Long-Term Issuer Rating: A-
Outlook: stable

Short-Term Rating: L2

Preferred Sen. Unsec. Debt: A-
Non-Preferred Sen. Unsec. Debt: BBB+
Tier 2 Capital: BB+
AT1 Capital: BB

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Rating Action:

Creditreform Rating upgrades Société Générale (Group) long-term issuer rating by one notch to 'A-' (Outlook: stable) and upgrades the credit rating of Crédit du Nord SA main subsidiaries of the Group

Creditreform Rating (CRA) has upgraded Société Générale's long-term issuer rating to 'A-' from 'BBB+' and the short-term rating to 'L2' from 'L3'. The rating outlook is stable.
At the same time, we upgraded Société Générale's preferred senior unsecured' debt to 'A-' from 'BBB+', the non-preferred senior unsecured debt to 'BBB+' from 'BBB' and upgrade its Tier 2 capital to 'BB+' from 'BB' and AT1 capital to 'BB' from 'BB-'.

Please find a complete list of rating actions regarding the bank and its affected subsidiaries at the end of this rating update.

Key Rating Driver

CRA has revised the rating of Société Générale and its bank capital and debt instruments as a result of its periodic monitoring process for the following reasons:

- Significant net profit increase in 2021; In H1/2022 negative net profits due to sale of Rosbank
- Large G-SIB with a substantial presence in France, western Europe and North America
- Remarkable improvement of earnings ratios, in particular ROE and RORWA, but still moderate profitability
- Notable enhancement of asset write-down ratios and overall above average asset quality; However, Stage 2 ratio strikingly poor and behind pre-covid level
- Exhibits average capital ratios with a slight increase in CET1 ratio and a moderate decrease in Tier1 and Total Capital ratio

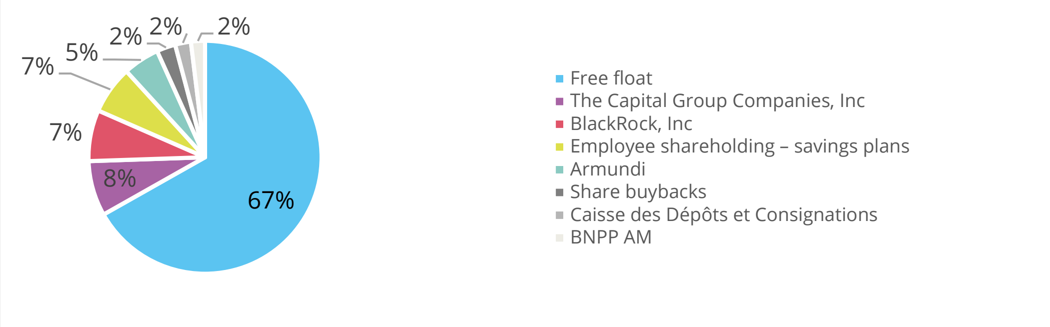
Company Overview

Société Générale (in the following: SG or bank) was founded in 1864 and thus belongs to one of the three oldest commercial banks in France. It is one of the largest European financial services groups and operates a diversified, universal banking model. The bank employs more than 131,000 staff in 66 countries and serves 26 million clients. SG operates three core businesses: *French Retail Banking*, *International Retail Banking and Financial Services* and *Global Banking and Investor Solutions*. *French Retail Banking* comprises SG, Crédit du Nord (regional banks) and Boursorama (online bank) brands, each offering omnichannel products and services. *International Retail Banking* offers insurance and financial services to corporates with networks around the globe. *Global Banking* offers expertise, key international locations and integrated solutions. In terms of Group risk exposure, 46% is located in France and another 30% in the rest of Europe. A further 15% of risk exposure stems from the Americas. The distribution of net banking income is largely comparable in distribution. The vast majority of assets by business segment stems from Global Banking and Investment Services with 53%, International and French Retail Banking accounting for 27% and 20%, respectively.

SG announced the planned merger of SG and Crédit du Nord banking networks in December 2020 through the project *VISION 2025*. This step was substantiated in October 2021. The planned bank would have 10 million customers, 25,000 employees and 1,450 branches (at the end of 2021: full service branches ca. 1,800) by 2025. In particular, administration and IT will be merged. The legal merger will be completed on January 1, 2023, and the IT merger during the first half of 2023. Furthermore, Boursorama is to be strengthened; by 2025, the online bank is to serve 4.5 million customers (2021: 3.3 million) and targeting a return on normative equity of more than 25% by 2025. Another key strategic move in 2021 was the acceleration of ALD's plan to acquire a leasing concept. SG's goal is to close this deal by the end of 2022. In the medium term, the leasing entity plan is to become a third pillar alongside retail banking and insurance, and corporate and investment banking.

The shareholder structure per December 2021 is as follows:

Chart 1: Voting rights percentages of shareholders as of 31 December 2021. | Source: Annual report 2021



Rating Considerations and Rationale

Société Générale credit rating upgrade was primarily driven by its regained profitability and the overall superior asset quality. Above all, continued growth in market volumes with consistently high asset quality is decisive for the improved rating assessment. We also see the sale of Rosbank as positive in the long term. Last but not least, the negative impact of the Corona pandemic was less than expected.

Profitability

Société Générale was able to increase its profitability significantly compared with 2020, recovering from the Corona crisis, as well as increasing its profitability to the ordinary fiscal year 2019. The bank reported a soaring net profit from €0.2bn in 2020 to €6.3bn in 2021, which was mainly due to the considerable decrease in impairment/cost of risk from €4.1bn in 2020 to €0.8bn in 2021 and the raise of net trading income because of better market conditions in the equity market. The sharp decline in impairment/cost of risk is explained by a low level of cost of risk on Stage 3 exposures and reasonable reversals of provisions on Stage1 and Stage2 exposures compared to 2020. In addition, non-recurring income of €635 million also contributed notably to the increase in profitability, of which €439 million obtained from the disposal of Lyxor's asset management activities and €185 million in capital gains from the disposal of real estate. With regard to the earnings ratios, Société Générale improved except of one, all of them. The CIR deceased from 82.8% in 2020 to 77.4% in 2021 as growth in operating income outpaced operating costs. Moreover, ROE, RORWA and ROA increased significantly. The first two are also primarily due to a higher profit increase in relation to the increase in equity and in relation to the increase in risky weighted assets. The latter caused mainly by an increase linked to business growth and foreign exchange effects. Since total assets did not change significantly, the improvement of ROA was predominantly driven by the increase of net profits. However, with respect to the earnings ratios it can be stated that all of them are average or below average, which leaves room for improvement.

As of June 2022, net interest income increased by 8.1% YOY, net fee & commission income by 5% and net trading income by 45.5% due to excellent performances in all business segments. Operating expenses grew by 9.8% among others d driven by increasing personnel expenses because of higher staff salaries and extension of the Global Employee Share Ownership Plan. Although operating profit edged up sharply, the non-recurring loss due to the sale of Rosbank group and the group's insurance subsidiaries in Russia with an amount of €3.3bn, which were completely consolidated, and the strong rise in impairment/cost of risk by 86.1% YOY related to remaining Russian exposures and the war resulted in a negative net profit of €185 million.

Asset Situation and Asset Quality

In a risk environment that is recovering slightly from the covid crisis on Société Générale's markets, asset quality has improved. The bank's NPL ratio (stage 3 loans over net loans to customer) dropped from 3.3% to 2.9%, which displays an above average ratio. Furthermore, the potential problem loan ratio (stage 2 loans over net loans to customers) improved considerably from 17.8% to 11.2 % due to moderate provision reversals on performing loans, while the ratio of Reserves over NPL stayed stable with 61.6%. The former constitutes an above average ratio, but does not come close to the pre-crisis level in 2019 at 7%. With the onset of the economic recovery in France, which accounts for 46% of SG's exposures, the bank was able to reduce its asset write-downs significantly, achieving an above average ratio. With respect to its total assets and its RWA-ratio of 24.8%, the results are remarkable, underpinning Société Générale's well-diversified business portfolio.

As of June 2022, SG's NPL ratio decreased marginally to 2.8% whereas its potential problem loan ratio dropped sharply to 7.6%, which is mainly attributable to the economic situation in France and Western Europe. Moreover, SG was able to reduce its RWA ratio to 23.9% due to a relative stronger increase of its total assets than its RWA exposure. Although the sale of Rosbank group had a negative effect of €16bn on SG's balance sheet and led to a decrease of customer loans by €10bn, the bank was able to grow its total assets by 5.1% and its customer net loan exposure by 3.2%.

Refinancing, Capital Quality and Liquidity

As total equity of Société Générale increased more dynamically than total assets, total equity ratio increased marginally, but still underperforms generally. With respect to its capital ratios, the bank was able to improve the CET1 ratio slightly to 13.7% due to the higher increase in CET1 capital, mainly determined by shareholder's equity, compared to the slight increase of its RWA. Coming from this, SG holds at the end of 2021 a CET1 buffer above its SREP minimum requirements of 4.7%, which has potential to improve. On the other hand, the bank exhibits a minor reduction of the T1 ratio from 15.97% to 15.94% and its Total Capital ratio from 19.21% to 18.85%. The former is largely the result of two redemptions of deeply subordinated notes and the latter mainly because of a prudential supervision valuation haircut, which led in both cases to lower Tier1 and Tier2 capital. Overall, Société Générale exhibits average capital ratios. With regard to the liquidity situation, it remains satisfactory, with a liquidity coverage ratio slightly below the previous year's level and an average NSFR of 110%.

As of June 2022, SG's CET1 ratio decreased marginally to 12.8%, which is mainly attributable to the sale of Rosbank group and a negative other comprehensive income on sovereign and insurance exposure. Furthermore, its T1 Ratio and total capital ratio declined to 15.2% and 18.5% respectively. With a stronger liquidity coverage ratio of 140% and a NSFR of 112%, SG's liquidity position stays stable.

Environmental, Social and Governance (ESG) Score Card

Societe Generale has one significant and two moderate ESG rating drivers

• Corporate Governance is identified as a highly significant rating driver but is rated neutral in terms of the CRA ESG criteria.. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated neutral in light of the Bank reporting negative earnings due to the COVID-19 crisis, as one of the few large European lenders to do so, mitigated by its status as G-SIB and stable leadership

• Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated positive due to fair amount of green bonds, Coporate Behaviour is rated negative due the misconduct in recent years in relation with money laundering, fraud, corruption investigations and plentitude of lawsuits pending.

ESG Score

3,4 / 5

ESG Score Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
< = 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	4	( )
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated negative in terms of the CRA ESG criteria.	3	(-)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
( )	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage https://creditreform-rating.de/en/about-us/regulatory-requirements.html. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

Outlook

The outlook of the Long-Term Issuer Rating of SG is 'stable'. In the medium term, CRA expects no significant deterioration in profitability and asset quality, due to the war in Ukraine and rising consumer prices. In the short term, rising consumer prices and in particular the war in Ukraine have an impact on SG's profitability due to the disposal of Rosbank group in Russia. Furthermore, we do not agree with SG's inflation expectations for 2023 of just under 3% for both France and the euro zone, but rather we assume significantly higher inflation. In the medium to long term, rising interest rates will lead to increasing profitability for SG's substantial lending business. However, SG's substantial trading business may shrink. Asset quality and capital ratios (due to RWAs) will strongly depend on the economic development in France.

Scenario Analysis

Best-case scenario: A

Worst-case scenario: BBB+

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

In a scenario analysis, the bank is able to reach an "A" rating in the "best case" scenario and an "BBB+" rating in the "worst case" scenario. The ratings of bank capital and senior unsecured debt would behave similarly based on our rating mechanism. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade SG's long-term issuer credit rating and its bank capital and debt instruments if we see that SG is able to improve its quality of assets in particular by reducing its potential problem loans. Furthermore, a significant improvement of SG capital ratios and profitability might lead to an upgrade as well.

By contrast, a downgrade of the Group's long-term issuer credit rating and its bank capital and debt instruments is likely if we see a lasting decline of SG's profitability and a reduction of the banks' capital ratios. In particular, we will monitor the future economic development in France and the impact on SG's profitability and its business activities in general. Furthermore, we will pay attention to the Ukraine war in connection with SG's subsidiary Rosbank in Russia.

CRA's rating actions at a glance

Société Générale (Group):

Long-Term Issuer Rating upgraded to 'A-' from 'BBB+', stable outlook
- Short-term rating upgraded to 'L2' from 'L3'
- Preferred senior unsecured debt upgraded to 'A-' from 'BBB+'
- Non-preferred senior unsecured debt upgraded to 'BBB+' from 'BBB'
- Tier 2 capital upgraded to 'BB+' from 'BB'
- AT1 capital upgraded to 'BB' from 'BB-'

Crédit du Nord SA:

Long-Term Issuer Rating upgraded to 'A-' from 'BBB+', stable outlook
- Short-term rating upgraded to 'L2' from 'L3'
- Preferred senior unsecured debt upgraded to 'A-' from 'BBB+'
- Non-preferred senior unsecured debt upgraded to 'BBB+' from 'BBB'
- Tier 2 capital upgraded to 'BB+' from 'BB'
- AT1 capital upgraded to 'BB' from 'BB-'

Ratings Detail

Bank ratings

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

LT Issuer / Outlook / Short-Term **A- / stable / L2**

Bank Capital and Debt Instruments Ratings

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred senior unsecured debt (PSU):	**A-**
Non-preferred senior unsecured debt (NPS):	**BBB+**
Tier 2 (T2):	**BB+**
Additional Tier 1 (AT1):	**BB**

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
Initialrating	23.05.2018	BBB+ / stable / L2
Rating Update	16.08.2019	BBB+ / stable / L2
Monitoring	24.03.2020	BBB+ / NEW / L2
Rating Update	17.11.2020	BBB+ / negative / L3
Rating Update	24.11.2021	BBB+ / positive / L3
Rating Update	06.12.2022	A- / stable / L2
Bank Capital and Debt Instruments	**Rating Date**	**Result**
Senior Unsecured / T2 / AT1 (initial)	23.05.2018	BBB+ / BB / BB-
PSU / NPS / T2 / AT1	16.08.2019	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	24.03.2020	BBB+ / BBB / BB / BB- (NEW)
PSU / NPS / T2 / AT1	17.11.2020	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	24.11.2021	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	06.12.2022	A- / BBB+ / BB+ / BB
Subsidiaries of the Bank	**Rating Date**	**Result**
Crédit du Nord SA		
Initialrating	23.05.2018	BBB+ / stable / L2
Rating Update	16.08.2019	BBB+ / stable / L2
Monitoring	24.03.2020	BBB+ / NEW / L2
Rating Update	17.11.2020	BBB+ / negative / L3
Rating Update	24.11.2021	BBB+ / positive / L3

Rating Update	06.12.2022	A- / stable / L2
Bank Capital and Debt Instruments of Crédit du Nord SA		
Senior Unsecured / T2 / AT1 (Initial)	14.12.2018	BBB+ / BB / BB-
PSU / NPS / T2 / AT1	29.11.2019	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	24.03.2020	BBB+ / BBB / BB / BB- (NEW)
PSU / NPS / T2 / AT1	17.11.2020	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	24.11.2021	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	06.12.2022	A- / BBB+ / BB+ / BB

Appendix

Figure 2: Group income statement[1] | Source: eValueRate / CRA

Income Statement (EUR m)	2021	%	2020	%	2019	%	2018
Income							
Net Interest Income	10.718	+2,3	10.473	-6,4	11.185	+1,5	11.019
Net Fee & Commission Income	5.320	+8,2	4.917	-6,5	5.257	-4,8	5.524
Net Insurance Income	2.238	+5,4	2.124	+10,3	1.925	+11,7	1.724
Net Trading & Fair Value Income	5.723	> +100	2.851	-36,1	4.460	-13,3	5.145
Equity Accounted Results	6	+100,0	3	< -100	-129	< -100	56
Dividends from Equity Instruments	-	-	-	-	-	-	44
Other Income	12.237	+6,7	11.471	-1,4	11.629	> +100	3.565
Operating Income	**36.242**	**+13,8**	**31.839**	**-7,2**	**34.327**	**+26,8**	**27.077**
Expense							
Depreciation and Amortisation	1.645	+2,6	1.604	+4,7	1.532	+52,6	1.004
Personnel Expense	9.764	+5,1	9.289	-6,7	9.955	+4,1	9.561
Tech & Communications Expense	2.371	+13,6	2.087	-10,4	2.328	-3,0	2.400
Marketing and Promotion Expense	-	-	-	-	-	-	-
Other Provisions	20	< -100	-87	> +100	-32	-45,8	-59
Other Expense	14.248	+5,9	13.457	-1,8	13.697	+96,0	6.990
Operating Expense	**28.048**	**+6,4**	**26.350**	**-4,1**	**27.480**	**+38,1**	**19.896**
Operating Profit & Impairment							
Operating Profit	**8.194**	**+49,3**	**5.489**	**-19,8**	**6.847**	**-4,7**	**7.181**
Cost of Risk / Impairment	794	-80,5	4.077	> +100	1.310	+23,1	1.064
Net Income							
Non-Recurring Income	635	-	0	-	0	-	-
Non-Recurring Expense	-	-	12	-96,3	327	-	-
Pre-tax Profit	**8.035**	**> +100**	**1.400**	**-73,1**	**5.210**	**-14,8**	**6.117**
Income Tax Expense	1.697	+40,9	1.204	-4,7	1.264	-3,1	1.304
Discontinued Operations	-	-	-	-	-	-	-
Net Profit	**6.338**	**> +100**	**196**	**-95,0**	**3.946**	**-18,0**	**4.813**
Attributable to minority interest (non-controlling interest)	697	+53,5	454	-35,0	698	+0,9	692
Attributable to owners of the parent	5.641	< -100	-258	< -100	3.248	-21,2	4.121

Figure 3: Group key earnings figures| Source: eValueRate / CRA

Income Ratios (%)	2021	%	2020	%	2019	%	2018
Cost Income Ratio (CIR)	77,39	-5,37	82,76	+2,71	80,05	+6,57	73,48
Cost Income Ratio ex. Trading (CIRex)	91,90	+1,00	90,90	-1,11	92,01	+1,29	90,72
Return on Assets (ROA)	0,43	+0,42	0,01	-0,28	0,29	-0,08	0,37
Return on Equity (ROE)	8,94	+8,65	0,29	-5,46	5,75	-1,56	7,31
Return on Assets before Taxes (ROAbT)	0,55	+0,45	0,10	-0,29	0,38	-0,08	0,47
Return on Equity before Taxes (ROEbT)	11,34	+9,25	2,09	-5,51	7,60	-1,70	9,30
Return on Risk-Weighted Assets (RORWA)	1,74	+1,69	0,06	-1,09	1,14	-0,14	1,28
Return on Risk-Weighted Assets before Taxes (RORWAbT)	2,21	+1,81	0,40	-1,11	1,51	-0,12	1,63
Net Interest Margin (NIM)	1,43	+0,29	1,14	-0,31	1,45	-0,10	1,55
Pre-Impairment Operating Profit / Assets	0,56	+0,18	0,38	-0,12	0,50	-0,04	0,55
Cost of Funds (COF)	0,88	-0,02	0,90	-0,29	1,19	+0,05	1,14
Change in %-Points							

[1] Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR m)	2021	%	2020	%	2019	%	2018
Cash and Balances with Central Banks	179.969	+7,0	168.179	+64,4	102.311	+5,9	96.585
Net Loans to Banks	52.571	+0,2	52.442	+18,3	44.336	-9,2	48.821
Net Loans to Customers	488.333	+10,9	440.322	+2,2	430.703	+2,3	421.151
Total Securities	197.026	+1,8	193.497	+11,3	173.897	+20,3	144.505
Total Derivative Assets	113.725	-26,6	155.039	+1,3	153.087	+13,2	135.220
Other Financial Assets	120.386	-25,5	161.497	-6,8	173.309	-12,5	197.959
Financial Assets	**1.152.010**	**-1,6**	**1.170.976**	**+8,7**	**1.077.643**	**+3,2**	**1.044.241**
Equity Accounted Investments	95	-5,0	100	-10,7	112	-55,0	249
Other Investments	12	+0,0	12	-7,7	13	-23,5	17
Insurance Assets	178.898	+7,2	166.854	+1,2	164.938	+12,4	146.768
Non-current Assets & Discontinued Ops	27	> +100	6	-99,9	4.507	-66,6	13.502
Tangible and Intangible Assets	35.697	+4,6	34.120	-3,8	35.458	+13,0	31.386
Tax Assets	4.812	-3,7	4.995	-13,6	5.779	-0,7	5.819
Total Other Assets	92.898	+38,0	67.341	-1,0	68.045	+0,9	67.446
Total Assets	**1.464.449**	**+1,4**	**1.444.404**	**+6,5**	**1.356.495**	**+3,6**	**1.309.428**

Figure 5: Development of asset quality | Source: eValueRate / CRA

Asset Ratios (%)	2021	%	2020	%	2019	%	2018
Net Loans/ Assets	33,35	+2,86	30,48	-1,27	31,75	-0,41	32,16
Risk-weighted Assets/ Assets	24,81	+0,45	24,36	-1,07	25,43	-3,28	28,72
NPLs*/ Net Loans to Customers	2,90	-0,40	3,30	+0,20	3,10	-0,50	3,60
NPLs*/ Risk-weighted Assets	4,91	-0,37	5,27	+0,23	5,04	-0,03	5,07
Potential Problem Loans**/ Net Loans to Customers	11,21	-6,56	17,78	+10,78	7,00	-0,39	7,39
Reserves/ NPLs*	61,59	-0,95	62,53	+0,85	61,68	+1,66	60,02
Reserves/ Net Loans	2,25	-0,39	2,63	+0,14	2,49	-0,22	2,72
Cost of Risk/ Net Loans	0,16	-0,76	0,93	+0,62	0,30	+0,05	0,25
Cost of Risk/ Risk-weighted Assets	0,22	-0,94	1,16	+0,78	0,38	+0,10	0,28
Cost of Risk/ Total Assets	0,05	-0,23	0,28		0,10		0,08

Change in %-Points
* NPLs are represented by Stage 3 Loans where available.
** Potential Problem Loans are Stage 2 Loans where available.

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR m)	2021	%	2020	%	2019	%	2018
Total Deposits from Banks	140.948	+5,2	134.025	+30,4	102.741	+8,1	95.068
Total Deposits from Customers	502.395	+11,5	450.523	+9,9	409.852	+2,6	399.410
Total Debt	197.104	+5,7	186.554	+4,5	178.583	+37,7	129.653
Derivative Liabilities	119.864	-25,9	161.791	+4,4	155.003	+12,2	138.196
Securities Sold, not yet Purchased	-	-	-	-	-	-	-
Other Financial Liabilities	165.254	-20,4	207.477	+1,2	205.104	-20,8	258.904
Total Financial Liabilities	**1.125.565**	**-1,3**	**1.140.370**	**+8,5**	**1.051.283**	**+2,9**	**1.021.231**
Insurance Liabilities	155.288	+6,3	146.126	+1,3	144.259	+11,4	129.543
Non-current Liabilities & Discontinued Ops	1	-	0	-100,0	1.333	-87,2	10.454
Tax Liabilities	1.501	+32,0	1.137	-13,1	1.308	+13,1	1.157
Provisions	4.926	+2,2	4.822	+7,4	4.488	-2,5	4.605
Total Other Liabilities	106.305	+25,2	84.937	-0,4	85.254	+11,3	76.629
Total Liabilities	**1.393.586**	**+1,2**	**1.377.392**	**+6,9**	**1.287.925**	**+3,6**	**1.243.619**
Total Equity	**70.863**	**+5,7**	**67.012**	**-2,3**	**68.570**	**+4,2**	**65.809**
Total Liabilities and Equity	**1.464.449**	**+1,4**	**1.444.404**	**+6,5**	**1.356.495**	**+3,6**	**1.309.428**

Figure 7: Development of capital ratios | Source: eValueRate / CRA

Capital Ratios and Liquidity (%)	2021	%	2020	%	2019	%	2018
Total Equity/ Total Assets	4,84	+0,20	4,64	-0,42	5,05	+0,03	5,03
Leverage Ratio	4,87	+0,10	4,77	+0,47	4,30	+0,10	4,20
Common Equity Tier 1 Ratio (CET1)*	13,71	+0,27	13,44	+0,14	13,30	+2,40	10,90
Tier 1 Ratio (CET1 + AT1)*	15,94	-0,03	15,97	+0,27	15,70	+2,30	13,40
Total Capital Ratio (CET1 + AT1 + T2)*	18,85	-0,36	19,21	+0,31	18,90	+2,40	16,50
SREP/ CET1 Minimum Capital Requirements	9,02	+0,00	9,02	-1,01	10,03	+0,05	9,98
MREL / TLAC Ratio	-	-	-	-	-	-	-
Net Loans/ Deposits (LTD)	97,20	-0,53	97,74	-7,35	105,09	-0,36	105,44
Net Stable Funding Ratio (NSFR)	110,00	-	-	-	-	-	-
Liquidity Coverage Ratio (LCR)	129,00	-20,00	149,00	+30,00	119,00	-10,00	129,00
Change in %-Points							

* Fully-loaded where available

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following scheme clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the rating methodology for bank ratings (v3.1), the methodology for the rating of bank capital and unsecured debt instruments (v2.1), the methodology for the rating of Government-Related Banks (v2.0) the methodology for the rating of Institutional Protection Scheme Banks (v1.0) as well as the rating methodology for Environmental, Social and Governance Score for Banks (v1.0) in conjunction with Creditreform's basic document Rating Criteria and Definitions (v1.3).

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions (v1.3) are published on our homepage:

https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html

On 06 December 2022, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to Société Générale (Group) and its subsidiaries, and the preliminary rating report was made available to the bank. There was no change in the rating score.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

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To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate
2. Annual Report and interim reports
3. Investors relations information and other publications
4. Website of the rated bank
5. Public and internal market analyses
6. Internet research

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The date at which the credit rating was released for distribution for the first time and when it was last updated including any rating outlooks is indicated clearly and prominently in the rating report or in the "Basic data" card as a "Rating action"; first release is indicated as "initial rating", other updates are indicated as an “update”, “upgrade or downgrade”, “not rated”, “confirmed”, “selective default” or “default”.

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