

SOCIÉTÉ GÉNÉRALE SFH
€ 50,000,000,000
Euro Medium Term Note Programme
for the issue of *obligations de financement de l'habitat*

SECOND SUPPLEMENT

DATED 27 APRIL 2021

TO THE BASE PROSPECTUS DATED 3 JUNE 2020

This Second supplement (the *Second Supplement*) is supplemental to, and should be read in conjunction with, the base prospectus dated 3 June 2020 that received approval n°20-235 on 3 June 2020, as supplement by the First Supplement dated 9 October 2020 that received approval n° 20-501 (the *Base Prospectus*), prepared by Société Générale SFH (the *Issuer*) with respect to its € 50,000,000,000 Euro Medium Term Note Programme (the *Programme*).

The Base Prospectus, as supplemented (including by this Second Supplement), constitutes a base prospectus for the purpose of Regulation (EU) 2017/1129 (the *Prospectus Regulation*). Terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

The Issuer has prepared this Second Supplement pursuant to article 23 of the Prospectus Regulation for the purposes of updating the Base Prospectus with the 2020 Annual Financial Report of the Issuer.

Application has been made to the *Autorité des marchés financiers* (the *AMF*) as competent authority under the Prospectus Regulation for approval of this Second Supplement. The AMF only approves this Second Supplement to the Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, such approval should not be considered as an endorsement of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

Save as disclosed in this Second Supplement, no other significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Second Supplement and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements in (a) above will prevail.

In accordance with Article 23(2) of the Prospectus Regulation, to the extent applicable, investors who have already agreed to purchase or subscribe for the Notes before this Second Supplement is published have the right, exercisable within three (3) working days after the publication of the supplement (no later than 30 April 2021), to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period or the delivery of the Notes, whichever occurs first. Investors may contact the Authorised Offerer(s) should they wish to exercise the right of withdrawal.

This Second Supplement will be published so long as Notes are admitted to trading on Euronext Paris, the regulated market of the Luxembourg Stock Exchange and/or any other such regulated market in accordance with the Prospectus Regulation, the Final Terms relating to such Notes will be available on the websites of the AMF (www.amf-france.org) and/or the Luxembourg Stock Exchange (www.bourse.lu) and/or any other such regulated market, as the case may be, and of the Issuer (<http://prospectus.socgen.com>).

APPROVAL FROM THE *AUTORITE DES MARCHES FINANCIERS*

This Second Supplement has been approved on 27 April 2021 under the approval number n°21-122 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this Second Supplement after having verified that the information it contains is complete, coherent and comprehensible.

This approval is not favourable opinion on the Issuer and on the quality of the Notes described in this Second Supplement. Investors should make their own assessment of the opportunity to invest in such Notes.

1.1 RISK FACTORS

1.1.1 In section “**RISK FACTORS**” on pages 15 and 16, risk factor “**Liquidity risks**” is deleted and replaced as follows:

“The Issuer’s liquidity risk is defined as the risk of not being able to meet its payment obligations under the Notes when they fall due, because of the temporary lags between the amortization profile of its assets and liabilities.

A number of exceptional measures taken by governments, central banks and regulators as well as a downgrade in the Group’s external rating or in the sovereign rating of the French State could have a significant negative impact on the Issuer’s cost of financing, its access to liquidity. Moreover, a lack of liquidity could have a significant negative impact on the Issuer’s capacity to repay the Notes on a short-term period. At the date of this Base Prospectus, the maximum exposure of the Issuer for the next 180 days could be estimated up to 3.25 billion euros, representing the maximum cumulated amount of Notes falling due under this period. From a long-term perspective, the negative impact is lowered due to the ability of the Issuer to gather the necessary cash-flows under the collateralised assets.

In any case, if the Issuer is not able to cover its liquidity needs, the Issuer's ability to make payments under the Notes may be negatively affected. As a result, Noteholders could lose all or a substantial part of their investment in the Notes.

However, as a specialized credit institution, the Issuer is subject to the production of indicators making it possible to measure, manage and monitor this risk (see section entitled “*Summary of the legislation and regulations relating to sociétés de financement de l’habitat*”). In addition, there are some structural mitigants allowing the Issuer to reduce its liquidity risk exposure such as the “Pre-Maturity Test” described more fully in section entitled “*Relationship between Société Générale SFH and Société Générale*”. As of 31 December 2020, none of the threshold of these indicators has been triggered.

With respect to the liquidity coverage ratio (LCR) pursuant to the CRD V package (as defined below), as of 31 December 2020, the Issuer is not obliged to hold stocks of liquid assets to maintain its LCR beyond 100%. Nonetheless, the Issuer’s LCR is structurally higher than 100%.

To finance any temporary liquidity needs, the Issuer also benefits from the ALM management tools and instruments provided to it by the laws and regulations applicable to SFH in order to fund temporary liquidity needs. See section entitled “*Summary of the legislation and regulations relating to sociétés de financement de l’habitat and other legal issues*” for the full list of these tools and instruments.”

1.1.2 In section “**RISK FACTORS**” on pages 18 to 21, the risk factors under sub-category “**Credit risks**” are deleted and replaced as follows:

“3.1 Credit risks

The Issuer is the only entity which has obligations to pay principal and interest in respect of the Notes. The Notes will not be obligations or responsibilities of any other entity, including (but not limited to) Société Générale (in any capacity but in particular in its capacity as Borrower, Collateral Provider, Arranger, Calculation Agent, Dealer, Fiscal Agent, Paying Agent and Principal Paying Agent) or any company within the Société Générale group, or the shareholders or directors or agents of any company in the same group of companies as any of them. As of 31 December 2020, the outstanding amount of OFH issued by the Issuer is €37.54 billion (without interest).”

The ability of the Issuer to make payments under the Notes depends on the creditworthiness of its debtors and globally on the credit quality of its assets which consist (i) initially in the loans made available to the Borrower (Société Générale) under the Facility Agreement, and therefore the financial soundness and conduct of the Borrower could adversely affect Société Générale SFH’s results of operations and financial

position and (ii) following the occurrence of an event of default of the Borrower under the Facility Agreement, in the home loans transferred (*remis en pleine propriété à titre de garantie*) as Collateral Security under the Collateral Security Agreement.

3.1.1 Credit risks on Société Générale

The Issuer is directly exposed on Société Générale as sole Borrower under the loans granted under the Facility Agreement. However, this credit risk is covered by to the transfer of full title by way of assignment (*remise en pleine propriété à titre de garantie*) of a portfolio of assets that meet regulatory eligibility criteria and the requirement for Société Générale to maintain at any time a minimum level of cover ratio between the home loans transferred as Collateral Security and the outstanding amount of the loans made available under the Facility Agreement, as specified under the Collateral Security Agreement (see section entitled "*Relationship between Société Générale SFH and Société Générale*"). It is worth noting that the Issuer shall maintain at any time a minimum legal cover ratio of 105% and the cover ratio of the Issuer as of 31 December 2020 certified by the specific controller was 111.26%.

Failure to maintain compliance with such requirements may result in, if not remedied, a mandatory repayment event under the Facility Agreement and, if Société Générale cannot repay in full the loans granted under the Facility Agreement and the home loans transferred as Collateral Security are not sufficient to pay in full the amounts payable under the Notes, the Issuer may have insufficient funds to meet its obligations under the Notes. As a result, Noteholders could lose all or a substantial part of their investment in the Notes.

3.1.2 Credit risks on the assets of the Issuer

Home loans debtors' ability to pay under the home loans

The home loans debtors are individuals having borrowed under the home loans in order to finance the acquisition of a real estate property. If following enforcement of the Collateral Security, the Issuer does not receive the full amount due from the home loan debtors in respect of such home loans, this may affect the ability of the Issuer to make payments under the Notes. As of 31 December 2020, home loans transferred (*remis en pleine propriété à titre de garantie*) as Collateral Security totalled €42,8 billions. The main geographical exposure zones of the home loans transferred (*remis en pleine propriété à titre de garantie*) as Collateral Security are Ile-de-France, Auvergne-Rhône-Alpes, Provence-Alpes-Côte-d'Azur and Hauts-de-France.

None of the Borrower under the Facility Agreement, the Issuer or any other party to the Programme does guarantee or warrant full and timely payment by the home loan debtors of any sums payable under such home loans. Furthermore, home loan debtors may benefit from the favourable legal and statutory provisions of the French *Code de la consommation*, pursuant to which any individual may, under certain circumstances, and subject to certain conditions, request and obtain from the competent court a grace period, a reduction of the amount of all and any of its indebtedness and any interest relating thereto and, as the case may be, a full or partial extinguishment of its indebtedness against a credit institution (*établissement de crédit*).

The ability of the home loan debtors to make timely payment of amounts due under such home loans will mainly depend on their assets and its liabilities as well as their ability to generate sufficient income to make payments under the relevant home loans. Their ability to generate income may be adversely affected by many factors, some of which (i) relate specifically to the home loan debtor itself (including but not limited to their age and health, employment situation, family situation, creditworthiness or expropriation) or (ii) are more general in nature (such as changes in governmental regulations, tax policy, etc.).

As a result, the Issuer's ability to meet its obligations under the Notes may be materially adversely affected.

No prior notification to debtors under the home loans transferred as Collateral Security

The Collateral Security Agreement will provide that the relevant home loans will be transferred (*remis en pleine propriété à titre de garantie*) as Collateral Security pursuant to the provisions of Article L.211-38 of the French Monetary and Financial Code, without notification or information of the debtors under such home loans. Such debtors will only be notified in case of enforcement of the Collateral Security by the Issuer. As long as no such notification has taken place, any payments made by the debtors under the relevant home loans will continue to be validly made by such debtors to Société Générale or, as the case may be, the relevant affiliates.

Each debtor may further raise defences (which may include, as applicable, any set-off right) against the Issuer arising from such debtor's relationship with its creditor to the extent that such defences (i) are existing prior to the notification of the transfer of the relevant home loan or (ii) arise out of mutual claims (*compensation de créances connexes*) between the debtor and its creditor which are closely connected with that home loan (irrespective of whether such notification has been made before or after such claims have arisen).

Until notification to the debtors has been made and provided that, at such time, an insolvency proceeding has been opened against Société Générale, French insolvency law will prevent the Issuer from recovering from Société Générale any collections received by it under the relevant home loans which are commingled with other funds of Société Générale. These may affect the repayment value of the loan and therefore the ability for the Issuer to meet its payment obligations under the Notes. As of 31 December 2020, home loans transferred (*remis en pleine propriété à titre de garantie*) as Collateral Security totalled €42,8 billion.

However, these risks are mitigated by a cash collateral (*gage-espèces*) to be funded by Société Générale if its credit ratings are downgraded below certain minimum rating levels (a **Collection Loss Trigger Event**) for an amount equal to the aggregate amount of collections (interests and principal) scheduled to be received by Société Générale under the home loans transferred as Collateral Security during the two and half (2,5) calendar months following the occurrence of a Collection Loss Trigger Event and further, as long as the Collection Loss Trigger Event is continuing, adjusted at the end of each month and before any drawdown by Société Générale acting as Borrower under the Facility Agreement (the **Collection Loss Reserve**) (see section "*Relationship between Société Générale SFH and Société Générale*" for further details).

Maintenance of value of the Collateral Security prior to enforcement

Under the Collateral Security Agreement, for so long as no event of default under the Facility Agreement has occurred, Société Générale will be required to maintain at any time a cover ratio between the home loans transferred as Collateral Security and the outstanding amount the loans made available under the Facility Agreement (the **Asset Cover Test**). As of 31 December 2020, in accordance with the operational strategy of the Issuer the outstanding amount of the loans made available under the Facility Agreement is equal to the outstanding amount of the Notes issued and amounts to €37.54 billion (without interest). More details on the cover ratio are available on the website of Société Générale: <http://www.societegenerale.com/fr/mesurer-notre-performance/investisseurs/investisseurs-dette>.

1.2 DOCUMENTS INCORPORATED BY REFERENCE

In section “**DOCUMENTS INCORPORATED BY REFERENCE**” on page 37, of the Base Prospectus, the paragraph headed “*Société Générale SFH – Rapport financier annuel 2018*” is deleted and a new paragraph is added as follows:

- “the “*Société Générale SFH – Rapport financier annuel 2020*”, including *inter alia*:
 - i. “*Société Générale SFH – Rapport de gestion présenté par le conseil d’administration à l’assemblée générale annuelle du 18 mai 2021* ” (the **2020 Annual Report**);
 - ii. “*Société Générale SFH – Comptes annuels au 31/12/2020*” including the “*Société Générale SFH Tableau des Flux de Trésorerie*” which contains the audited cash flow statements of the Issuer for the financial years ended 31 December 2020 and 31 December 2019 (the **2020 Annual Accounts**);
 - iii. “*Société Générale SFH – Exercice clos le 31 décembre 2020 – Rapport des commissaires aux comptes sur les comptes annuels*” (the **2020 Auditors’ Report**); and
 - iv. “*Déclaration des personnes physiques qui assument la responsabilité du rapport annuel 2020*” (together with the 2020 Annual Report, the 2020 Annual Accounts and the 2019 Auditors’ Report, all in French language, the **2020 Annual Financial Report** :

<https://www.societegenerale.com/sites/default/files/documents/2021-04/SG-SFH-Rapport-Financier-Annuel-31-12-2020.pdf>

1.3 CROSS-REFERENCE LIST

The section “**CROSS-REFERENCE LIST**” on pages 39 and 40 of the Base Prospectus is deleted in its entirety and replaced by the following:

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
(Annex VI of the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation)	
11. FINANCIAL INFORMATION CONCERNING THE ISSUER’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
11.1 Historical Financial Information	
2020 Annual Financial Report	
Balance sheet and off-balance sheet	Pages 64 to 66 of the 2020 Annual Financial Report
Profit and Loss Account	Page 68 to 69 of the 2020 Annual Financial Report
Notes (<i>Annexes</i>)	Pages 71 to 101 of the 2020 Annual Financial Report
Cash Flow Statements	Page 102 to 103 of the 2020 Annual Financial Report
Statutory Auditors’ Report	Pages 104 to 110 of the 2020 Annual Financial Report
2020 Annual Report	Page 8 to 42 of the 2020 Annual Financial Report
2020 Half Year Financial Information	

Balance sheet and off-balance sheet	Pages 32 to 34 of the 2020 Half Year Financial Information
Profit and Loss Account	Pages 36 to 37 of the 2020 Half Year Financial Information
Notes (<i>Annexes</i>)	Pages 39 to 64 of the 2020 Half Year Financial Information
Cash Flow Statements	Pages 65 to 66 of the 2020 Half Year Financial Information
Statutory Auditor’s Report	Pages 67 to 68 of the 2020 Half Year Financial Information
2020 Half Year Board Report	Pages 7 to 29 of the 2020 Half Year Financial Information
2019 Annual Financial Report	
Balance sheet and off-balance sheet	Pages 66 to 68 of the 2019 Annual Financial Report
Profit and Loss Account	Page 70 of the 2019 Annual Financial Report
Notes (<i>Annexes</i>)	Pages 72 to 99 of the 2019 Annual Financial Report
Cash Flow Statements	Page 100 of the 2019 Annual Financial Report
Statutory Auditors’ Report	Pages 101 to 107 of the 2019 Annual Financial Report
2019 Annual Report	Page 7 to 42 of the 2019 Annual Financial Report
2019 Half Year Financial Information	
Balance sheet and off-balance sheet	Pages 23 to 25 of the 2019 Half Year Financial Information
Profit and Loss Account	Pages 27 to 28 of the 2019 Half Year Financial Information
Notes (<i>Annexes</i>)	Pages 29 to 56 of the 2019 Half Year Financial Information
Cash Flow Statements	Pages 57 and 58 of the 2019 Half Year Financial Information
Statutory Auditor’s Report	Pages 59 to 60 of the 2019 Half Year Financial Information
2019 Half Year Board Report	Pages 7 to 20 of the 2019 Half Year Financial Information

1.4 SUMMARY OF THE LEGISLATION AND REGULATIONS RELATING TO SOCIÉTÉS DE FINANCEMENT DE L’HABITAT AND OTHER LEGAL ISSUES

In section “**SUMMARY OF THE LEGISLATION AND REGULATIONS RELATING TO SOCIÉTÉS DE FINANCEMENT DE L’HABITAT AND OTHER LEGAL ISSUES**”, on page 43 of the Base Prospectus, the last paragraph of the sub-section headed “*Cover Ratio*” pages 47 and 48 is deleted and replaced as follows:

“As of 31 December 2020, the cover ratio certified by the Specific Controller was 111,26%.”

1.5 DESCRIPTION OF THE ISSUER

1.5.1 In section “**DESCRIPTION OF THE ISSUER**” on page 58 of the Base Prospectus, paragraph headed “*Management of the Issuer and compliance with the corporate governance regulations*” in the table relating to the Board of Directors reference to Vincent Robillard is deleted and replaced as follows:

Arnaud Mezrahi	17, cours Valmy 92800 Puteaux	Deputy chief executive officer (<i>directeur général délégué</i>) and director (<i>administrateur</i>)	Head of Funding of Société Générale Group
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1.5.2 In section “**DESCRIPTION OF THE ISSUER**” on pages 60 and 61 of the Base Prospectus, paragraph headed “*Recent Developments*” is deleted and replaced as follows:

Recent Developments

“Since the closing of the 2020 financial year, developments in the Covid-19 situation remain a significant source of uncertainty. Its undoubtful impact on the economy is currently not measurable and therefore does not allow a clear assessment of the consequences on the French real estate market and more specifically on the origination of guaranteed home loans (*GHL*) in the coming months.

Very likely a decline in new *GHL* origination linked to this situation constitutes a risk for the Issuer which must meet its regulatory requirements, in particular through the quarterly ratios required by the ACPR showing, among other things, that there is no gap between the assets given as collateral and its liabilities. Nevertheless, this risk remains low as the Issuer maintains reserves of eligible assets not mobilized and can prepay the Notes subscribed by Société Générale to avoid gaps. It should be noted that the evolutions and prospects of the issuance programmes do not take into account the future economic impacts linked to the current situation with Covid-19, due to the difficulty to assess today the effects of this crisis.”

1.6 FINANCIAL INFORMATION OF THE ISSUER

In section “**FINANCIAL INFORMATION OF THE ISSUER**” on pages 62 and 63 of the Base Prospectus, paragraphs headed “*Comparative Financial Data*” and “*Cash Flow Statement*” are deleted and replaced as follows:

“The financial statements of Société Générale SFH have been prepared in accordance with general accounting principles applicable in France to credit institution. The method adopted for valuing items recorded in the accounting records is historical cost.

Comparative Financial Data (in EUR)

Income Statement	30/06/2020 <i>(Non audited*)</i>	30/06/2019 <i>(Non audited*)</i>	31/12/2019 <i>(Audited)</i>	31/12/2020 <i>(Audited)</i>
Net banking income	35,036,720	30,971,133	65,288,360	71,299,785
Gross operating income	28,733,681	24,901,134	53,270,036	59,029,237
Net income	19,538,146	16,857,612	35,237,000	39,598,262
Balance Sheet				
Total balance sheet	37,919,676,308	35,394,572,875	37,490,815,054	38,965,671,517
Shareholders' equity	610,362,599	572,445,065	590,824,453	630,422,715
Debt securities	37,154,162,792	34,615,412,809	36,158,033,270	37,688,316,396

* Half Year Limited Review Auditor's Report.

As of 31 December 2020, the balance sheet presents a total of 38,965,671,517 euros, as a reminder the total balance sheet as of 31 December 2019 was of 37,490,815,054 euros.

Except as disclosed in this Base Prospectus, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no material adverse change in the prospects of the Issuer since the last published annual audited accounts.

Except as disclosed in this Base Prospectus, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no significant change in the financial position or financial performance of the Issuer since the end of the last financial period for which financial statements have been published.”

Cash Flow Statement (in thousands of EUR)

“The cash flow statement analyses changes in cash flow from operating activities, investing activities and financing activities between two financial periods. Financing activities represent bonds borrowings.

The cash flow statement was established according to rules applicable to the regulation no. 2014-07 of 26 November 2014 of the *Autorité des normes comptables* applicable to credit institutions, as well as to accounting principles generally admitted in the French banking profession.

	30/06/2020 <i>(Non audited*)</i>	30/06/2019 <i>(Non audited*)</i>	31/12/2019 <i>(Audited)</i>	31/12/2020 <i>(Audited)</i>
Net cash flow from operating activities	(1,561,615)	4,171,046	(5,151,985)	(1,591,815)
Net cash flow relating to investment activities	-	-	-	-
Net cash flow relating to financing activities	996,130	2,537,107	4,079,727	1,530,283
Changes in net cash	(565,485)	(1,633,939)	(1,072,258)	(61,531)
Total	62,897	66,701	628,382	566,850

* Half Year Limited Review Auditor’s Report.”

1.7 GENERAL INFORMATION

1.7.1 In section “**GENERAL INFORMATION**” on page 138 of the Base Prospectus, sub-paragraphs (3), (4) and (5) are deleted and replaced as follows:

- “(3) Except as disclosed in this Second Supplement, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no material adverse change in the prospects of the Issuer since 31 December 2020.
- (4) Except as disclosed in this Second Supplement, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no significant change in the financial position or financial performance of the Issuer since 31 December 2020.
- (5) Save as disclosed in this Second Supplement, including with respect to the future economic impacts linked to the current situation with Covid-19, there have been no recent events which the Issuer considers material to the investors since 31 December 2020.”

1.7.2 In section “**GENERAL INFORMATION**” on page 139 of the Base Prospectus, sub-paragraph (9), is deleted and replaced as follows:

- “(9) Ernst & Young et Autres (represented by Vanessa Jolival, Tour First, TSA 14444, 92037 Paris-La Défense Cedex) and Deloitte & Associés (represented by Marjorie Blanc Lourme, 6 place de la Pyramide, 92908 Paris-La Défense cedex) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the year ended 31 December 2020.

Ernst & Young et Autres (represented by Vanessa Jolival, Tour First, TSA 14444, 92037 Paris-La Défense Cedex) and Deloitte & Associés (represented by Marjorie Blanc Lourme, 6 place de la Pyramide, 92908 Paris-La Défense cedex) have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the year ended 31 December 2019. Société Générale SFH's statutory auditors are registered with the Compagnie Nationale des Commissaires aux Comptes (National Association of Statutory Auditors) and subject to the authority of the Haut Conseil du Commissariat aux Comptes (French High Council of Statutory Auditors).

1.7.3 In section “**GENERAL INFORMATION**” on page 140 of the Base Prospectus, sub-paragraph (11) (b), is deleted and replaced as follows:

“(b) the 2020 Annual Financial Report, the 2020 Annual Financial Report and the EMTN Previous Conditions;

2. PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THIS SUPPLEMENT

In the name of the Issuer

I hereby certify that the information contained or incorporated by reference in this Second Supplement is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 27 April 2021

SOCIÉTÉ GÉNÉRALE SFH
17, cours Valmy
92800 PUTEAUX
France

Duly represented by Arnaud MEZRAHI
in his capacity, as Deputy Chief Executive Officer (*Directeur Général Délégué*) of the Issuer