means of telecommunication authorized by the law, subject to the conditions set by the law and when stipulated in the meeting notice.

As from January 1, 1993, double voting rights in relation to the share of capital stock they represent are allocated to all those shares which are fully paid up and which have been registered in the name of the same shareholder for two years. Double voting rights are also allocated to new registered shares that may be allocated freely to a shareholder in respect of the shares with double voting rights already held by him, on the occasion of an increase in capital stock by incorporation of reserves, unappropriated retained earnings, net income or additional paid-in capital.

The number of votes at General Meetings to be used by one shareholder, either individually or by a proxy, may not exceed 15% of total voting rights at the date of the Meeting.

This 15% limit does not apply to the Chairman or any other proxy with respect to the total number of voting rights they hold on a personal basis and in their capacity as proxy, provided each shareholder for which they act as proxy complies with the rule stipulated above.

For the purposes of applying these limits, shares held by a single shareholder include shares held indirectly or jointly in accordance with the conditions described in Articles L233-7 and following of the French Commercial Code.

This limit ceases to apply when a shareholder acquires – either directly or indirectly or jointly with another person – more than 50.01% of the company's voting rights following a public share exchange offer.

In all General Meetings of shareholders the voting right attached to shares which entail an usufructuary right, is exercised by the usufructuary.

## *Special meetings*

### **Article 15**

When there exist different categories of shares, special meetings must be convened for the holders of shares in such categories to discuss and vote in the conditions provided for by the regulations in force.

They meet at the head office or in any other place within metropolitan France indicated on the convocation notice.

They are chaired in the same manner as the General Meetings and the right to vote at these meetings is exercised under the same terms.

## *Auditors*

### **Article 16**

Auditors are appointed and discharged of their duties according to the applicable statutory and regulatory provisions

## *Annual accounts*

### **Article 17**

The fiscal year is the calendar year.

The Board prepares the financial statements for the year under the conditions fixed by the applicable laws and regulations.

All other documents prescribed by the applicable laws and regulations are also drawn up.

### **Article 18**

The results of the year are determined in accordance with applicable regulatory and statutory provisions.

A deduction is made from the profits of the year reduced by any previous losses, of at least 5% to constitute the reserve fund prescribed by law until the said fund reaches 10% of the capital.

Net income available after this transfer, increased by net income brought forward, if any, constitutes income available for distribution, to be successively allocated to ordinary, extraordinary or special reserves or to be carried forward in those amounts which the General Meeting may deem useful, upon the recommendation of the Board of Directors.

The balance is then distributed to shareholders in proportion to their shareholding.

The shareholders' General Meeting approving the annual accounts may, with regard to the whole or part of the dividend or interim dividend, grant each shareholder the option to choose between payment of the dividend or interim dividend in cash or payment in shares in accordance with the conditions set by the laws in force. The shareholder will have to exercise his option on the whole dividend or interim dividend attached to his shares.

Other than cases of reduction of capital, no distribution may be made to shareholders if the capital of the Company is or may subsequently become less than the sum of capital and reserves that the law or the articles by-laws do not allow to be distributed.

## *Dissolution*

### **Article 19**

In the event Société Générale is wound up and unless otherwise provided by law, the General Meeting determines the method of liquidation, appoints the liquidators on proposal by the Board of Directors and continues to exercise its assigned powers during said liquidation until completion thereof.

The net assets remaining after repayment of the par value of the shares are distributed among the shareholders, in proportion to their share of the capital.

## CAPITAL INCREASE RESERVED FOR EMPLOYEES

### Supplementary report of the Board of Directors

(Article 155-2 of the decree of March 23, 1967)

#### *I - Decision to carry out a capital increase reserved for employees*

The Board of Directors, under the authorization granted to it by the Extraordinary General Meeting of May 13, 1997 for a maximum nominal amount of FRF 400 million, decided on February 20, 2002 to carry out, in accordance with article L 443.5 of the French Labor Code, a further capital increase reserved for those Société Générale employees and former employees who are members of the Company Savings Plan and for those employees and former employees of Crédit du Nord and its subsidiaries, who are members of the Group Savings Plan. This increase is to be carried out through mutual funds created under these plans.

Under the current authorization, a capital increase was carried out in 1998, in the nominal amount of FRF 55.7 million, or 1,855,360 shares, followed by a second in 1999, in the nominal amount of EUR 8.5 million, or 1,697,190 shares, a third in 2000 in the amount of EUR 6.7 million, or 5,389,594 shares with nominal value EUR 1.25, and a fourth in 2001, in the nominal amount of EUR 5.9 million, or 4,747,048 shares.

#### *II - Amount of the increase*

The Board has set the total amount of the increase at EUR 15 million in nominal value, bearing in mind the special regulations applicable to capital increases reserved for employees, which require that they be only made for the amount subscribed for.

The final amount of the capital increase will be known only when all the subscriptions have been counted. The period for collecting subscription forms from employees runs from March 6 to March 20 for employees and former employees of Société Générale and from March 27 to April 10, 2001 for employees and former employees of Crédit du Nord and its subsidiaries.

The Board has decided that this increase will be carried out in two tranches:

- One reserved for employees and former employees of Société Générale, in the nominal amount of EUR 14.1 million, corresponding to the issue of 11,280,000 shares of EUR 1.25 nominal value each.

- One reserved for employees and former employees of Crédit du Nord and its subsidiaries, in the nominal amount of EUR 0.9 million, corresponding to the issue of 720,000 shares of EUR 1.25 nominal value each.

#### *III - Issue price*

Within the limits set by article L 443.5 of the French Labor Code and by the decisions of the Extraordinary General Meeting of May 13, 1997, the issue price for the shares has been fixed as follows:

- For individual subscriptions below or equal to EUR 20,000, the issue price is set at EUR 52.86, 20% below the average opening stockmarket price of the Société Générale share on the twenty trading days preceding February 20, 2002.

- For subscriptions in excess of EUR 20,000 and up to a maximum of EUR 40,000, the issue price is set at EUR 66.07, the average opening stockmarket price of the Société Générale share on the twenty trading days preceding February 20, 2002.

#### *IV - Effect of the capital increase*

##### **1. Theoretical effect on net assets per share**

Based on the financial statements at December 31, 2001, after appropriation of net income for the year, net assets per Société Générale share amounted to EUR 30.43.

If this issue were subscribed for its maximum nominal amount of EUR 15 million (or 12,000,000 new shares), at the discounted price of EUR 52.86 per share, a total of EUR 634.3 million would be raised and net assets per share would thus increase to EUR 31.06.

## 2. Theoretical effect on the market price

This effect depends on the evolution of the share price in relation to its current level, and on the success of the issue.

If the maximum limit were reached and if the market price remained unchanged from the average opening price on the twenty trading days preceding February 20, of EUR 66.07, and if all new shares were issued at the discounted price of

EUR 52.86 per share, market capitalization would be increased to EUR 29.146 billion, for a total number of shares increased to 443,538,522. The theoretical effect of the increase would therefore be a fall of 0.54%, with the theoretical market price of the share being equal to 99.46% of its level before the issue.

It should be noted that the above measure of the potential dilutive effect of the issue is theoretical, and will be altered by the profitability of the funds received.

## Supplementary report of the statutory auditors on the capital increase reserved for employees

To the Shareholders of Société Générale,

In our capacity as statutory auditors of your Company, and in compliance with Article 155-2 of the Decree of March 23, 1967, we present below a supplementary report to the special statutory auditors' report of March 13, 1997 on the issue of shares reserved for employees and approved by the Extraordinary Shareholders' Meeting of May 13, 1997.

The Shareholders empowered your Board of Directors to determine the terms and conditions of the operation.

Thus empowered, on February 20, 2002, your Board of Directors decided to proceed with an increase in capital of EUR 15 million, the maximum amount authorized, through the issue of shares to be subscribed in cash in two tranches, the first tranche, for an amount of EUR 14.1 million, reserved for Société Générale employees and former employees who are members of the Group Savings Plan, and the second tranche, for an amount of EUR 0.9 million, for employees and former employees of Crédit du Nord and its subsidiaries (Banque Nuger, Banque Courtois, Banque Rhône-Alpes, Banque Lenoir et Bernard, Banque Laydenier, Banque Kolb et Banque Tarneaud) who are also members of the Group Savings Plan.

We have verified that the terms and conditions of these operations are consistent with the powers granted to your Board of Directors by the Shareholders on May 13, 1997 and with the

information submitted at the Meeting. We have nothing to report thereon.

We have verified the information used for determining the issue price and the final amount of the share issue included in the supplementary report of the Board of Directors. We have also reviewed the figures presented in the report and carried out such procedures as we considered necessary in accordance with French professional standards.

We confirm the sincerity of the information taken from the Company's financial statements and included in the supplementary report of the Board of Directors.

We have nothing to report on the reasons for the proposed cancellation of preferential subscriptions rights, on the calculations used to determine the issue price nor on the final amount of the capital increase.

We also have nothing to report on the impact of the issue for the existing shareholders on the net assets, nor on the market price of the share.

Neuilly-sur-Seine and Paris, March 6, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
Andersen



Philippe Peuch-Lestrade



Isabelle Santenac

ERNST & YOUNG AUDIT



Christian Mouillon

## ADDITIONAL INFORMATION

### General description of the company

#### **Corporate name**

Société Générale

#### **Head office**

29, boulevard Haussmann, 75009 Paris

#### **Legal form**

Société Générale is a French limited liability company (*Société Anonyme*), registered in France and having the status of a bank.

#### **Governing law**

Subject to the legal and regulatory provisions relating to credit institutions, notably the applicable articles of the Monetary and Financial Code, the Company is governed by commercial legislation, in particular articles 210-1 and following of the French Commercial Code (*Code de Commerce*).

#### **Date of formation and duration**

Société Générale was incorporated by deed approved by the decree of May 4, 1864. The company will expire on December 31, 2047, unless it is wound up or its duration extended.

#### **Corporate purpose (article 3 of the by-laws)**

The purpose of Société Générale is, under the conditions determined by the laws and regulations applicable to credit institutions, to carry out with individuals and corporate entities, in France and abroad:

- all banking transactions,
- all banking-related transactions, including in particular investment-related services or allied services as listed in articles L 321-1 and 321-2 of the Monetary and Financial Code,
- all acquisitions of interests in other companies.

Société Générale may also engage on a regular basis in all transactions other than those listed above, including in particular insurance brokerage, under the conditions set by the French Banking and Financial Regulations Committee (*Comité de la Réglementation Bancaire et Financière*).

Generally, Société Générale may also carry out, for itself and on behalf of third parties or in joint venture, all financial, commercial, industrial, agricultural, investment and real property operations, directly or indirectly related to the above or with the aim of aiding in their accomplishment.

#### **Registration number**

Société Générale is registered in the Commercial Register (Registre du Commerce) under number:

552 120 222 RCS Paris.

Its activities code is APE 651C.

#### **Company reports and documents**

All Société Générale's reports and documents, including in particular its By-laws (*Statuts*), financial statements and reports submitted to shareholders' meetings by the Board of Directors and the Statutory Auditors may be inspected at the Company's administrative offices, Tour Société Générale, 17, Cours Valmy, 92972 Paris-La-Défense Cedex, France.

The current version of the By-laws has been registered with public notaries "Maîtres Thibierge, Pône, Pecheteau, Fremeaux, Palud et Sarrazin", in Paris, France.

#### **Fiscal year**

The fiscal year starts on January 1 and ends on December 31.

#### **Allocation and distribution of income (article 18 of the by-laws)**

Net income for the year is determined in accordance with currently applicable laws and regulations.

At least 5% of net income for the year, less previous accumulated losses if any, must, by law, be set aside to form a legal reserve until this reserve reaches one-tenth of the amount of capital stock.

Net income available after this transfer, increased by net income brought forward, if any, constitutes income available for distribution to be carried forward or allocated to ordinary, extraordinary or special reserves in those amounts which the General Meeting may deem useful, upon the recommendation of the Board of Directors. The remaining balance is then paid out to shareholders in proportion to their shareholdings.

The General Meeting called to approve the financial statements for the year may, in respect of all or part of final or interim dividends proposed for distribution, offer each shareholder the option to receive payment of his final or interim dividend in cash or in shares, under the conditions laid down by current regulations. The shareholder who exercises this option must do so for all the final or interim dividends attributable to his entire shareholding.

Except in the case of a reduction in capital stock, no distribution to shareholders may take place if shareholders' equity is, or will be as a result of such distribution, less than an amount equal to the sum of capital stock and those reserves which by law or under the By-laws are not available for distribution.

### ***Shareholders Meetings (articles 6 and 14 of the by-laws)***

The General Meeting includes all shareholders of Société Générale.

It is called and deliberates under the conditions provided by law.

It is held at the head office or at any other place in France as indicated in the notice of meeting.

Without consideration as to the number of shares he holds, any shareholder has the right to take part in general meetings, on proof of identity, either by attending personally, by voting by mail using a special form, or by appointing a proxy, provided however:

- if he holds registered shares, that his name is recorded in the Company's share register;
- if he holds bearer shares, that he has deposited, at a place indicated in the notice of meeting, a certificate issued by an authorized intermediary establishing that his shares are not available for sale before the date of the Meeting.

These formalities must be carried out at least two days before the Meeting.

Double voting rights for each share of the capital stock are attributed to all those shares which are fully paid up and which have been registered in the name of the same shareholder for a least two years, as from January 1, 1993. Double voting rights are also attributed to new registered shares that may be allocated free to a shareholder in respect of the shares with double voting rights already held by him, on an increase in capital stock by incorporation of reserves, unappropriated retained earnings, net income or additional paid-in capital.

The number of votes that can be exercised at Shareholders' Meetings by one person, either personally or as a proxy, may

not exceed 15% of total voting rights existing on the date of the Meeting.

For the purposes of applying this limit, shares held indirectly or jointly under the terms defined by the provisions in force are considered as being held by the said person.

The limit also applies to each proxy mandate returned to the company where no proxy is designated and for which the Chairman of the Meeting exercises the voting rights as the legal proxy. Subject to this provision, the limit does not apply to the total number of votes cast under these proxies, by the Chairman of the Meeting.

The limit ceases to apply when a shareholder holds more than 50.01% of voting rights in the Company either directly, indirectly or jointly, following a public offer.

In all General Meetings, the right to vote attached to a share in beneficial ownership belongs to the beneficial owner.

### ***Disclosure of changes in holdings Declaration thresholds laid down in the by-laws (article 6 of the by-laws)***

Any shareholder who, acting alone or jointly with others, holds directly or indirectly at least 0.5% of the capital or the voting rights of the Company or a multiple of such percentage must disclose this situation to the Company within a period of fifteen days from the date of reaching this threshold. He must also indicate the number of securities he owns which give access to capital stock at a future date. Similarly, mutual fund management companies must provide this information on the total number of shares held in the Company by the funds they manage.

Non-compliance with this obligation is sanctioned as provided by law, at the request, entered into the minutes of the General Meeting, of one or more shareholders holding at least 5% of the capital or the voting rights in the Company.

Any shareholder, acting alone or jointly with others, must also inform the Company within a period of fifteen days when the percentage of the capital or the voting rights he holds falls below any of the thresholds described above.

## Business of Société Générale

### *History*

Société Générale was founded in 1864 by public subscription. It rapidly became involved in the financing of industrial and infrastructure investments through lending, equity investments and bond issues.

Société Générale progressively built up a nationwide network, with 1,500 branches in 1940, compared with 32 in 1870. This network still remains the core of its business.

After the Franco-Prussian war in 1870, the Alsace-Moselle branches were transferred to a German law subsidiary, Société Générale Alsacienne de Banque (Sogénal).

Société Générale opened its first foreign office in London in 1871. It has since rapidly developed an international network through the extension of Sogénal's network into central Europe (Germany, Austria, Switzerland and Luxembourg), by establishing branches in North Africa in 1909-1911 and later in the United States (1940).

Société Générale was nationalized in 1945, and it played an active role in financing post-war reconstruction and meeting the needs born of the thirty years of rapid economic growth that followed the Second World War. It contributed to the spread of new financing techniques (such as medium-term

discountable credit, off-balance sheet operations and lease finance).

Following the liberalization of the French banking system in 1966, Société Générale diversified its activities and reached out to new categories of customers. In particular, it expanded its clientele of individual customers.

Fully owned by the French state after its second nationalization in 1982, Société Générale was returned to the private sector when it was privatized in July 1987.

The acquisition of Crédit du Nord in 1997 confirms the Société Générale Group's commitment to take full advantage of the restructuring and concentration within the French banking system.

Société Générale has expanded considerably since 1997, notably extending its international presence via acquisitions in its different businesses. The Group has developed its retail banking network outside France with acquisitions in Romania, Madagascar, Chad, Slovenia and the Czech Republic, and in particular acquired Hambros in Private Banking, Cowen in Investment Banking, GEFA-ALD in Specialised Financial Services and Yamaïchi and TCW in Asset Management.

## Person responsible for the Reference Document and persons responsible for the audit of the financial statements

### *Person responsible for the Reference Document*

Daniel Bouton

Chairman of the Board of Directors of Société Générale.

### *Certification of the person responsible for the Reference Document*

To the best of my knowledge, the information set out in the reference document is true and includes all the information needed by investors to form an opinion regarding Société Générale's assets and liabilities, business, financial position, results and prospects. There are no omissions that could impair its meaning.



Chairman and Chief Executive Officer  
Daniel Bouton

### *Persons responsible for the audit of the financial statements*

#### **Statutory Auditors**

*Name:* Cabinet Ernst & Young Audit represented by Christian Mouillon

*Address:* 4, rue Auber – 75009 Paris, France

*Date of first appointment:* April 18, 2000

*Term of office:* six fiscal years

*End of current office:* at the close of the Shareholders' General Meeting which will approve the financial statements for the year ended December 31, 2005.

*Name:* Barbier, Frinault & Autres (Andersen) represented by Philippe Peuch-Lestrade and Isabelle Santenac

*Address:* 41, rue Ybry - 92576 Neuilly-sur-Seine, France

*Date of first appointment:* April 18, 2000

*Term of office:* six fiscal years

*End of current office:* at the close of the Shareholders' General Meeting which will approve the financial statements for the year ended December 31, 2005.

#### **Substitute Statutory Auditors**

Gabriel Galet

Thierry Gorlin

## Report of the statutory auditors on the registration document (document de référence)

*(Free translation of the French original)*

**For the year ended December 31, 2001**

To the Shareholders of Société Générale,

In our capacity as statutory auditors of Société Générale and in compliance with the Commission des Opérations de Bourse (the French stock exchange regulatory body), Regulation n° 98-01, we have verified, in accordance with French professional standards, the information in respect of the financial position and historic financial statements included in the accompanying Registration Document (Document de Référence).

This Registration Document is the responsibility of Management. Our responsibility is to issue an opinion on the fairness of the information contained therein with respect to the financial position and financial statements.

We conducted our review in accordance with French professional standards. This review consisted in assessing the fairness of the information on the financial position and financial statements and to verify their consistency with the audited financial statements. We also reviewed other financial information contained in the Registration Document in order to identify any significant inconsistency with information in respect of the financial position and financial statements and to bring to your attention any obvious misstatements we noted based on our general understanding of the Company gained through our audit. The forecasts provided in the Registration Document are the application of the expectations and intentions of Management's strategy and not individual projected items of information obtained through a formalized process.

Barbier Frinault & Autres – Andersen - and KPMG Audit issued an unqualified opinion on the annual and consolidated financial statements for the year ended December 31, 1999 drawn up by the Board of Directors, in accordance with French professional standards.

We performed an audit on the annual and consolidated financial statements for the years ended December 31, 2000 and December 31, 2001 drawn up by the Board of Directors, in accordance with French professional standards. Our reports were unqualified but contained the following emphasis of matters:

- For year ending December 31, 2000, Note 1 to the annual financial statements disclosed a change to the presentation of the annual financial statements following the early application of the regulation CRC2000-3 rule relating to the presentation of annual financial statements of credit institutions.
- For year ending December 31, 2000, Notes 1 and 38 to the consolidated financial statements disclosed a change in accounting principles coming from the application of the consolidation rules prescribed by regulation CRC 99-07. Note 1 also disclosed a change to the presentation of the consolidated financial statements following the early application of the regulation CRC 2000-04 rules relating to the presentation of consolidated financial statements of credit institutions.
- For year ending December 31, 2001, Notes 1 and 15 to the consolidated financial statements disclosed the application of a change in accounting principles coming from the application of the new consolidations rules prescribed by regulation CRC 2000-5 relating to the consolidation of entities governed by the Insurance Code.

We have nothing to report with respect to the fairness of the information on the financial position and financial statements contained in the Registration Document.

Neuilly-sur-Seine and Paris, March 20, 2002

The Statutory Auditors

BARBIER FRINAULT & AUTRES  
Andersen



Philippe Peuch-Lestrade



Isabelle Santenac

ERNST & YOUNG AUDIT



Christian Mouillon

## CROSS-REFERENCE INDEX

The cross-reference index below indicates the principal elements required under Regulations 98-01 of the Commission des Opérations de Bourse and the corresponding pages in the annual report on which they appear.

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