



# Sustainable Development

# Société Générale's Commitment



The **first** listed French bank to **sign** the Statement by Financial Institutions on the Environment and Sustainable Development

A **component stock** of the leading sustainable development indices

An **independent ombudsman** since 1996

**6,500** new staff recruited in 2002

Over **90%** of employees in France are Société Générale shareholders

*Source: Société Générale.*

By signing the United Nations Environment Programme (UNEP) Statement by Financial Institutions on the Environment and Sustainable Development on November 27, 2001, Société Générale was looking to confirm its commitment to sustainable development.

The financial markets, the Group's employees and society at large encourage the Group's efforts in this area. Furthermore, risk management considerations make this commitment the Group's professional duty.

However it was above all a strong belief in the Group's responsibility in terms of economic and social development that led it along this path.



## A **vision** of sustainable development inherent in the Group's values

Société Générale's commitment to sustainable development is deeply rooted in the Group's culture and practices, and is intended to instill greater coherence amongst the different businesses of a group that has doubled in size over the past seven years.

Société Générale pioneered corporate governance and compliance practices in France, and was one of the first French banks to offer sustainable development investment funds<sup>(1)</sup>.

Société Générale has adopted the universally-accepted definition<sup>(2)</sup> of sustainable development as its own watchword, adapting it to the requirements of a financial institution: "development that meets current needs without compromising those of future generations, via a responsible approach that takes into account the interests of all stakeholders: customers and suppliers, employees, shareholders, society and the environment".

The Group is looking to maintain a healthy balance between short-term constraints and medium-term concerns in its day-to-day business, with a view to contributing to the sustainable development of all its partners.

Its ambition is to reconcile and respect its partners' interests over the longer term.

Société Générale seeks to ensure that its behavior vis-à-vis society and the environment reflects its spirit of solidarity and its sense of partnership, which have always been the driving force behind its relations with its customers, employees and shareholders.

This commitment is made possible by the values that Société Générale has striven to promote throughout its history, and which are embodied in its employees at both an individual and collective level.

### Highlight

#### *Generating value from our values*

*The Group's rapid expansion, in particular outside France, brought with it the need to affirm its core values. Professionalism, Team Spirit and Innovation were the three values adopted following an in-depth study involving nearly 2,000 employees. The values have been promoted among the Group's 80,000 employees via a major communication campaign, including a brochure translated into 17 languages, posters and a dedicated website: [www.123.socgen.com](http://www.123.socgen.com).*

*The slogan "generating value from our values" reflects the benefits that are shared by the Group's customers, shareholders and partners alike.*

*A number of concrete steps have been taken throughout the Group. The best initiatives were rewarded in November 2002, at the first Values Awards.*

*Group Management has launched around ten cross-business projects, for example plans to extend employee share ownership (see page 68).*



(1) *Europe Éthique, launched by SG AM in May 2000, and Etoile Développement Durable, launched by Etoile Gestion/Crédit du Nord in September 2001. Assets under management at November 30, 2002 amounted to EUR 4.7 million and EUR 35.4 million respectively.*

(2) *"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Report, United Nations, 1987).*

# Société Générale's Commitment

## Being a **benchmark** among financial institutions in sustainable development

2001 was the year in which the Group raised awareness of the importance of sustainable development among its teams. 2002 was the year in which further commitments were made.

For example, SG Asset Management subscribed to the 'London Principles of Sustainable Finance<sup>(3)</sup> and was among the financial institutions that founded the "Carbon Disclosure Project"<sup>(4)</sup>. Furthermore, the "Arcancia Label" offer was certified by the French Inter-Union Employee Savings Committee (see Highlights on page 49).

The Group's efforts in terms of sustainable development are coordinated by the Bank's Executive Committee.

An operational committee, run by the Quality department and made up of senior managers from the core businesses (Retail Banking, Asset

Management and Private Banking, Corporate and Investment Banking) and the corporate departments affected by sustainable development (Human Relations, Communication, Risk Management, Compliance, Purchasing, Investor Relations, etc.), is responsible for implementing these efforts, as well as identifying and disseminating best practices.

Designated "contributors" in each business implement Group policy "in the field".

The operational committee has three sets of tools at its disposal:

- the "Planethic" intranet, a tool for capitalizing on and sharing experiences;
- environmental and social indicators, which serve as the basis for a proper management chart;
- the first "competitor watch" tools<sup>(5)</sup>.

The Group's ambition for 2003 is to reinforce the use of best practices within the businesses, both in France and internationally, focusing on four points:

- improving the detailed knowledge and reporting of the Group's performance in terms of social and environmental concerns and with respect to society as a whole;
- defining and systematically implementing a Group-wide environmental policy;
- developing and standardizing socially responsible practices around the world;
- harmonizing and reinforcing the Group's sponsorship initiatives.

**Note: Scope covered by this section:**

In general, everything concerning management policies and systems applies worldwide. For all other aspects, please refer to the details given in the relevant sections.

*Société Générale is one of the four euro-zone banks to be included in the three leading sustainable development indices from their inception.*



DJSI World & DJSI STOXX



FTSE4Good Global & Europe



ASPI EuroZone

*Since 1999, Société Générale's sustainable development performance, as measured by these indices, has improved, though there remains considerable scope for further progress.*

### CHANGE IN SAM\* SCORE

	2001-2000	2002-2001	2002-2000
Société Générale score	+81.5	+15.2	+109.0
Average sector score	-24.7	+43.3	+7.9

\* SAM Research Inc.

### CHANGE IN ARÈSE\*\* SCORE

	2000-1999	2001-2000	2001-1999
Société Générale score	+25.8	+1.2	+27.3
Minimum sector score	+13.0	-0.5	+12.5

\*\* Agence de rating social et environnemental sur les entreprises - French sustainability rating agency.

*These tables indicate the percentage growth rate of the different scores.*

(3) These principles, which were published at the Johannesburg summit, are intended to promote the role of financial institutions in furthering sustainable development (<http://www.forumforthefuture.org.uk>).

(4) This initiative asked the world's top 500 companies to disclose information on their greenhouse gas emissions (<http://www.cdproject.net/>).

(5) Notably via the Group's participation in UNEP (United Nations Environment Programme), ORSE (Observatoire de la Responsabilité Sociétale des Entreprises - Corporate Social Responsibility Study Center), and the "Environmental Credit Risk Factors in the Pan-European Banking Sector" benchmarking study carried out by the UK firm Isis (formerly Friends Ivory & Sime).

# Corporate Resources and Human Relations

Over 80,000 people who are the source of the Group's wealth

The Group's recent acquisitions, its growing international presence and the increasing specialization of its businesses require a global approach to human resources and management that is able to meet strategic challenges and underpin the Group's development. Human resources management has been largely decentralized to the core businesses<sup>(1)</sup> so that this global approach can be reconciled with the diversity of the different businesses. As such, international mobility and an active recruitment policy are key features of the human resources policy of both the Corporate and Investment Banking and the Asset Management and Private Banking businesses. In Retail Banking, new skills are needed to anticipate and actively respond to changing distribution and organization methods in France. The application of Group practices outside France is intended to reinforce the integration of the different subsidiaries within the Group and to promote the development of human resources at a local level, while respecting the particular features of each business and country.

In the global corporate functions (finance, risk management, legal affairs, etc.), the human resources policy aims to reflect the specific requirements of these businesses and to encourage international mobility.

The Group's aim is to actively implement its core principles of coherence and subsidiarity on a daily basis, with a view to integrating people and cultures, while leaving room for the autonomy needed to foster growth.

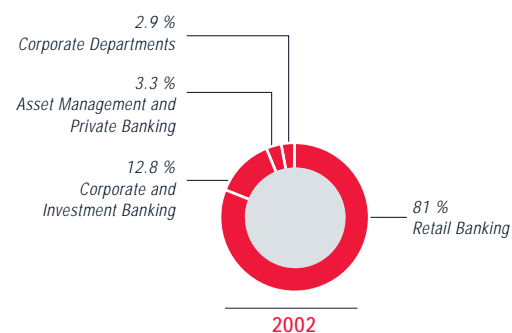
## Accompanying change

### *An active recruitment policy despite the need to adapt to the economic and market environment*

2002 was marked by an unfavorable economic environment, notably for the global equity markets. Against this backdrop, the Group had to rightsize its resources in cash equity and M&A activities in Europe and Asia to bring them into line with the size of the markets. Appropriate measures were taken to support those affected by the cuts, over and above the legal requirements.

## Highlight

### *Breakdown of domestic and international headcount by core business*



**Note:** Figures for France correspond to the parent company, excluding the French subsidiaries. International data correspond to the whole Group, unless otherwise indicated.

<sup>(1)</sup> Corporate and Investment Banking, Asset Management and Private Banking, Retail Banking.

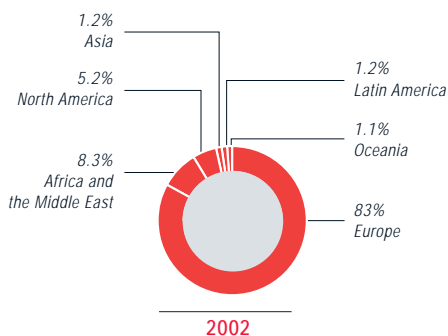
## Highlights

### **Société Générale, an attractive employer**

In France, Société Générale is ranked number seven among the most attractive future employers across all sectors named spontaneously by future graduates of engineering and business schools.

Its recruitment website is considered to be the best institutional site by these future graduates (SOFRES "Future Graduates" survey of June 2002). Société Générale received 100,000 job applications in 2002 and a growing proportion of these were submitted online, up from 10% of the total at the beginning of the year to 30% at the end of the year.

### **Breakdown of employees by region**



With 83,220 employees<sup>(2)</sup>, Société Générale also pursued its active recruitment policy, with over 6,500 new employees joining the Group around the world, including some 4,800 on open-ended contracts. In France, nearly 46% of new employees have executive status. The use of outsourcing remains limited.

This dynamic recruitment drive was designed to meet the need for new skills to accompany the Group's changing businesses, while at the same time anticipating the wave of retirements expected as of 2006, essentially in the retail banking sector.

In France, Société Générale is actively involved in integrating young people into the world of work through effective and loyalty-building training schemes, such as apprenticeships, which involved 1,600 students in 2002. The Group also opened its doors to over 5,000 interns and 10,000 temporary vacation staff.

Société Générale is in regular contact with students via some sixty forums and fairs organized in association with universities and *grandes écoles*. It provides sponsorship (at the *École des Mines* and the ICN business school in Nancy), finances university chairs and educational programs (at the *École Centrale de Paris*, ESSEC and EDHEC business schools), and sits on the admissions boards of business and engineering schools.

These efforts have also been extended outside France, for example in the United States, where SG Cowen has a partnership with Harvard Business School. This partnership is set to continue in 2003.

### **The cultural and professional integration of Société Générale employees**

The Group has an active policy of integrating newly-acquired companies. As such, during 2002, nearly 120 executives from the domestic and international subsidiaries of the Group's retail banking business (mainly from Eastern Europe), as well as from the specialized financial services and private banking businesses, were invited to Group induction seminars. In 2002, around 1,000 executives recruited across all Group business lines attended seminars of this type.

Over and above traditional training schemes, Société Générale introduced an induction program in France in September 2002 aimed at newly-recruited customer reception staff. Around 120 people benefited from this scheme during the last quarter of the year.

### **Developments in the French retail banking network: new challenges, new businesses**

In view of the development of new technologies and multimedia customer relations solutions, Société Générale embarked on a major multi-channel retail banking project – the 4D program – which has notably involved a reorganization of the retail banking activities in France.

Particular attention has been paid to the consequences of changing the banking distribution businesses in terms of training, mobility and organization. The changes are to be implemented between now and 2007/2008, and the employees concerned will be offered job retraining and mobility support programs.

### **Close relations with social partners**

In France, social dialog is conducted via a Works Council and a Health and Safety Committee for each group of branches in the Société Générale network, as well as for the corporate departments.

In 2002, Société Générale signed major company-wide agreements with its social partners, covering:

- remuneration, with agreements on pay, profit-sharing, incentives and the company savings plan to replace the existing arrangements,
- the Group Works Committee, its renewal procedure, structure and modus operandi,
- and the renewal procedure of the European Works Council.

### **Encouraging diversity and talent**

The Group nurtures the diversity of its employees' profiles, while seeking to harness their talents to the full. It respects the rules and customs of the countries in which it operates, and each division defines its strategy in accordance with these principles.

### **Harness local expertise and international skills**

With a presence in nearly 80 countries, and with some 42% of employees working outside France, the Group is a major employer at a global level. It is committed to leveraging the skills and expertise of its local employees, by awarding them key positions in international subsidiaries. As such, French expatriate managers account for less than 2% of Group employees outside France. In France alone, the Group employs people from 80 different countries, underscoring the cultural diversity of its staff.

### **Facilitate experiences**

Functional and geographical mobility is the cornerstone of the Group's career management policy.

In 2002, over 3,000 employees in France changed business, principally within the same operating division. Programs to promote a diversity of experiences have been set up in the global business lines for specialists and support staff alike. In general, this commitment to diversity meets both the Group's aim of coherence and employees' desire to develop their professional and personal skills. It forms part of a personalized, loyalty-building and international career management policy.

### **The European Works Council**

*The European Works Council was set up in March 1997 and meets at least once a year, chaired by the Group Chairman or the Chief Executive Officer. It is a forum for information, dialogue and discussion on economic, financial and social issues that are of strategic or cross-border importance.*

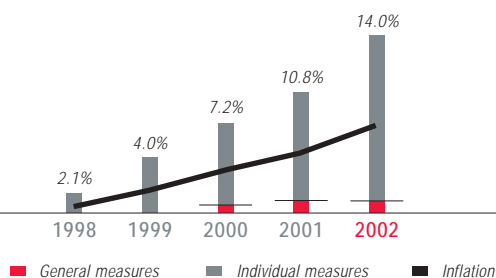
*It is currently comprised of representatives from 8 countries and includes 14 members who are elected or appointed for two years by the trade unions of each country, namely: Belgium, France, Germany, Greece, Italy, Luxembourg, Spain and the United Kingdom.*

### **Women in the Société Générale Group**

*Women form the majority of Group employees, accounting for 54% of the total workforce both in France and internationally. In France, women held over 30% of executive positions in 2002. With a view to improving the representation of women within Group Management bodies, Société Générale is committed to appointing women to senior positions under its "Future Senior Managers" program.*

## Highlights

### Evolution of basic remuneration from 1998 to 2002 (cumulative)



Average annual remuneration in France stands at EUR 40,308.

### 15th capital increase reserved for Société Générale employees

For the fifteenth consecutive year, the capital increase reserved for Société Générale<sup>(3)</sup> employees in France met with considerable success:

for Société Générale, 86% of the EUR 51.3 million<sup>(4)</sup> distributed under the profit-sharing scheme was used to subscribe for the capital increase carried out within the framework of the company savings plan.

The additional contribution made by the company rose by 6% in relation to 2001. Nearly 93% of Société Générale employees in France are currently shareholders in the Bank, holding nearly 8% of the common stock, thus attesting to their confidence in the company.

Bolstered by this success and with a strong commitment to sharing its results with all its employees, the Group is introducing a global share ownership plan as of 2003. By 2006, all of the Group's employees will have access to the capital increases carried out by Société Générale.

Furthermore, over 550 French employees benefited from financial measures to assist their geographical mobility in 2002. Nearly half of the international executives in the Corporate and Investment Banking business transferred to a new location in 2002.

### Offer a competitive remuneration scheme

In spite of the sluggish economic environment, the Group maintained attractive compensation packages in 2002 in relation to the market as a whole, with a selective personalized approach to the remuneration of staff in specialized businesses.

Overall, Société Générale's remuneration policy remains above the average for the French banking sector, with a view to reflecting the diversity of its businesses and capabilities. Remuneration includes a basic salary, which reflects the importance of the position and its responsibilities, and a performance-linked payment, intended to reward individual performance. Employees also benefit from profit-sharing and incentive schemes tied to the Group's performance.

### Improve professionalism and diversify capabilities

The development of competences is centered on improving the professionalism of teams and supporting the major projects launched by the Group both in France and around the world. For example, training centers have been set up, either with a local focus in countries where the Group has a subsidiary (Romania, Morocco,) or with a regional remit, such as the center in Cameroon, which covers sub-Saharan Africa.

Over and above its legal obligations, Société Générale allocates a large budget to employee training, and as a result, 67% of employees benefited from training programs<sup>(5)</sup> in 2002. Providing training schemes enables the company to:

- improve its competitiveness, by training its employees in new products and techniques,
- maintain its degree of professionalism, by assisting new recruits in assuming their new functions,
- continue to offer promotions within the company: in France, nearly 3,500 employees – 9% of the total workforce – were promoted, and the number of technical staff promoted to executive status increased by 15% between 2001 and 2002. In this area, Société Générale offers an internal training structure that encourages employees to reach executive status. Around one hundred technical staff benefit from this initiative each year, principally in the retail banking business.

(3) And Crédit du Nord employees since 1999.

(4) After CSG (supplementary Social Security contribution) and CRDS (Social Security debt reduction contribution) surtaxes

(5) In France.

As businesses and recruitment become more specialized, training is enhanced with initiatives on how to develop synergies and manage teams made up of people with different areas of expertise, with a view to promoting common values within the Group.

### ***Innovation in day-to-day management and practices***

2002 saw further progress in the implementation of new managerial practices via different solutions aimed at more closely reconciling the company's management requirements with employees' aspirations. Société Générale organizes annual seminars that bring together nearly 2,000 Group managers with a view to improving cohesion between management teams, notably focusing on Group values, strategy and major projects. Specific programs have been set up to stress the need for managers to adopt a Group-wide approach.

For the past five years, Société Générale has carried out an annual survey of the social environment among all its French employees, so as to adapt its management methods and communication to its employees' expectations.

## **Cultivating an innovative social and professional environment**

The Group pays particular attention to the social and professional environment that it offers its employees around the world, meeting high standards in terms of fairness, non-discrimination and innovation.

### ***New technologies for human resources management***

Following on from efforts begun in 2001, the use of human resources management and information sharing tools was optimized in 2002. These tools meet the Group's objectives in terms of fostering cohesion between teams, controlling costs and providing access to real-time information.

As such, the roll-out of the "Self-Service HR" intranet facility enables Société Générale employees in France to play an active role in human resources issues concerning them: management of paid leave and access to a job forum, soon to be supplemented by the possibility of submitting training requests and the chance to subscribe for capital increases, among other features.

A number of e-learning schemes have also been made available to employees in the retail and investment banking businesses. These training solutions can be assisted or unassisted, and are not designed to replace traditional methods, but instead to take into account different learning profiles and thus improve the effectiveness of the training provided.

## **Highlights**

### ***The "Future Senior Managers" program***

*Société Générale introduced this initiative to provide executives destined to occupy positions with high levels of responsibility with special development programs and tailored career management. These executives are identified on the basis of three key criteria, namely their performance, their potential in relation to the key skills inherent in management positions, and their motivation.*

### ***The e-space***

*This tool is designed to improve understanding of ICT (information and communication technologies) among retail banking management teams in France.*

*The aim is to facilitate the use of ICT by providing decision-makers with a global vision of what they represent. As such, management teams can access four online training modules via their multimedia workstations. Nearly 1,000 people have used this service since its launch in April 2002.*

## ***Favorable working conditions***

Société Générale aims to continually adapt its working environment, working conditions and working hours.

The implementation of the 35-hour week in France was made possible by adapting the Company's internal organization, while maintaining the level of customer service quality. This has been accompanied by a significant drop in absenteeism over the past three years (2000–2002) to below 5%.

The reduction in working hours has not brought about a significant change in overtime.

The Group recognizes the advantages of part-time work, and 9% of the workforce in France (6% worldwide, including French staff) benefit from this solution. All the Group's divisions strive to meet employee requests in this respect.

In the branch network, a new security training scheme was launched in November 2002, which should eventually be extended to all employees.

## ***Adequate social benefits***

The Société Générale Group is committed to the social protection of its employees, over and above its legal obligations in France, confirming its desire to extend its social commitments and responsibility to all its offices around the world.

In France<sup>(6)</sup>, employees can benefit from health insurance, life insurance and a funded supplementary pension plan via the *Institut de Prévoyance Valmy*, which complement the cover provided by the national Social Security system. Some of these benefits have been extended to employees of offices in Eastern Europe, Africa, Argentina and Madagascar. For example, employees in Argentina benefit from health insurance or additional medical coverage.

## ***Playing an active role in society***

Société Générale has invested in setting up healthcare programs in some countries in which it operates. In liaison with the local authorities, it participates in vaccination programs in West African countries such as Senegal, Côte d'Ivoire and Cameroon, providing vaccinations against tuberculosis, yellow fever, tetanus and meningitis. The Group is also involved in AIDS awareness programs in particular in Cameroon where it also provides permanent medical care. In Europe, major flu-vaccination programs are carried out each year.

## ***Integration of handicapped workers***

As part of its commitment to integrate handicapped people into the workplace (the Group employs over 920 handicapped people in different sectors of activity, representing an increase on the past two years), Société Générale focused its efforts in 2002 on developing relations with *Centres d'ateliers protégés* (centers offering tailored solutions to enable handicapped people to work) in France. This policy has paid off since the use of CAP is increasing steadily.

In order to further its efforts in this area, Société Générale is looking to renew in 2003 the agreement signed with Agefiph<sup>(7)</sup> in January 2001.

## ***Employee representation and freedom of association***

All Group employees are free to create or join trade unions, in accordance with local legislation.

Three elected members represent employees on Société Générale's Board of Directors.

The management of bodies such as the supervisory board of the company savings plan funds, the mutual health insurance company and the *Institut de Prévoyance Valmy*, is carried out in partnership with employee representatives.

(6) In France, Société Générale donated EUR 137.5 million to charities.

(7) The French association for the integration of handicapped people into the workplace.

# Risk

## RISK MANAGEMENT

### Supporting business development through **sound risk management**

*In terms of credit, the cost of risk measures loss incurred by the default of counterparties or clients of the bank. After falling sharply between 1999 and mid-2001, the Group's cost of risk rose in the second half of 2001 and throughout 2002, reflecting the more difficult economic climate faced by corporate clients.*

Risk management is an essential part of Société Générale's culture. Its primary aim is to contribute to the Group's development by optimizing its overall risk-adjusted profitability.

#### A segregation of roles for a better risk management

Because it is inherent in all banking activity, risk must be taken into account from the inception of a transaction until its completion with the Business Division.

This is why responsibility for risk management lies first with the operating department, which is totally in charge of:

- analyzing the risks involved in each transaction it originates;
- checking that these are compatible with its assigned limits;
- ensuring that these risks are managed dynamically;
- assessing the risk-adjusted profitability of the transactions.

To increase their motivation, the cost of risk is factored into the variable remuneration of business officers. To make this risk management even more effective and ensure that it is permanently adapted to new types of risk, the Risk Division is responsible for an independent risk management and control structure, approving risks taken and monitoring its changes. This Division reports directly to the Group's Board of Directors and is independent from the operating divisions.

#### Clear principles

The Group applies the following principles:

- ensure strict compliance with legal and regulatory requirements and standards drawn up as part of the Group's risk management policy. This compliance is monitored on an ongoing basis;
- fulfill an obligation to advise clients properly;
- develop business relations only with counterparties whose identity has been fully established and who share the same sense of integrity and responsibility as ours;
- promote principles of prudence, good conduct, and risk quality and diversification, even when these may weigh on short-term profitability;
- arrange significant financing transactions for clients only if these transactions appear on their balance sheet or if their statutory auditors have been fully informed.

## Widely disseminated objectives and procedures

The strategy is based on clearly defined targets for each category of risk (credit, market, country, operating). It is implemented through policies and procedures defined by the Risk Division, which sets out the criteria for selecting the most suitable transactions for the Group according to various analysis factors. A dedicated intranet site ensures the dissemination of this information throughout the Group.

## Permanent supervision framework

The measures taken in terms of risk management are monitored and controlled at several different levels:

- in its preparatory work for the Board of Directors, the Audit Committee carries out an in-depth review of the measures in place for managing, preventing and assessing risk;
- during the Risk Committee meetings, the Executive Committee defines the risk limit systems, reviews changes in the characteristics and risk profile of the Group's portfolio, and decides on any changes in the corresponding strategies;
- following on from the Risk Committee, the "Major Risks" Committee reviews significant exposures (individual counterparties or portfolio segments);
- before launching any new activity, the New Products Committee ensures that the infrastructure required for its proper management is in place and that the risks generated are correctly analyzed, measured and controlled;
- lastly, the internal audit teams give an opinion on the risks incurred during their various audit assignments throughout the Group.

## Suitable methods and systems

Société Générale devotes significant resources to adapting risk management and monitoring resources within the Group. In particular, information systems are constantly adapted to changes in products traded and in the techniques for managing the associated risks.

In terms of counterparty risk on capital market products, the current methods used for assessing exposure are complemented by measures based on worst-case risk scenarios, to further increase the selectivity applied to transactions.

As for market risks, the framework in place enabled the Banking Commission's approval on the in-house model (VaR) for almost all transactions concerned.

In terms of credit risk, the procedures for approving and monitoring risks have been reinforced by the introduction in recent years of economic capital, risk-adjusted return on capital (RAROC) and economic value-added (EVA) indicators, requiring the use of significant resources to create models for all activities and adapt information systems accordingly.

### Highlight

#### Key figures

- *Credit risk exposure on non-banking clients: EUR 258 billion*
  - 88% concentrated on developed countries;
  - 30% represents off-balance sheet commitments.
- *2002 risk provisioning: EUR 1,301 million (i.e. cost of risk equivalent to 70 basis points of risk-weighted assets).*
- *Non-performing loans: 5.6% of customer loans, with provisioning coverage ratio of 84%.*
- *Average trading VaR in 2002: EUR 31 million.*

# Quality

## Highlights

## CUSTOMER/SUPPLIER RELATIONS AND QUALITY CONTROL

### Making our customers and suppliers genuine partners in our commitment to sustainable development

The satisfaction of the Group's customers and their long-term loyalty lie at the heart of Société Générale's development strategy.

The Group strives to meet the expectations of its various markets (individuals, professionals and business) as fully as possible. Every year, several thousand customers in France and abroad are surveyed about their level of satisfaction, through questionnaires or during meetings.

#### Banking made easier

##### *An organization adapted to the needs of our customers*

The 4D program ("Tomorrow's Retail Banking Distribution System") aims to reconcile the necessary personalization of the customer relationship traditionally based on the customer adviser, with a platform comprising new customer relations centers specializing in direct banking (telephone, e-mail).

With extended opening hours, these centers can be reached from early morning until late evening and bolster our multimedia banking offer. With more than 120 generalist or specialist sites, Société Générale is the fifteenth largest website owner in France; around 15% of French Internet users connected to Group sites (July 2002).

Similar efforts are being made in Corporate and Investment Banking, with the creation of a Corporate and Financial Institutions sales division (see page 56).

##### *An innovative offer that meets a wide range of needs*

Société Générale offers its customers innovative products and services that make banking simpler, such as an account number for life and the option of choosing their bank card PIN code.

#### *A stable level of satisfaction*

*Against a backdrop of fierce competition, a harsher economic environment and increasingly demanding customers, the level of customer satisfaction remained stable in 2002, with an overall rating of 70 out of 100 for Société Générale and 75 out of 100 for Crédit du Nord, compared with an average bank rating of 69 out of 100.*

Source: Société Générale competitive survey for individual customers – 2002 CFI Group.

#### *A concrete example of responding to our customers*

*In order to meet the specific needs of international communities living in France, Société Générale recently opened its first branch dedicated to Senegalese customers resident in France. Located in Paris, this branch attempts to facilitate their banking relationship with our subsidiary SGBS (Société Générale des Banques au Sénégal), the leading bank in Senegal.*

## Highlights

### **Société Générale and local development: the example of Bulgaria**

*SG Expressbank in Bulgaria, which joined the Société Générale Group at the end of 1999, wanted to provide its customers with easier access to consumer credit.*

*To this end, drawing on the example of the parent company, it launched a rapid and simple credit solution in 2001.*

*This product, which was the first of its kind on the Bulgarian market, has met with considerable success, with some 70,000 borrowers at the end of 2002.*

*EUR 45 million has been injected into the country's economy in this way.*

### **Société Générale supports business start-ups**

*As over 500,000 jobs are created or preserved each year through the creation and takeover of businesses, Société Générale has been strengthening its presence among entrepreneurs since 1997. To this end, it has put in place the necessary human, financial and technical resources. At the same time, it has developed partnerships with both support networks (France Initiative Réseau, Entreprendre en France) and institutional networks, including consular networks, BDPME (SME Development Bank) and SOFARIS (SME loan guarantee agency).*

Already the leader on the student banking market in France, Société Générale introduced the "Cap Métiers" product in June 2002, offering overdrafts to young people on apprenticeships (see page 33).

Société Générale is tapping the expertise acquired in the French retail banking sector to develop a service adapted to the needs of various markets outside France: Central and Eastern Europe, Mediterranean Basin, Africa.

## A Total Quality approach

For over ten years now, Société Générale has been formalizing and developing a quality assurance process.

Internally, this total quality approach is based on benchmarks, service level agreements and quality audits.

In addition, staff actively participate in the ongoing quality improvement process through a suggestions system (around one thousand suggestions received each year).

Concrete measures taken vis-à-vis the markets include:

- A Quality Charter for individual customers. This formalizes three fundamental commitments in terms of relationships, advisory and day-to-day banking;
- Service certifications (Boursorama<sup>(1)</sup>, Jet Pro<sup>(2)</sup>) or ISO 9000 certification for some specialized activities (operational car leasing, employee savings account management, etc.);
- Ratings from the rating agencies<sup>(3)</sup>.

The Quality department is responsible for determining whether new processes require certification.

## A desire to assist all our customers

Through local support and the efforts made by all our employees, the introduction of the euro took place without any serious problems.

In the wake of the floods that struck the south of France in September 2002, Société Générale provided a total of EUR 7.6 million in zero-percent and preferential-rate loans to victims.

(1) Boursorama (formerly Fimatex) was the first online broker to obtain the AFAQ certification (French independent certification body) and the "Webcert Confidence Certificate", which guarantees a level of service and transaction security.

(2) The AFAQ certification of investment loans to professional customers (JET PRO) is the only one of its kind in France; it provides a guarantee of rapidity and simplicity for customers and prospective customers.

(3) SG AM is rated aa++ by Fitch-AMR; its custodian business is rated aa and securities custody business aa (up from aa- in 2001) by Fitch-AMR; Moody's awarded the Investors arm of the Global Securities Service business its highest Management Quality Rating (MQ1) for the second consecutive year.

Highlights

For several years now, Société Générale has been providing account statements in Braille for blind or partially sighted customers.

If a customer disagrees with the response given to a complaint by an account manager (the first port of call), or the customer services department, which represents the central body of appeal, he or she may contact Société Générale's Ombudsman.

Like all banks, Société Générale registered an increase in the number of complaints and requests for explanations from customers in 2002. This increase is primarily due to the effect of the economic and market environment, and to problems relating to the processing of certain transactions (for example, cashing checks).

### Relationships with our suppliers: promoting socially responsible behavior

In 2002, the Purchasing department, which was set up in November 2000, managed a purchasing volume of some EUR 3 billion, through a global network of around 90 purchasing officers.

Initiatives have been taken to inform these specialists and raise their awareness of sustainable development.

Specific clauses have been inserted in all invitations to tender and contracts, to ensure that suppliers and their sub-contractors respect local and international employment and environmental laws.

The internal audit teams check that these contractual provisions are respected.

The service quality provided by the main suppliers is regularly assessed in order to build a relationship based on transparency and dialog.

The Purchasing department is currently re-examining 60 purchase categories in light of the sustainable development criteria. Priority is given to IT hardware and paper.

### Société Générale has been using the services of an Ombudsman since 1996

*This function, which was introduced well before any legal obligation to do so<sup>(4)</sup>, has, from the outset, been run by Ms Christiane Scrivener, former Secretary of State for consumers and commissioner and member of the European Parliament.*

*The Ombudsman operates independently, according to the terms of a "Mediation Charter" (available in Société Générale branches). Under the terms of this charter, Société Générale agrees to apply the judgment of the Ombudsman in all circumstances. Its scope has now been extended to the Crédit du Nord Group and all business customers.*

*Since being appointed, the Ombudsman has considered some 1,000 cases, i.e. around 5% of written claims received by head office.*

2002	
<b>Number of cases submitted to the Ombudsman, of which...</b>	<b>302</b>
Investments	27%
Means of payment	18%
Functioning of accounts	17%
Loans	17%
Non-life insurance	6%

<sup>(4)</sup> The MURCEF law ("Urgent measures for economic and financial reform") of December 11, 2001 requires banks to have a mediation system as of the end of 2002.

# Community

## Highlight

*“Compliance is not only the responsibility of the compliance officers, it is the responsibility of us all.”*

**Philippe Citerne**  
Chief Executive Officer

*“The compliance approach at Société Générale is intended as a positive step towards the development of our activities. It is not so much the expression of constraints as the reflection of values that each employee should adopt, whatever their level of responsibility.”*

Extract from the 2001 Investment Banking compliance manual

## COMPLIANCE AND ANTI-MONEY LAUNDERING

### Constantly **increase** vigilance

Professional compliance has always been a core value of the Bank's business. Initially focused on capital market activities, the compliance function has been extended to cover all Group business lines on the basis of common principles that comply with the highest professional standards. The Group has adopted a rigorous compliance code and rules of good conduct, which go beyond the strict application of the legal and regulatory rule in force, particularly when, in some countries, these do not meet the ethical standards imposed by Société Générale.

### A global organization

What for a long time was – and still is – part of the corporate culture was gradually formalized in a dedicated structure, with the creation in 1990 of a compliance committee, and the

subsequent creation and development of a central Compliance department, which handles all compliance issues, directing and coordinating the entities and staff responsible for these matters at a Group and business line level. At the end of 2002, 120 employees worked full time to ensure the proper implementation of the compliance code. They draw on a network of correspondents in the Group's branches and subsidiaries around the world.

The Compliance department's task is to draw up internal rules and codes to safeguard the integrity of the financial markets. It works with the internal and external auditors to ensure compliance with these rules, collaborates with the Risk department in the area of compliance risks, and trains and advises operational staff in this area.

The scope of compliance, as defined within the Group, goes beyond the principles and rules governing the markets and their environment. It includes customer relationships by factoring in the “Know Your Customer” concept and covers anything that may generate a reputation risk for the Group.

## Chinese walls

The Group has adopted procedures known as “Chinese walls” to prevent any communication or irregular use of confidential or privileged information likely to expose the bank to commercial risks vis-à-vis its customers (conflicts of interest), or to regulatory or legal risks (insider trading).

Since 1998, the Group has rolled out a database, first at a European and subsequently at a worldwide level, that enables the compliance teams to detect any conflict of interest that may arise from the acceptance or execution of potentially conflicting mandates. When such a situation arises, a decision is made either to refuse the transaction or to continue to execute the mandates by separate teams while ensuring full transparency vis-à-vis the clients.

In terms of financial analysis compliance, even before it was made compulsory by the French Financial Markets Council (*Conseil des marchés financiers*), the Group took the initiative to indicate in its investment research any investment banking services provided to the company covered by the study during the previous 12 months.

## Know Your Customer

The concept of “Know Your Customer” is another basic compliance rule. Believing that its corporate image is one of its key assets, the Group will not enter into relations with individuals or companies whose activity falls outside the law or contravenes the principles that guide a responsible bank.

The Group refuses to deal with customers or counterparties where it cannot assess the economic reality of the same, or if a lack of transparency suggests that they may be in contravention of generally accepted accounting and compliance principles.

Furthermore, the Group ensures that the products and services it offers correspond to its customers’ needs. It provides objective and clear information on the risks attached to transactions.

## Stronger anti-money laundering measures

Since the first law on anti-money laundering was introduced in France on July 12, 1990, the Group has been constantly adapting its internal anti-money laundering measures:

- in France, the anti-money laundering directive for the Société Générale Group published on April 16, 1991, is regularly updated, most recently on June 28, 2002;
- a specific directive was issued in July 2002 on the application of regulation 2002-01 of the French Banking and Finance Regulation Committee (*Comité de la réglementation bancaire et financière*) concerning the vigilance required when handling checks, supplemented in February 2003 by a document outlining the annual control plan for checks;
- for the international network, a directive was published on October 31, 1997 and revised in February 2003, defining a common core of anti-money laundering rules, inspired by French law and the recommendations of the Financial Action Task Force (FATF). This directive is applicable to all entities, regardless of whether or not local money laundering laws exist.

In terms of organization, the central anti-money laundering unit was merged into the Compliance department in 2002 in order to tighten links with the global network of compliance officers.

## Highlights

***The Wolfsberg Group***

*Société Générale remains an active participant in the Wolfsberg Group of international banks, which promote anti-money laundering and anti-terrorism principles. The Wolfsberg Group consists of the following banks: ABN Amro, Bank of Tokyo-Mitsubishi, Barclays Bank, Citigroup, Crédit Suisse, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan, Santander Central Hispano, UBS and Société Générale.*

***Investigation by French magistrates into money laundering***

*A number of Société Générale's senior managers and executives, as well as the company itself, were placed under investigation in relation to a money laundering probe in 2002, along with the executives of five other banks.*

*The investigators claim that the Bank failed to systematically verify or detect cheques drawn up or cashed fraudulently, or cheques presented for payment by foreign banks and/or drawn on customer accounts.*

*Société Générale believes there is no evidence to suggest that an employee or a department of the bank has knowingly committed a money-laundering transaction.*

*The judicial investigation is continuing.*

In order to carry out its mission, this unit has a dedicated network of more than 200 correspondents in France and around the world. These correspondents ensure that local laws and regulations are complied with, and cooperate actively with the public authorities in this respect. They also ensure that procedures defined at Group level within the framework of French legislation and the principles arising from the FATF on money laundering and the Wolfsberg Group are respected.

Specific IT systems have been developed to facilitate the detection of suspect transactions.

Lastly, anti-money laundering training sessions are held both in France and internationally, and as a result, all employees of the Société Générale domestic network are trained in anti-money laundering techniques.

**Terrorism: particular vigilance**

The fight against terrorism took on a new dimension following the events of September 11, 2001. European regulations of December 27, 2001 and May 27, 2002 oblige banks to freeze the financial assets of persons figuring on official lists. In France, the law of November 15, 2001 introduced new crimes specific

to terrorist financing, and the French Banking and Financial Regulation Committee's regulation of April 26, 2002 specified the anti-money laundering and anti-terrorism obligations incumbent on banks with respect to processing checks.

Société Générale has issued specific directives informing entities and their employees of their obligations in terms of vigilance and knowing their customers, checking lists of persons and companies associated with terrorism published by the public authorities, freezing certain financial assets, and in certain cases informing the competent authority (Tracfin in France) of any suspicions they may have with regard to money laundering or terrorist financing. Furthermore, a number of training schemes cover anti-terrorist finance measures and a tool designed to assist in the detection of terrorist funding is being developed for the IT systems that handle international transfers of funds.

## ENVIRONMENT

Encouraging **eco-friendly behavior**

## Environmental risk management inherent in the Group's professional practices

*Management of environmental risks on a day-to-day basis*

In 2000, the Risk department took steps to improve the recognition of environmental risks relating to the Bank's financing activities, based on:

- an internal regulatory framework, which is factored into the Group's credit policy. This framework defines the principles and rules to be respected when analyzing financing requests (World Bank, OECD, COFACE [export insurance provider], etc.) and sets out the structure for supervising environmental risk. The Group's business lines are responsible for controlling their environmental risks with the assistance of the Risk Division;

- a unit providing support to operational staff, made up of consulting engineers, some of whom are environmental specialists;
- an audit of the portfolio of commitments in environmentally sensitive sectors, which was conducted for the first time in 2002;
- initiatives to raise awareness among future managers via training programs (involving some 200 people each year).

*Targets for 2003*

- Improve understanding of counterparties active in sectors exposed to environmental risk, via a project to introduce an internal "sustainable development" rating of these counterparties.
- Continue efforts to train and raise awareness among employees.
- Strengthen cooperation with external experts to assess and improve Group practices (for example, the Group's participation in the benchmarking study carried out by Isis Asset Management).

## Highlight

*Financing for major projects*

*Société Générale finances projects designed to improve the environment both in France and abroad. It is involved either directly, for example in the financing of the subway system in Maracaibo, Venezuela's third largest city, or indirectly via Sogefinerg and Génécal, its two specialized leasing companies with Sofergie status (companies that finance energy-saving projects). For example, agreements have recently been signed to finance two household waste incineration plants in the amount of EUR 50 million and to finance wind farms in France in the amount of EUR 20 million.*

## Highlight

**Some consumption figures**

The results of an initial survey of the main sites show that water consumption at Société Générale amounted to 488,608 m<sup>3</sup> for 26,502 occupants<sup>(1)</sup>, on the basis of the last twelve months of available data.

63% of branches in the domestic network and 95% of the corporate departments are air conditioned, and all the air conditioning units are controlled by regulator systems.

The two main sources of energy are electricity and gas. Electricity consumption amounted to 207.2 GWh<sup>(2)</sup>, equivalent to 5,100 KWh per occupant per year. Gas consumption amounted to 32.4 GWh and heating oil consumption stood at 18.9 GWh.

A sophisticated system for recovering waste heat generated by the computer rooms covers 88.5% of the heating requirements at the Société Générale tower and 95% of the requirements of the Tigery IT center.

**Environmental protection****Reducing consumption**

Efforts have been made in recent years to reduce water and energy consumption, by installing more energy-efficient systems in new buildings and during renovation programs.

This policy is systematically applied at the head office and throughout the Société Générale and Crédit du Nord branch networks in France.

**Recycling waste**

Société Générale has appointed a full-time manager within its technical support team responsible for the Group's waste recycling policy.

All office waste (paper, packaging, etc.) generated by the corporate departments and most of the 2,126 branches in the Société Générale domestic network is now processed, sorted and recycled. Over 10,000 metric tons of such waste was produced in the last twelve months for which data are available.

Each entity has its own specific policy for collecting other waste (batteries, toner cartridges, fluorescent light bulbs, etc.): for example, 1.27 metric tons of used batteries were collected in the corporate departments over a 12-month period.

**Targets for 2003**

- Gradually extend the environmental policy to the whole Group, by defining common principles, rules and standards.
- Improve the quality of reporting to facilitate monitoring and enable quantitative targets to be set with regard to improving the Group's environmental performance.

(1) This concerns fewer than two-thirds of the occupants in France, as it is physically impossible to itemize consumption on many sites, in particular those that are jointly owned.

(2) Data taken from a survey of all Société Générale branches and all head office buildings in France, covering 40,582 occupants on the basis of the last twelve months of available data.

SPONSORSHIP

Furthering the Group's **commitment** to society at large

Highlight

The Group's charity work around the world

The charts below show the breakdown of the Group's charity work as identified by the head office, which amounted to EUR 1.6 million in 2002.

*Principal initiatives in France*

The Group's initiatives in France in 2002 notably included its involvement in updating the website of UNAPEI (French Union for the Friends and Parents of Handicapped Children).

Similarly, the Group assisted the Fédération du Sport Adapté (which brings together 29,000 mentally handicapped people via 600 associations for sporting activities), in particular during the French Athletics Championships. Société Générale was also the official bank of the 3rd IPC (International Paralympic Committee) Athletics World Championships, which were held in Lille in July 2002.

Société Générale also supported specific campaigns run by associations for handicapped or sick children, such as "Rêves de Gosse", "Voiles de l'Espoir", etc.

*Support for local projects*

Société Générale and Crédit du Nord supported a number of local projects via their branch networks in France,

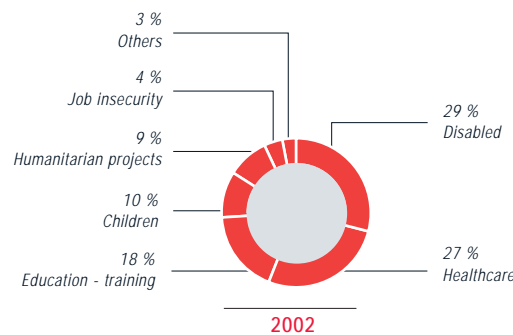
particularly in the areas of healthcare and social services, education and community life. For example, the Rennes regional group organized a competition that raised EUR 30,000 for three associations in the social sector.

Outside France, examples of the Group's work include the EUR 241,000 donation made by Société Générale Marocaine de Banques to various associations, in particular those working to help children. In Romania, EUR 170,000 was donated to enable the purchase of medical equipment, to help abandoned children and handicapped people.

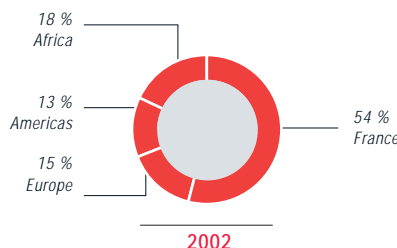
*Société Générale the official bank of the "Collecte des derniers francs" campaign*

*This campaign to collect people's last French francs following the introduction of the euro was organized by the APF (Association des paralysés de France), the CCFD (Comité catholique contre la faim et pour le développement) and the Ligue contre le Cancer, and collected coins amounting to FRF 7 million between the end of December 2001 and the end of March 2002.*

*The Crédit du Nord network participated in the "Rendez utiles vos pièces inutiles" ("Make your last coins count") campaign organized by the French Red Cross, which collected FRF 1.5 million.*



BREAKDOWN OF CHARITABLE DONATIONS BY BENEFICIARY



BREAKDOWN OF CHARITABLE DONATIONS BY GEOGRAPHICAL REGION

### *Support for the charity work of the Group's employees and customers*

The *Talents et Partage* association was set up by a dozen staff members in 1994. It assists the charity work carried out by current or retired employees of the Société Générale Group, notably via contributions made by Société Générale, the donation of computers, etc.

For a number of years, Société Générale has offered its customers an original service, *Conciliation*, through which they can make donations to a number of associations by investing in a mutual fund.



*Violin by the Neapolitan violin maker Joseph Gagliano, dating from 1796, acquired by Mécénat Musical Société Générale and lent to Bleuenn Le Maître, second violin with the Psophos string quartet.*



*For the past fifteen years, French rugby has been the main recipient of sports sponsorship by Société Générale, which is the official partner of the French Rugby Federation and the French national team.*

### Sponsorship of musical and sporting events

**Mécénat Musical Société Générale** (MMSG) will celebrate its fifteenth anniversary in 2003. This association receives an annual donation of EUR 1.1 million, which is used to encourage and support young musicians, protect France's musical heritage (for example the *Centre de Musique Baroque in Versailles*), and nurture creativity (the Festival Why Note, etc.). In 2002, MMSG organized over 40 concerts for both its employees and customers, in Paris and throughout France.

On the sporting side, **rugby** remains one of the key areas in which the Group is committed to helping young people on an ongoing basis, via its support for more than 300 local clubs. The Group's partnership with the French Rugby Federation dates back to 1987. The Group's involvement in rugby amounted to nearly EUR 7 million in 2002.

Since 2001, the Group has encouraged the growth of **golf** in France, with a partnership focused on supporting young people.

# Investor relations

Continuing the constructive dialog with shareholders that began over 15 years ago

Investor relations are managed by a team of 8 people, 5 of whom are dedicated to institutional investors and 3 to individual investors. This team is responsible for distributing detailed financial information and promoting a policy based on active dialogue and proximity.

***A guiding principle:  
equal access to information  
and immediate availability***

Any financial information liable to influence the Group's share price is published in a press release, which is widely distributed in French and English, and is immediately available online at [www.socgen.com](http://www.socgen.com). This site is freely accessible to all internet users and was awarded a prize by the Benchmark group in 2002 for its quality and user-friendliness.

The Group's financial results are published within 24 hours of their approval by the Board of Directors. Following the publication of a press release, financial analysts, institutional investors and financial journalists are invited to a presentation followed by a Q&A session. To facilitate participation in these conferences, they are accessible by telephone and over the internet, both live and as a recording.

Presentations are then made to institutional investors in the leading financial centers in France, Europe and North America in the following weeks, in the form of conferences or one-on-one meetings.

They are also adapted for meetings organized with individual shareholders in France.

All published financial documents can be consulted online at [www.ir.socgen.com](http://www.ir.socgen.com). Société Générale's annual reports for the past six years can be downloaded from this site.

***Detailed information  
on strategy, financial targets  
and results***

The Société Générale Group seeks to involve investors in its development.

Regular presentations of the Group's strategy have been made since 2000, and the third medium-term strategic and financial plan was presented on April 19, 2002.

This plan marked a natural continuation of the previous plan.

Société Générale was the first French bank to publish quarterly results, as of 1999. These results are presented for each core business (Retail Banking, Asset Management and Private Banking, Corporate and Investment Banking), then broken down by business line.

## *Shareholder information*

Société Générale complies with the recommended deadlines for publishing its annual results (before the end of February), half-yearly results (late July/early August) and quarterly results (within 45 days of the closing of the quarterly accounts).

## *A policy of proximity, contact and constructive dialog...*

Contact with shareholders is organized formally via the General Meetings of Shareholders, but it also an ongoing process, with regular direct contact between Group Management and a broad representative sample of financial analysts, institutional investors and individual shareholders.

For **institutional investors**, this contact takes the form of conferences and meetings organized for the presentation of the Group's strategy or results, as well as one-on-one meetings.

For **individual shareholders**, collective meetings chaired by a member of General Management are organized in Paris and throughout France several times each quarter, and the Group regularly participates in investment fairs. The Group met more than 10,000 of its individual shareholders through such events in 2002.

In addition, dedicated solutions have been put in place to further this dialog:

- an interactive free telephone service giving virtual real-time access to Société Générale's share price and Group news updated once a week. An additional function enables callers to talk directly with members of the Individual Shareholder Relations team;
- a dedicated email address, [actionnaires.individuels@socgen.com](mailto:actionnaires.individuels@socgen.com), accessible via the financial information site [www.ir.socgen.com](http://www.ir.socgen.com), enabling individual shareholders to contact the Investor Relations department;
- newsletters distributed to the 30,000 members of the Société Générale Shareholders Club. This club, which is reserved for shareholders holding at least 200 Société Générale shares, involves shareholders in the Group's life on an informal basis.

## *... facilitated by the Shareholders Consultative Committee, set up in 1988*

This Committee has 14 members, including two representatives of shareholder associations, ANAF (National Association of French Shareholders) and ASSACT SG (Société Générale Employee Shareholders Association). It meets with Group General Management twice a year and has a twofold mission:

- express an opinion on Société Générale's communication with its shareholders (events, content and form of publications);
- suggest improvements and new ideas in this respect.

At December 31, 2002, the Shareholders' Consultative Committee was made up of the following members:

Jean-Louis Baduel  
Christophe Bréard  
Jean-Paul Chaudron  
Michel Cosson  
Noël Flageul  
Florence Klein-Bourdon  
Patrice Leclerc, President of ASSACT SG  
Marie-France Nordlinger  
Sylvie Owen  
Brigitte Reech  
Laurent de Sayve  
Dominique Sénéchal  
Jean-Baptiste Téfra  
Marcel Tixier, President of ANAF

## Participation at the Annual General Meeting

The Annual General Meeting (AGM) is an occasion for shareholders to be informed directly about the Company's life, to take part in debates and to vote on the resolutions submitted for their approval.

### How are shareholders informed about the AGM?

- One month before the AGM, a notice of meeting is published in the French Bulletin of Mandatory Legal Notices (BALO), containing the agenda and the resolutions to be submitted for approval. Two weeks before the AGM, a notice of meeting gives the time, date and place of the meeting. Information is also published in the press, and is available online at [www.socgen.com](http://www.socgen.com) and via a toll-free number in France (0 800 850 820).
- holders of registered shares receive a notice of meeting two weeks before the AGM, including all necessary information and the voting form.

### Who can take part in the AGM?

All shareholders whose shares are registered in an account two days before the AGM may attend the meeting. Shareholders who receive a notice of meeting and who wish to attend must request an admission card by checking the relevant box and returning the voting form.

Holders of bearer shares must contact their authorized financial intermediary to request a notice of meeting and an admission card or proof that their shares are not available for sale. This certificate is transmitted to Société Générale automatically when holders of bearer shares return the duly completed and signed voting form to their intermediary.

If a shareholder does not receive an admission card prior to the meeting, he or she may nonetheless attend, on presentation of proof that their shares are not available for sale.

### How does the vote take place?

- For shareholders present at the AGM, votes are cast during the meeting using an electronic voting box, which is distributed to attendees once they sign the attendance register.
- Shareholders who wish to vote without attending the meeting in person can either submit a postal vote, appoint their spouse or another shareholder to act as proxy, or delegate their vote to the chairman, by returning the voting form included in the notice of meeting.

### Internet

The AGM is webcast live and is available as a recording online at [www.socgen.com](http://www.socgen.com).

## Shareholders' Diary

### Tuesday April 22, 2003

Annual General Meeting of Shareholders

### Thursday April 24, 2003

Ex-dividend and dividend payment date

### Thursday May 15, 2003

Group results for the first quarter 2003

### Friday August 1, 2003

Group results for the second quarter 2003

### Thursday November 6, 2003

Group results for the third quarter 2003

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A French corporation founded in 1864

Capital stock: EUR 537,712,831.25

552 120 222 RCS Paris

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*We thank all the staff of the Société Générale Group  
who have accepted to be photographed  
for this annual report.*

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