



**SUPPLEMENT DATED 19 DECEMBER 2017  
TO THE BASE PROSPECTUS DATED 7 JULY 2017**

**SOCIÉTÉ GÉNÉRALE**

as Issuer and Guarantor  
(*incorporated in France*)

and

**SG ISSUER**

as Issuer  
(*incorporated in Luxembourg*)

**SOCIÉTÉ GÉNÉRALE  
EFFEKTEN GMBH**

as Issuer  
(*incorporated in Germany*)

**Warrants Issuance Programme**

This supplement (hereinafter the **Supplement**) constitutes a supplement for the purposes of Article 13.1 of the Luxembourg act dated 10 July 2005 on prospectuses for securities, as amended (hereinafter the **Prospectus Act 2005**) to the Warrants Issuance Programme base prospectus dated 7 July 2017 (hereinafter the **Base Prospectus**) and approved by the *Commission de Surveillance du Secteur Financier* (hereinafter the **CSSF**) on 7 July 2017 in accordance with Article 7 of the Prospectus Act 2005 implementing Article 13 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (the **Prospectus Directive**) as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**)).

The purpose of this Supplement is to:

- correct an error in the Element B.12 of the Summary of the Base Prospectus; and
- update the description of Societe Generale with the insertion of two press releases published on 27 November 2017.

The amendments in relation to the relevant Terms and Conditions shall only apply to the Final Terms of Warrants, the date of which falls on or after the approval of this Supplement.

This Supplement completes, modifies and must be read in conjunction with the Base Prospectus and the supplements dated 14 August 2017, 2 November 2017 and 27 November 2017.

Full information on the Issuers and the offer of any Warrants is only available on the basis of the combination of the Base Prospectus, the supplement dated 14 August 2017, 2 November 2017, 27 November 2017 and this Supplement.

Unless otherwise defined in this Supplement, terms used herein shall be deemed to be defined as such for the purposes of the relevant Terms and Conditions of the Warrants set forth in the Base Prospectus.

To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any other statement in the Base Prospectus, the statements in (i) above will prevail.

In accordance with Article 13.2 of the Prospectus Act 2005, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time-limit of two business days after the publication of this Supplement (no later than 21 December 2017) to withdraw their acceptances.

## 1. SUMMARY

Element B.12 (*Selected historical key financial information regarding the Issuer*), in Section B (*Issuer[s] [and Guarantor]*) of the Summary on pages 9 and 10 of the Base Prospectus, is corrected by deleting the terms which in strikethrough red as follows:

- (i) The table relating to the selected historical key financial information regarding Société Générale is deleted and replaced by the following table:

	<b>Nine Months 30.09.2017 (Unaudited)</b>	<b>Year ended 2016 (audited)</b>	<b>Nine Months 30.09.2016 (Unaudited)</b>	<b>Year ended 2015 (audited, except as mentioned otherwise*)</b>
<b>Results</b> ( <i>in millions of euros</i> )				
Net Banking Income	17,631	25,298	19,169	25,639
Operating income	3,937	6,390	5,145	5,681
Net income	3,191	4,338	3,835	4,395
Reported Group Net income	2,737	3,874	3,484	4,001
<i>French retail Banking</i>	988	1,486	1,084	1,441*
<i>International Retail Banking &amp; Financial Services</i>	1,501	1,631	1,193	1,111*
<i>Global Banking and Investor Solutions</i>	1,198	1,803	1,371	1,850*
<i>Corporate Centre</i>	(950)	(1,046)	(164)	(401)*
Net cost of risk	(880)	(2,091)	(1,605)	(3,065)
<b>Activity</b> ( <i>in billions of euros</i> )				
Total assets and liabilities	1,338.7	1,382.2	1,404.9 <del>.2</del>	1,334.4
Customer loans	412.2	426.5	423.1	405.3
Customer deposits	396.7	421.0	406.0	379.6
<b>Equity</b> ( <i>in billions of euros</i> )				
Group shareholders' equity	60.3	62.0	60.9	59.0
Non-controlling Interests	4.5	3.8	3.7	3.6
<b>Cash flow statements</b> ( <i>in millions of euros</i> )				
Net inflow (outflow) in cash and cash equivalent	-	18,442	-	21,492

(\*) Amounts restated (unaudited) relative to the financial statements published at 31 December 2015 due to adjustments of normative capital calculation method within business lines.

## **2. DESCRIPTION OF SOCIÉTÉ GÉNÉRALE**

In Sub-section 9 “Financial information concerning Société Générale’s assets and liabilities, financial position and profits and losses”, paragraph 9.3 on page 829 is amended by the insertion of the following provisions at the end thereof:

**“Press releases:**

Société Générale has published the following press releases on 27 November 2017:

## Acceleration of the adaptation of the French Retail Banking network: Exceptional charge in Q4 17

Paris, 27 November 2017

Societe Generale is embarking on a new phase in the adaptation of its French network in order to accelerate the increase in expertise and agility of its organisation aimed at serving all of its customers.

The Board of Directors met on 23 November 2017 under the chairmanship of Lorenzo Bini Smaghi to examine a plan for the reorganisation of its French network, which was submitted to the social partners today. The plan could lead to a headcount reduction of approximately 900 employees, in addition to the 2,550 already announced at the beginning of 2016, taking the total number to around 3,450 by 2020. In the spirit of the intense and constant social dialogue with respect to the transformation of the French retail networks, the Group's Management will examine with the social partners the consequences on employment of the project, which will be based primarily on internal mobility, and also natural and voluntary departures.

This reorganisation, as well as the acceleration of the programme to overhaul certain aspects of the compliance framework, will result in the Group recording an exceptional charge of around EUR -400 million in Q4 17.

Furthermore, the Group will reflect, in its Q4 17 accounts, the effects of all the tax changes expected in Q4 17:

- The refund of the additional 3% contribution on dividends, which was rejected by the Constitutional Council
- The exceptional tax on corporate income that is planned as part of the 2017 draft finance amendment law
- The progressive reduction in the corporate tax rate of the draft 2018 budget law

The net effect of these tax changes, which are either effective or have been submitted for final promulgation, could result in the Group booking a charge of approximately EUR -170 million in Q4 17.

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### Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Societe Generale has been playing a vital role in the economy for 150 years. With more than 145,000 employees, based in 66 countries, we serve on a daily basis 31 million clients throughout the world. Societe Generale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- **Retail banking in France** with the Societe Generale branch network, Crédit du Nord and Boursorama, offering a comprehensive range of multi-channel financial services at the leading edge of digital innovation;
- **International retail banking, insurance and financial services to corporates** with a presence in developing economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognised expertise, top international rankings and integrated solutions.

Societe Generale is currently included in the main sustainability indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), Ethibel Sustainability Index (ESI) Excellence Europe, 4 of the STOXX ESG Leaders indices, MSCI Low Carbon Leaders Index.

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For more information, you can follow us on twitter  [@societegenerale](https://twitter.com/societegenerale) or visit our website [www.societegenerale.com](http://www.societegenerale.com)

## **2020 STRATEGIC AND FINANCIAL PLAN “TRANSFORM TO GROW”**

Paris, 27 November 2017

Societe Generale will present tomorrow its 2020 Strategic and Financial Plan at an Investor Day in Paris. Commenting on the plan, Societe Generale Chief Executive Officer, Frédéric Oudéa said:

“Our 2020 strategic plan, Transform to Grow, is based on a long-term vision of the Societe Generale Group as a trusted partner for our clients, committed to the positive transformations of our societies and economies. Our ambition is therefore to generate superior, profitable and sustainable growth. In a European banking sector undergoing radical industrial change, the Group is ready to enter into a new phase of its development and transformation.

We will rely, first and foremost, on our capacity to anticipate market trends and to innovate, in order to make client experience a competitive advantage. Our business model, centered on Europe and connected to the rest of the world, is made up of synergetic, high value-added activities, serving high potential franchises, with leading positions. Building on the coherence and the openness of our different activities, our ambition translates into five strategic and operational priorities: grow; accelerate the transformation of our businesses, particularly in digital; maintain strict cost discipline; complete the refocusing of the Group; and foster a culture of responsibility at every level of the company.

The Societe Generale Group will develop a differentiated business model, delivering dynamic growth along with an attractive dividend policy. The trust of our clients, the exceptional commitment of our staff and the total alignment of management teams with the expectations of our shareholders and stakeholders, make me very confident in our capacity to meet our targets. On that basis, Societe Generale will be in a position of strength to participate in the completion of the construction of a more integrated European banking sector.”

### **THE GROUP IS READY FOR THE NEXT PHASE OF DEVELOPMENT AND TRANSFORMATION**

Societe Generale successfully delivered many of the objectives of its 2014-2016 strategic plan, despite a less favorable environment than expected, notably because of low or even negative interest rates, as well as the Russian crisis.

The Group is now:

- More focused, after 45 disposals across business lines since 2014 and selective investments in growing and synergetic franchises
- More robust, with a strong capital position, an improved risk profile and enhanced independent control functions
- More resilient, with less volatile earnings and economic recovery in key countries such as Russia and Romania
- More responsible, thanks to the deployment of a Culture & Conduct programme across the entire company

The Group is thus ready to capitalize on its integrated and diversified business model to contribute positively to transformations of societies and economies in a more promising economic environment, notably in Europe.

### **DELIVER SUPERIOR, PROFITABLE AND SUSTAINABLE GROWTH**

The Group has set five strategic and operational priorities for the next three years, which will enable it to deliver superior, profitable and sustainable growth:

- **Grow:** the Group targets EUR 3.6bn of additional revenues by 2020 (>+3% annual revenue growth 2016-2020). This growth will be generated by a series of ambitious initiatives across the

whole spectrum of our high potential clients, through the development of greater segmentation and services adapted to their changing needs. This growth will be achieved while maintaining strict discipline in risk management. The structural improvement of the Group's risk profile and risk management will lead to a cost of risk of 35-40bps in 2020, while market risk will continue to be strictly managed.

- **Transform:** accelerate transformation of all businesses and services, especially with respect to digital and with a particular emphasis on French retail banking.

- **Deliver on costs:** target a cost base less than or equal to EUR 17.8bn by 2020, notably thanks to the industrialisation of processes and the implementation of a new EUR 1.1bn savings plan by 2020, while still making the investments needed to grow the Group's businesses. The annual increase in operating expenses will be +1.2% on average between 2016 and 2020. The Group cost/income ratio will decrease by more than one point a year on average between 2016 and 2020 to reach 63% by the end of the period, with positive jaws effects in revenues and costs for each of the three pillars of the Group.

- **Further refocus:** optimise capital allocation through the sale or closure of sub-scale and/or nonsynergetic businesses. The impact of this refocusing is estimated to be equivalent to approximately 5% of current Group risk weighted assets and has not been incorporated into financial targets. The capital freed up through this refocusing will be either profitably reallocated to businesses or returned to shareholders.

- **Foster responsibility:** implement across the Group the highest industry standards in compliance and control functions and complete the deployment of the Culture & Conduct programme, sponsored by the CEO, at every level of the company.

## ENHANCE SHAREHOLDER VALUE

- **Improved profitability:** Group ROTC of ~11.5% in 2020 (corresponding to a 10% ROE)
- **Solid balance sheet:** fully-loaded CET1 to be ≥12% in 2020, annual organic capital generation of ~25bps (RWA growth, ~+3% a year on average), proactive management of TLAC and leverage ratio (between 4% and 4.5%)
- **EPS growth:** increase to approximately EUR 6.50 per share in 2020
- **Competitive dividend policy:** progressive growth of the dividend, with a 50% payout ratio and a floor at EUR 2.20 per share, which will apply from 2017

## ACCELERATE DIGITAL AND INNOVATION STRATEGY

Societe Generale will accelerate the digital transformation of its model in order to improve client experience, operating efficiency and security. The Group is convinced that the success of the digital transformation is based on the capacity of all businesses and functions to use new technologies alongside clients, in order to offer them new services that improve their experience. The Group has adopted a strategy focused on three aims:

- Promote innovation by favoring business autonomy and bring about cultural change by encouraging experimentation and favoring greater proximity between operational staff and IT teams. Strengthen interaction and cooperation with startups (acquisitions, direct and indirect equity investments and commercial and technical partnerships)
- Invest in new operating models, adopt new software development methods and transform information systems, while leveraging big data, open innovation and more open and flexible infrastructure
- Reinforce state of the art expertise in data management, artificial intelligence and cybersecurity by recruiting the necessary talents

In addition to the initiatives already in place, the Group will dedicate EUR 150m to disruptive innovation projects, through equity investments.

## **TRANSFORM FRENCH RETAIL BANKING**

The Group is the third<sup>(1)</sup> largest retail bank in France, primarily through its two traditional networks, Societe Generale and Crédit du Nord, which are increasingly focused on sophisticated and value-added services for corporate, professional, mass affluent and wealthy clients. Its third brand, Boursorama is the online banking leader in France. The 2020 strategic plan marks a decisive step in the adaptation of the traditional retail banking model:

- Further rationalisation of the branch network: from 2000 to 1700 branches (2017-2020)
- Fewer back office centres: from 20 to 14 (2017-2020)
- Automation of 80% of front-to-back processes by 2020

While fully taking into consideration the need for proper social dialogue, this plan could lead to an additional headcount reduction of up to 900 employees, in addition to the 2,550 already announced at the beginning of 2016, taking the total number to 3,450 by 2020. In 2020, the bank will be in a position to prepare the next phase of the transformation of its model.

### **KEY REVENUE GROWTH INITIATIVES WITH FRENCH RETAIL CLIENTS:**

- Leverage on private banking expertise to serve mass affluent and wealthy clients in French retail networks: more than EUR 200m of additional revenues by 2020
- Develop the proven growth model of the online banking leader in France, Boursorama: more than 2 million customers by 2020
- Capture the full potential of the integrated bancassurance model by anticipating market changes in savings life insurance and capturing the strong potential to equip clients with protection insurance: ~+6% annual cross-selling revenue growth 2016-2020
- Develop our business with corporates and professionals, as a provider of strategic advice and global solutions: +- EUR 400m of additional revenues by 2020

### **FRENCH RETAIL 2020<sup>(2)</sup> TARGETS:**

- Annual revenue growth of >+1% (2016-2020)
- Annual growth in operating expenses of <1% (2016-2020)
- A cost/income ratio of <65%
- Cost of risk of 35-40bps
- Return on Normative Equity of ~14.5%

## **CAPTURE GROWTH IN INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES**

In International Retail Banking, the Group is present in selected neighboring markets, with leading positions in Czech Republic, Central Europe and the Eurozone, as well as in Africa and Russia. In insurance, the Group benefits from a successful integrated bancassurance model. In financial services the Group is a European and global leader in mobility services and equipment finance. The ambition in Europe is to consolidate leading market positions and to maintain high profitability, while capturing growth in emerging markets and the dynamic mobility sector.

### **KEY REVENUE GROWTH INITIATIVES:**

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(1) By 2016 revenues

(2) Global Transaction and Payment Services has been transferred from French retail to Global Banking and Investor Solutions. It represented ~ EUR 5.8bn of RWA as of end 2016 and ~ EUR 300m revenues in 2016

- Achieve profitable growth in Africa thanks to the Group's differentiating presence and a dynamic banking market with strong potential: >+8% annual revenue growth 2016-2020, 2020 RONE Target >15%
- Complete the turnaround in Russia, thanks to an improved economic environment and banking sector, with the ambition to become the leading foreign bank: >+11% annual revenue growth 2016-2020, 2020 RONE Target >16%
- Make ALD the undisputed global leader in mobility services, at the forefront of innovation and capturing the growing private lease opportunity: +7% annual growth in contribution to Group net income at constant perimeter 2016-2019

#### **INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES 2020 TARGETS:**

- Annual revenue growth of >+5.5% (2016-2020)
- Annual growth in operating expenses of <4% (2016-2020)
- A cost/income ratio of <53%
- Cost of risk of ~70bps
- Return on Normative Equity of ~17%

#### **STRENGTHEN LEADING FRANCHISES IN WHOLESALE**

In Market Activities, the Group is a world leader in derivatives, with a dominant market position in equity derivatives and structured products, as well as strong positions on flow products. In Financing and Advisory, the Group benefits from global franchises and extensive expertise in structured finance and asset backed products, as well as leadership positions in investment banking and corporate lending in Europe. In Wealth and Asset Management, the Group will leverage an open architecture strategy, benefiting from the expertise of Lyxor (the second largest ETF provider in Europe) and the development of passive asset management.

#### **KEY REVENUE GROWTH INITIATIVES WITH WHOLESALE CLIENTS:**

- In Market Activities, fully capitalise on a world leading position in derivatives; grow our prime brokerage activity, building on our leading position in Europe; remain a leader in Europe in securities services: ~+2.5% annual revenue growth 2016-2020
- In Financing & Advisory, expand the existing client base and extend reach in advisory through sector expertise: ~+3% annual revenue growth 2016-2020
- In Global Transaction Banking, maintain leadership in France and expand the footprint, notably in Western Europe: +- EUR 350m of additional revenues by 2020
- In Asset & Wealth Management, leverage on an open architecture strategy and add value for High Net Worth Individuals and our retail distribution networks: ~+3% annual revenue growth 2016-2020

#### **GLOBAL BANKING AND INVESTOR SOLUTIONS 2020 TARGETS:**

- Annual revenue growth of >+2.5% (2016-2020)
- Stable costs<sup>(1)</sup> 2016-2020
- A cost/income ratio of ~68%
- Cost of risk of ~20bps
- Return on Normative Equity of ~14%

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(1) Excluding EURIBOR fine refund and RMBS settlement in 2016



## FOSTER A CULTURE OF RESPONSIBILITY

The Group will further reinforce its internal control setup, notably by strengthening its compliance function, in line with the highest standards of the industry. Societe Generale continues to deploy its firm-wide Culture & Conduct programme, which aims to both enforce a more stringent code of conduct and share strong common values among all staff worldwide.

In line with its ambition to be a trusted partner committed to positive transformations, the Group has decided to fully integrate its Corporate Social Responsibility commitments into its business development. Based on stakeholder feedback and integrating ESG risks, the Group will focus on six main areas of action with a view to having a positive impact:

In business development goals:

- Contribute positively to the energy transition
- Develop impact-based offers in line with social trends, e.g. SMEs, mobility, smart cities
- Contribute to the sustainable development of Africa

And in the way business is conducted:

- Pay even closer attention to client satisfaction and protection
- Reinforce Group culture, conduct and governance
- Be a responsible employer

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For more information, you can follow us on twitter  @societegenerale or visit our website [www.societegenerale.com](http://www.societegenerale.com)

This document contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.
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These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.
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These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:
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- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers.

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

Figures in this presentation are unaudited.

## **DOCUMENTS AVAILABLE**

Copies of this Supplement can be obtained, without charge, from the head office of each Issuer and the specified office of each of the Paying Agents, in each case, at the address given at the end of the Base Prospectus.

This Supplement will be published on the websites of:

- the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)); and
- the Issuers ([www.sglistedproducts.co.uk](http://www.sglistedproducts.co.uk)).

## **RESPONSIBILITY**

To the best of the knowledge and belief of each Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information and, save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

Each Issuer and the Guarantor accept responsibility for the information contained in this Supplement.