

Since its implementation in November 2007, the Markets in Financial Instruments Directive (**MIFID I**) has been the cornerstone of capital markets regulation in the European Union. MIFID I was recast by the Markets in Financial Instruments Directive (**MIFID**)<sup>1</sup> and the Markets in Financial Instruments Regulation (**MIFIR**)<sup>2</sup> (together **MIFID II**), which applied from 3 January 2018.

This leaflet provides information on MIFID II, which notably:

- extends market infrastructure and transparency and integrity rules to derivatives and debt instruments;
- enhances investor protection and conduct of business rules on all financial instruments; and
- introduces additional measures for product governance, on the reinforcement of control and management functions and on the enhancement of financial supervision.

Société Générale Group (Head office, branches and subsidiaries together referred to as "Société Générale", "we" or "us") when operating in the European Economic Area (**EEA**), are subject to the terms of MIFID II, as implemented in the various countries of the EEA. Only the activities provided by Société Générale corporate & investment banking entities (hereinafter collectively referred to as **SG CIB**), which include Societe Generale Option Europe (**SGOE**) are in scope of MiFID II.

This leaflet is provided for information purposes only.  
**Please refer to pages 7-12 for the UK MIFID Leaflet.**

## 1 MiFID II Scope

MIFID II applies to firms that carry on investment (or ancillary) services or activities from the EEA.

### 1.1 Investment services

A full list of in scope services and activities is set out in Section A of Annex 1 of MiFID II. The following list of MiFID II investment services and activities are the most relevant to SG CIB:

- 1) **Reception and transmission of orders in relation to one or more financial instruments:** this service involves the receipt and transmission from one provider to another, on behalf of a client, of orders relating to financial instruments.
- 2) **Execution of orders on behalf of clients:** this service involves the execution of client orders on financial instruments on a market.
- 3) **Dealing on own account:** this service covers the trading of financial instruments against the investment firm's proprietary capital.
- 4) **Portfolio management:** this service is the discretionary management of portfolios of financial instruments in accordance with a client mandate.
- 5) **Investment advice:** this service involves the provision of personalised recommendations to a client, either at its request or at the initiative of the investment firm, in respect of one or more transactions relating to specific financial instruments.

- 6) **Underwriting of financial instruments:** this service involves committing to subscribe to, or acquire, financial instruments directly from the issuer or seller, where others do not acquire them.
- 7) **Placing of financial instruments (with or without a firm commitment basis):** this service involves the search for subscribers or purchasers, on behalf of an issuer or a seller, of financial instruments. When placing is done on a firm commitment basis, placing involves a commitment to take up those financial instruments where others do not acquire them. When done without a firm commitment basis, the placing is done without such an undertaking.

### 1.2 Ancillary services

The following activities are also covered:

- 1) **Safekeeping and administration of financial instruments for the account of clients,** including custodianship and related services such as cash/collateral management, excluding maintaining securities accounts at the top tier level.
- 2) **Granting credits or loans to an investor** to allow him to carry out a transaction in one or more financial instruments, where the firm granting the credit or loan is involved in the transaction.
- 3) **Advising undertakings on capital structure, industrial strategy and related matters** and advice and services relating to mergers and the purchase of undertakings.
- 4) **Foreign exchange services** where they are connected to the provision of investment services.
- 5) **Investment research and financial analysis** or other forms of general recommendation relating to transactions in financial instruments.
- 6) Services related to **underwriting**.
- 7) **Investment services and activities as well as ancillary services of the type mentioned above** relating to the underlying of derivatives listed in points (5), (6), (7) and (10) of Section C of Annex 1 of MiFID, where they are connected to the provision of investment or ancillary services.

### 1.3 Financial instruments

Financial instruments in scope of MiFID II are listed in Section C of Annex 1 of MiFID. The list covers cash equity, fixed income, equity derivatives, commodity derivatives, credit derivatives, emission allowance, shares and bonds. Although structured deposits are not financial instruments, some MiFID II obligations apply to structured deposits.

<sup>1</sup> Directive 2014/65 of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast).

<sup>2</sup> Regulation N°600/2014 of 15 May 2014 on markets in financial instruments and amending Regulation (EU) N° 648/2012.

## 2 Main MiFID II obligations

### 2.1 Market structure

MiFID II aims to move trading of financial instruments as much as possible onto trading and execution venues and thereby reduce non-transparent bilateral OTC (Over-the-Counter) transactions. Trading venues are Regulated Markets (**RM**), Multilateral Trading Facilities (**MTFs**) and Organised Trading Facilities (**OTFs**). It also aims to promote transparency on trading venues and through Systematic Internalisers (**SI**)<sup>3</sup>.

SG operates as SI with market identifier Code: XSGA. SGOE does not operate as an SI.

#### Derivative Trading Obligation

Under MiFID II, certain derivatives that are subject to the clearing obligation under the European Market Infrastructure Regulation (**EMIR**) may also be subject to the Derivatives Trading Obligation (**DTO**) as determined by the European Securities and Market Authority (**ESMA**). Currently, this covers some EUR interest rate swaps (**IRS**) and certain index credit default swaps (**CDS**). These derivatives must be traded by financial counterparties (including investment firms and EU branches of third country investment firms) and non-financial counterparties on a RM, MTF, OTF or an equivalent third country trading venue.

#### Share Trading Obligation

Subject to a few exceptions, investment firms must trade EEA shares on a RM, a MTF, an SI or an equivalent non-EEA trading venue.

#### Pre-trade transparency

Investment firms that operate as SIs are required to make public firm quotes in respect of liquid equity and equity-like instruments. SIs must allow their clients to have access to the published quotes in equity and equity-like instruments on the basis of their commercial policy, published on:

<https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/market-regulation/mifid/>.

For any question regarding our commercial policy, please contact [sgcib-regulatory-support.par@sgcib.com](mailto:sgcib-regulatory-support.par@sgcib.com).

Investment firms operating as SIs are no longer required to make public firm quotes in respect of non-equity and non-equity like instruments.

#### Post-trade transparency

Investment firms must make public the volume and price of transactions as soon as practicable upon their conclusion. The publication must be made through an authorised Approved Publication Arrangement (**APA**), i.e. a person or a firm duly licensed to publicly report on behalf of investment firms.

As an ESMA registered Designated Publication Entity (**DPE**), SG is responsible for fulfilling post-trade transparency reporting obligations on behalf of its clients who are transacting OTC and who are not also registered as a Designated Publication Entity (**DPE**) in the EEA. Where a client is itself registered as DPE in

the EEA, the seller is responsible for post-trade transparency reporting. For more information, please refer to Societe Generale Designated Reporter & Designated Publishing Entity Status: [https://wholesale.banking.societegenerale.com/fileadmin/user\\_upload/Wholesale/pdf/compliance/DPE\\_and\\_DR\\_status/DPE\\_Comm\\_14012025.pdf](https://wholesale.banking.societegenerale.com/fileadmin/user_upload/Wholesale/pdf/compliance/DPE_and_DR_status/DPE_Comm_14012025.pdf)

#### Transaction Reporting

Investment firms must report transactions in financial instruments to the national competent authorities no later than the close of the following business day. They must report directly or through an authorised Approved Reporting Mechanism (**ARM**).

To comply with these obligations, investment firms must obtain the Legal Entity Identifier (**LEI**) of all clients and counterparties prior to execution. Investment firms may not be able to execute transactions for clients or with counterparties who have not provided a valid LEI. For further information on how to obtain your LEI, please visit the Global Legal Entity Identifier (GLEIF) website <https://www.gleif.org/>

#### Commodity derivatives

In an effort to enhance scrutiny of commodity trading, national competent authorities and trading venues are responsible for setting position limits on commodity derivatives traded on trading venues, and on related contracts, and for monitoring compliance with those position limits. Investment firms must submit daily position reports to trading venue and/or authorities.

#### Algorithmic Trading

MiFID II imposes several specific requirements on investment firms that seek to control the way in which firms use algorithmic execution tools in the marketplace.

### 2.2 Investor protection

MiFID II contains investor protection rules that improve disclosure and suitability (for advised services) and appropriateness assessments (for non-advised services), and strengthen prevention against conflicts of interest. It enhances conduct of business requirements, including by restricting inducements through the unbundling of research from execution services.

Structured deposits are also in scope of certain investor protection requirements.

#### Organisational requirements

MiFID II rules emphasise the need for robust compliance, audit and risk management functions, particularly as they relate to product manufacturing, distribution and governance, reporting and conflicts of interest.

#### Product Governance

MiFID II imposes product governance requirements on investment firms who manufacture and/or distribute financial instruments or structured deposits and which apply across the product lifecycle, including design, approval, distribution and

<sup>3</sup> Systematic Internalisers are investment firms that deal on own account when executing client orders in equity instruments outside a RM, MTF or OTF without operating a multilateral system, and either do so on an

organised, frequent and systematic basis or have chosen to opt-in to the systematic internaliser regime.

review. In particular, investment firms who manufacture financial instruments or structured deposits have to identify at an early stage and at a sufficiently granular level, the potential target market for the product and to specify the type(s) of clients for whose needs, characteristics and objectives the product is compatible. Furthermore, investment firms must ensure that the distribution strategy for the product is compatible with the identified target market.

#### Information to clients on costs and charges

MiFID II requires that investment firms disclose to clients in good time *ex ante* (before entering into the transaction) and *ex post* (after execution of the transaction) information about the aggregated costs and charges related to the financial instrument, or structured deposit, and to the investment (or ancillary) service or activity provided. Detailed costs and charges disclosures are not required for professional clients and eligible counterparties except when portfolio management, or investment advice, services are provided.

#### Inducements

MiFID II imposes restrictions on fees, commissions and non-monetary benefits paid or received by an investment firm from a third-party in connection with the provision of a service to the client. Receipt or payment of inducements is prohibited for firms providing independent investment advice or portfolio management services, including where research is provided. For other investment services or activities and for ancillary services, investment firms must ensure that inducements enhance the quality of the service to the client and do not impair compliance with the duty to act honestly, fairly, and professionally. Investment firms must disclose inducements *ex-ante* and provide *ex-post* disclosure of any ongoing third-party benefits or payments received. Any ongoing fees, commissions or non-monetary benefits must be justified by the provision of an ongoing benefit to the client.

Subject to compliance with applicable laws and regulations, we may give or receive commissions, fees or non-monetary benefits to or from a third party.

#### Underwriting and placing

Under MiFID II, investment firms undertaking underwriting or placing of financial instruments must establish robust systems and controls to identify and prevent, or manage, conflicts of interest that may arise when underwriting and placing services are provided to the same client.

In particular, an investment firm that provides both corporate finance advice and underwriting and/or placing services to the same client, must inform that client of any financing alternatives available with the firm.

### **3 Client categories and associated level of protection**

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#### **3.1 Notification of your client category**

You should have already received notification of how we intend to categorise you for MiFID II purposes. If not, please contact your SG CIB customer service at [mifid.clientsupport@sgcib.com](mailto:mifid.clientsupport@sgcib.com).

#### **3.2 The scope of your protection depends on your client category**

MiFID II requires investment firms carrying out investment (or ancillary) services or activities to categorise their clients into one of the following three categories:

- retail clients, who are afforded the highest level of protection;
- professional clients, who are afforded an intermediate level of protection; or
- eligible counterparties, who are afforded the lowest level of protection.

The 'eligible counterparty' category applies only to the investment services of reception and transmission of orders, execution of orders on behalf of clients, and dealing on own account. Where an investment firm provides other investment services or activities to an eligible counterparty, the firm must treat the eligible counterparty as a professional client for those services, and the associated protections under the MiFID II will apply accordingly.

### 3.3 The protection granted to each category of client is set out below

References hereinafter (including in the table below) to 'we', 'our' or 'us' means SG and SGOE unless otherwise indicated.

	Retail Clients	Professional clients	Eligible Counterparties
<b>General principles</b>	We have a duty to act honestly, fairly and professionally with all our clients and to communicate with them in way that is fair, clear and not misleading.		
<b>Best interests</b>	We have a duty to act in accordance with our client's best interest.		Not applicable
<b>Best Execution <sup>4</sup></b>	When executing orders on behalf of retail and professional clients, we are required to take all reasonable steps to obtain the best possible result for our clients, taking into account the price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order. Specificities by client category apply (see below).		Not applicable
<b>Best Execution</b>	Where we execute an order on behalf of a retail client, our provision of best execution will be determined primarily in terms of total consideration, which is the sum of the price of the relevant financial instrument and execution costs (Total Consideration). Total Consideration includes all expenses incurred which are directly related to the execution of the order (such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order).	Contrary to the protection afforded to retail clients, different factors are prioritised and taken into account to provide best execution for the orders of professional clients (e.g. price, cost, speed). In some cases, best execution will not be applicable to professional clients. This is explained in our Best Execution and Client Order Handling Policy for Professional and Retail Clients.	Not applicable
<b>Client order handling</b>	We must apply procedures which ensure the timely and fair execution of our client's orders in relation to other client orders or in relation to our own trading positions		Not applicable
<b>Suitability evaluation</b>	<p>When providing advised services (i.e. investment advice or portfolio management services), we must assess whether the financial product recommended and/or the relevant investment service is suitable for the client's particular situation.</p> <p>We must obtain information on the client's investment objectives (including sustainability preferences), financial situation, ability to bear losses, financial markets' knowledge/expertise and risk tolerance.</p> <p>We draw your attention to the importance of providing us with information, which is up to date, accurate, and complete so that we can recommend suitable products or services to you. Without such information, we cannot provide investment advice or portfolio management services to clients.</p>	<p>When providing advised services (i.e. investment advice or portfolio management services) to a professional client, we are entitled to assume that, in relation to the products, transactions and services for which the professional client is so categorised, the client has the necessary level of experience and knowledge in order to understand the risks involved in the transaction or in the management of his portfolio.</p> <p>When providing advised services to a per se professional client, we may also assume that the client is able to financially bear any related investment risks consistent with his investment objectives.</p>	Clients cannot be categorised as eligible counterparties for the purpose of investment advice or portfolio management services. For these services, eligible counterparties will be treated as professional clients.
<b>Appropriateness evaluation</b>	When we provide non-advised services (i.e. investment services other than investment advice or portfolio management), we must determine whether the product or service is appropriate for the client. We must obtain information on the client's knowledge and experience of financial markets so that we can assess whether the client is able to understand the risks involved with the type of product or service envisaged.	<p>Not applicable</p> <p>We are entitled to assume that a professional client has the necessary level of experience and knowledge.</p>	Not applicable
<b>Information to clients' requirements</b>	We must provide clients with appropriate information in good time before we provide a product or an investment (or ancillary) service or activity. Among other things, this information includes detailed relevant information about the envisaged service, general information about us, a description of financial instruments and the risks involved.		We must provide clients with appropriate information before we provide them with a product or an investment (or ancillary) service or activity,

<sup>4</sup> For more information, please refer to the SOCIETE GENERALE Best Execution and Client Order Handling Policy for Professional and Retail Clients:  
[https://wholesale.banking.societegenerale.com/fileadmin/user\\_upload/Wholesale/pdf/compliance/Best-Execution/EN/Best\\_Execution\\_and\\_Client\\_Order\\_Handling\\_Policy\\_2024.pdf](https://wholesale.banking.societegenerale.com/fileadmin/user_upload/Wholesale/pdf/compliance/Best-Execution/EN/Best_Execution_and_Client_Order_Handling_Policy_2024.pdf)

	Once the transaction has been executed, we must send clients a report with detailed information on the executed transaction and provide detailed periodic reports on financial instruments and on any portfolio management services provided.	Once the transaction has been executed, we must send clients a report with essential information on the executed transaction. Periodic reports on financial instruments and on any portfolio management services provided may be less detailed than would be provided to retail clients.	and periodic reporting. In many instances, the information provided to eligible counterparties may be less detailed that would be provided to retail or professional clients.
Transparent information on fees	We must disclose fees, commissions, and non-monetary benefits that we pay to, or receive from, a third party. Such fees, commissions and non-monetary benefits must improve the quality of the service we provide to the client and must not prevent us from acting in your best interests (See section 2.2).		Not applicable
Costs and charges	Ex-ante and ex-post costs and charges information must be disclosed to a retail client.	Detailed costs and charges information must be provided to professional clients and eligible counterparties only when providing portfolio management or investment advice.	
Organisational requirements	Regardless of the client's category, we must comply with a number of organisational obligations, including those intended to prevent conflicts of interest, those guaranteeing continuous and regular investment services and those intended to preserve the client's rights with regard to the assets entrusted with us.		

## Complaints handling

You will find our complaint handling process management policy:

- For SOCIETE GENERALE  
<https://cib.societegenerale.com/en/client-claim/>
- For SGIL  
<https://sgildisclosure.societegenerale.com/en/client-claim/>

### 3.4 Changes in the level of protection

You may request a change of client category and we may agree or refuse such request. For more information, please liaise with your usual contact.

Your change of category will only affect transactions concluded after the acceptance of your change of category.

## 4 Restrictions on financial collateral arrangements with ownership transfer

Under the Securities Financing Transaction Regulation (SFTR) and MIFID II there are restrictions on the use of financial collateral arrangements involving ownership transfer.

MIFID II prohibits the use of title transfer financial collateral arrangements (TTCA) with retail clients.

For other clients, SFTR and MiFID II authorise it subject to: (i) disclosure of the information on the risks involved and the impact of any TTCA on the client's financial instruments and funds and (ii) the consent of the counterparty. In addition, under MiFID II, the use of TTCA must be appropriate. Such consent is obtained in the collateral contracts (e.g. CSA or other financial collateral arrangements) or in other relevant client documentation that our non-retail clients have entered into with us.

For any information on the risks of TTCA: Concerning financial instruments, please refer to an Information Statement by clicking on

<https://wholesale.banking.societegenerale.com/fr/compliance-regulatory-information/market-regulation/sftr/>

Concerning funds and subcontracting of the Safekeeping of Financial Instruments, when Societe Generale holds financial instruments on custody, please refer to an Information Statement by clicking on:

<https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/market-regulation/mifid/risk-title-transfer-financial-collateral-arrangements-related-funds-subcontracting-safekeeping-financial-instruments/>

## 5 Information on investment advice

Please note that any investment advice is provided on a non-independent basis. This means that we may limit our investment advice to financial instruments that are issued or designed by entities belonging to the Société Générale group or entities that have a close legal or economic link with the Société Générale group.

We may recommend different types of financial instruments including, without limitation, bonds, equity derivatives or credit derivatives. However, the exact range of financial instruments that we analyse as part of our investment advice depends on the department of the Société Générale group entity that is providing the investment advice.

**Additional information on the integration of sustainability risks into the investment advice provided by the Société Générale Global Markets department:**

The Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) ("SFDR") entered into force on 10 March 2021 and aims to improve transparency in relation to sustainability risks, the consideration of adverse sustainability impacts and the provision of sustainability-related information with respect to financial products. In accordance with Article 3(2) of SFDR, the Global Markets department of the Société Générale group published on its website [here](#) information on the integration of sustainability risks in the investment advice provided to its clients.

On our website [here](#) we list examples of sustainability risks that could cause an actual or a potential material negative impact on the value of the investment:

- Environmental sustainability risks in the form of climate physical risks and climate transition risks;



- (ii) Social sustainability risks; and
- (iii) Governance sustainability risks.

As of this date the Global Markets department of the Société Générale group cannot fully consider sustainability risks in its investment advice process. For further information about the reasons and what we do in this regard, please consult the section *"However, as of date, MARK cannot fully consider sustainability risks in the investment advice process"* on [\[here\]](#).

## 6 Deposit Guarantee Fund and the Securities Guarantee Mechanism

The cash deposits received, and the securities kept in custody by Société Générale are guaranteed by the Deposit guarantee fund and resolution (French FONDS DE GARANTIE DES DÉPÔTS ET DE RÉOLUTION-FGDR) under conditions laid down under current applicable law.

Among other things it should be noted that:

- These guarantees do not benefit institutional investors such as credit institutions, insurance companies and collective investment undertakings;
- The cash deposits guarantee is limited to 100 000 euros per depositor per credit institution;
- The securities guarantee (investor compensation scheme) is limited to 70 000 euros per customer per credit institution;

-The securities guarantee aims at indemnifying the unavailability of the securities held in custody by the credit institution. The guarantee is activated only if the credit institution is insolvent and cannot restore the securities nor refund them.

For further information, please consult the website of the FGDR: <https://www.garantiedesdepots.fr/fr>

## 7 Communicating with us

### 7.1 Languages

The language(s) in which you may communicate with, or receive documents from, us are those in use in the country where the investment (or ancillary) service or activity is provided or the usual language(s) used in finance in that country or any language agreed between you and us.

### 7.2 Communication modes

Unless you have notified us otherwise, any communication between you and us can be made by any means, notably via email, phone, mobile phone, chat, SOCIÉTÉ GÉNÉRALE's websites or any other electronic communication mode.

### 7.3 Record Keeping

All communications between you and us, using any of the modes mentioned in paragraph 7.2, that result in or may result in transactions, will be recorded. Upon request, and at your expense we can provide this record to you.

## 8 Requests for additional information

For any questions about this leaflet or, more generally on MiFID II, please contact [mifid.clientsupport@sgcib.com](mailto:mifid.clientsupport@sgcib.com).

### Legal notices

Société Générale is a licensed French credit institution supervised by the Autorité de Contrôle Prudentiel et de Résolution, ("ACPR": 4 place de Budapest, CS 92459, 75436 Paris Cedex 09), controlled in France by the Autorité des Marchés Financiers ("AMF") and under the prudential supervision of the European Central Bank (ECB). SOCIÉTÉ GÉNÉRALE is a French "société anonyme" (limited company), whose registered head office is located at 29 boulevard Haussmann - 75009 PARIS (France), registered with the Paris Trade and Companies Registry under number 552 120 222.

SG Option Europe, SA, with a supervisory board that is registered in the Nanterre Trade & Corporate Register under reference 341 369 833 has its main offices at 17 cours VALMY Tour Société Générale – 92 800 Puteaux – France and is an investment firm authorized by the *Autorité de Contrôle Prudentiel et de Résolution* (the French Prudential Control and Resolution Authority – ACPR).

Full Legal Entity Name	Jurisdiction	Legal Entity Identifier (LEI)	SI MIC	MiFID II Investment Firm (Y/N)
<b>Société Générale SA</b>	AMF	O2RNE8IBXP4R0TD8PU41	XSGA	Y
<b>SG Option Europe</b>	ACPR	969500FDN8G43HMHZM83	Not Applicable	Y

## **Provision of investment (or ancillary) services or activities from the United Kingdom (UK).**

The following information is relevant to recipients of investment (or ancillary) services or activities that are provided from the UK.

Since its implementation in November 2007, the Markets in Financial Instruments Directive (**MiFID I**) has been the cornerstone of capital markets regulation in the European Union (EU). MiFID I was recast by the Markets in Financial Instruments Directive (**MiFID**)<sup>5</sup> and the Markets in Financial Instruments Regulation (**MiFIR**)<sup>6</sup> (together **MiFID II**), which applied from 3 January 2018. Following the UK's departure from the EU, the MiFID II framework has been retained in UK law, subject to domestic amendments (comprising the UK versions of the Markets in Financial Instruments Directive (**UK MiFID**) and the Markets in Financial Instruments Regulation (**UK MiFIR**) (together **UK MiFID II**).

UK MiFID II rules have applied to UK investment firms and UK branches of non-UK investment firms since 11pm on 31 December 2020.

This communication provides information on UK MiFID II, which:

- extends market transparency and integrity rules to derivatives and debt financial instruments;
- reinforces investor protection and conduct of business rules on all financial instruments; and
- brings additional measures on product governance, on the reinforcement of control and management functions and on the enhancement of financial supervision.

Societe Generale International Limited (**SGIL**) and Societe Generale London Branch (**SGLB**) operate from the UK (hereinafter collectively referred to as '**SG CIB UK**') and are in scope of UK MiFID II.

Under UK MiFID II, SGIL is an investment firm and SGLB is a UK branch of a third country investment firm.

This leaflet is provided for information purposes only.  
**Please refer to pages 1-6 for the EEA MiFID Leaflet.**

## **1 UK MiFID II Scope**

UK MiFID II applies to firms that carry on investment (or ancillary) services or activities from the UK.

### **1.1 Investment services**

A full list of in-scope services and activities is set out in Section A of Annex 1 of UK MiFID II. The following list of UK MiFID II investment services and activities are the most relevant to SG CIB UK:

- 1) **Reception and transmission of orders in relation to one or more financial instruments:** this service

involves the receipt and transmission from one provider to another, on behalf of a client, of orders relating to financial instruments.

- 2) **Execution of orders on behalf of clients:** this service involves acting to conclude agreements to buy or sell one or more financial instruments on behalf of clients and includes the conclusion of agreements to sell financial instruments issued by an investment firm or a credit institution at the moment of their issuance.
- 3) **Dealing on own account:** this service covers the trading of financial instruments against the investment firm's proprietary capital resulting in the conclusion of transactions in one or more financial instruments.
- 4) **Portfolio management:** this service managing portfolios in accordance with mandates given by clients on a discretionary client-by-client basis where such portfolios include one or more financial instruments.
- 5) **Investment advice:** this service involves the provision of personalised recommendations to a client, either at its request or at the initiative of the investment firm, in respect of one or more transactions relating to specific financial instruments.
- 6) **Underwriting of financial instruments:** this service involves committing to subscribe to, or acquire, financial instruments directly from the issuer or seller, where others do not acquire them.
- 7) **Placing of financial instruments (with or without a firm commitment basis):** this service involves the search for subscribers or purchasers, on behalf of an issuer or a seller, of financial instruments. When placing takes place on a firm commitment basis, it involves a commitment to take up those financial instruments where others do not acquire them. When placing is done without a firm commitment basis, no such undertaking is given.

## **2 Ancillary services**

The following activities are also covered:

- 1) **Safekeeping and administration of financial instruments for the account of clients,** including custodianship and related services such as cash/collateral management, excluding maintaining securities accounts at the top tier level.
- 2) **Granting credits or loans to an investor** to allow him to carry out a transaction in one or more financial instruments, where the firm granting the credit or loan is involved in the transaction.
- 3) **Advising undertakings on capital structure, industrial strategy and related matters** and advice and services relating to mergers and the purchase of

<sup>5</sup> Directive 2014/65 of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast).

<sup>6</sup> Regulation N°600/2014 of 15 May 2014 on markets in financial instruments and amending Regulation (EU) N° 648/2012.

undertakings.

- 4) **Foreign exchange services** where they are connected to the provision of investment services.
- 5) **Investment research and financial analysis** or other forms of general recommendation relating to transactions in financial instruments.
- 6) Services related to **underwriting**.
- 7) **Investment services and activities as well as ancillary services of the type mentioned above** relating to the underlying of derivatives listed in points (5), (6), (7) and (10) of Section C of Annex 1 of UK MiFID II, where they are connected to the provision of investment or ancillary services.

### 3 Financial instruments

Financial instruments in scope of UK MiFID II are listed in Section C of Annex 1 of UK MiFID II. The list covers cash equity, fixed income, equity derivatives, commodity derivatives, credit derivatives, emission allowance, shares and bonds. Although structured deposits are not financial instruments, some UK MiFID II obligations apply to structured deposits.

### 4 Main MiFID II obligations

#### 4.1 Market structure

UK MiFID II aims to move trading of financial instruments as much as possible onto trading and execution venues and thereby reduce non-transparent bilateral Over-the-Counter (**OTC**) transactions. UK trading venues are Regulated Markets (**RM**), Multilateral Trading Facilities (**MTFs**) and Organised Trading Facilities (**OTFs**). It also aims to promote transparency on trading venues and through Systematic Internalisers (**SI**)<sup>7</sup>.

SG CIB UK operates as SI through SGLB (Market Identifier Code: XSGB). SGIL does not operate as an SI.

#### UK Derivative Trading Obligation

Under UK MiFIR, certain derivatives that are subject to the clearing obligation under the UK version of the European Market Infrastructure Regulation (**UK EMIR**) may also be subject to the UK Derivatives Trading Obligation (**UK DTO**) as determined by the UK's Financial Conduct Authority (**FCA**). Currently, this covers some GBP, USD, and EUR interest rate swaps (**IRS**) and certain index credit default swaps (**CDS**). These derivatives must be traded by financial counterparties (including UK investment firms and UK branches of third country investment firms) and non-financial counterparties on a UK RM, MTF, OTF or an equivalent third country trading venue.

#### UK Share Trading Obligation

The UK Share Trading Obligation was deleted in 2021 and no longer applies under UK law. UK investment firms and UK

branches of non-UK firms are no longer subject to an obligation to trade shares on specific UK trading or execution venues.

#### UK pre-trade transparency

In the UK, investment firms, and UK branches of third country investment firms, that operate as SIs are required to make public firm quotes in respect of liquid equity and equity-like instruments in accordance with the FCA rules. UK SIs must allow their clients to have access to the published quotes in equity and equity-like instruments on the basis of their commercial policy, published on: <https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/market-regulation/mifid/>. For any question regarding our commercial policy, please contact [sgcib-regulatory-support.par@sgcib.com](mailto:sgcib-regulatory-support.par@sgcib.com).

#### UK post-trade transparency

In the UK, investment firms and UK branches of third country investment firms must make public the volume and price of transactions as soon as practicable upon their conclusion. The publication must be made through a UK authorised Approved Publication Arrangement (**APA**), i.e. a person duly licensed to publicly report on behalf of investment firms.

As an FCA registered Designated Reporter Branch (**DRB**), SGLB is responsible for fulfilling post-trade transparency reporting obligations on behalf of its clients who are transacting OTC and who are not also registered as a Designated Reporter (**DR**) in the UK. Where a client is itself registered as DR in the UK, the seller is responsible for post-trade transparency reporting.

For more information, please refer to Societe Generale Designated Reporter & Designated Publishing Entity Status: [https://wholesale.banking.societegenerale.com/fileadmin/user\\_upload/Wholesale/pdf/compliance/DPE\\_and\\_DR\\_status/DPE\\_Comm\\_14012025.pdf](https://wholesale.banking.societegenerale.com/fileadmin/user_upload/Wholesale/pdf/compliance/DPE_and_DR_status/DPE_Comm_14012025.pdf)

#### Reporting on quality of execution and top five venues

In the UK, investment firms and UK branches of third country investment firms (including those operating as SIs) are no longer required to publish quarterly reports on the quality of execution or annual reports on their top five execution venues and execution outcomes.

#### UK Transaction Reporting

UK investment firms and UK branches of third country investment firms must report transactions in financial instruments to the FCA no later than the close of the following business day. They must report directly to the FCA or through an FCA authorised Approved Reporting Mechanism (**ARM**).

To comply with these obligations, UK investment firms and UK branches of third country investment firms must obtain the Legal Entity Identifier (**LEI**) of all clients and counterparties prior to execution. UK investment firms and UK branches of third country investment firms may not be able to execute transactions for clients or with counterparties who have not provided a valid LEI. For further information on how to obtain your LEI, please visit the

<sup>7</sup> Systematic Internalisers are investment firms that deal on own account when executing client orders outside a UK RM, UK MTF or UK OTF without operating a multilateral system, and either do so on an organised, frequent,

systematic and substantial basis or have chosen to opt-in to the systemic internaliser regime.



### Commodity derivatives

In an effort to enhance scrutiny of commodity trading, trading venue operator are responsible for setting position limits on commodity derivatives traded on their trading venues, and their related contracts, and for monitoring compliance with position limits. UK investment firms and UK branches of third country investment firms must submit daily position reports to UK trading venue and/or the FCA.

### Algorithmic Trading

UK MiFID II imposes several specific requirements on UK investment firms and UK branches of third country investment firms that seek to control the way in which firms use algorithmic execution tools in the marketplace including notification to the FCA.

## **4.2 Investor protection**

UK MiFID II contains investor protection rules that improve disclosure and suitability (for advised services) and appropriateness assessments (for non-advised services), and strengthen management and prevention of conflicts of interest. It enhances conduct of business requirements, including by restricting inducements through the unbundling of research from execution services.

Structured deposits are also in scope of certain investor protection requirements.

### Organisational requirements

UK MiFID II rules emphasise the need for robust compliance, audit and risk management functions, particularly as they relate to product manufacturing, distribution and governance, reporting and conflicts of interest.

### UK Product Governance

UK MiFID II imposes product governance requirements on UK investment firms and UK branches of third country investment firms, who manufacture and/or distribute financial instruments or structured deposits and which apply across the product lifecycle, including design, approval, distribution and review. UK investment firms and UK branches of third country investment firms who manufacture financial instruments or structured deposits have to identify at an early stage and at a sufficiently granular level, the potential target market for the product and to specify the type(s) of clients for whose needs, characteristics and objectives the product is compatible. Furthermore, UK investment firms and UK branches of third country investment firms must ensure that the distribution strategy for the product is compatible with the identified target market.

### Information to clients on costs and charges

UK MiFID II requires that UK investment firms and UK branches of third country investment firms disclose to clients in good time ex ante (before entering into the transaction) and ex post (after execution of the transaction) information about the aggregated costs and charges related to the financial instrument, or structured deposit, and to the investment (or ancillary) service or

activity provided. Detailed costs and charges disclosures are not required for professional clients and eligible counterparties except when portfolio management, or investment advice, services are provided.

### Inducements

UK MiFID II imposes restrictions on fees, commissions and non-monetary benefits paid or received by a UK investment firm or a UK branch of a third country investment firm. Receipt or payment of inducements is prohibited for firms providing independent investment advice or portfolio management services, including where research is provided. For other investment services or activities and for ancillary services, UK investment firms and UK branches of third country investment firms must ensure that inducements enhance the quality of the service to the client and do not impair compliance with the duty to act honestly, fairly, and professionally. UK investment firms and UK branches of third country investment firms must disclose inducements **ex-ante** and provide **ex-post disclosure** of any ongoing third-party benefits or payments received. Any ongoing fees, commissions or non-monetary benefits must be justified by the provision of an ongoing benefit to the client.

Subject to compliance with applicable laws and regulations, SG CIB UK may give or receive commissions, fees or non-monetary benefits to or from a third party.

### Underwriting and placing

Under UK MiFID II, UK investment firms and UK branches of third country investment firms undertaking underwriting or placing of financial instruments must establish robust systems and controls to identify and prevent, or manage, conflicts of interest that may arise when underwriting and placing services are provided to the same client.

In particular, a UK investment firm or UK branch of a third country investment firm that provides both corporate finance advice and underwriting and/or placing services to the same client, must inform that client of any financing alternatives available with the firm.

## **5 Client categories and associated level of protection**

### **5.1 Notification of your client category**

You should have already received notification of how SG CIB UK intends to categorise you for UK MiFID II purposes. If not, please contact SG CIB UK customer service at [mifid.clientsupport@sgcib.com](mailto:mifid.clientsupport@sgcib.com).

### **5.2 The scope of your protection depends on your client category**

UK MiFID II requires UK investment firms and UK branches of third country investment firms carrying out investment (or ancillary) services or activities to categorise their clients into one of the following three categories:

- retail clients, who are afforded the highest level of protection;
- professional clients, who are afforded an intermediate level of protection; or

- eligible counterparties, who are afforded the lowest level of protection.

The 'eligible counterparty' category applies only to the investment services of reception and transmission of orders, execution of orders on behalf of clients, and dealing on own

account. Where a UK investment firm or UK branch of a third country investment firm provides other investment services or activities to an eligible counterparty, the firm must treat the eligible counterparty as a professional client for those services, and the associated protections under the UK MiFID II will apply accordingly.

## 6 The protection granted to each category of client is set out below

References hereinafter (including in the table below) to 'we', 'our' or 'us' means SGIL and SGLB unless otherwise indicated.

The information stated below about the protection granted to retail clients does not apply to SG CIB UK because it does not provide services to retail clients.

	Retail Clients	Professional clients	Eligible Counterparties
<b>General principles</b>	We have a duty to act honestly, fairly and professionally with all our clients and to communicate with them in way that is fair, clear and not misleading.		
<b>Best interests</b>	We have a duty to act in accordance with our client's best interest.		Not applicable
<b>Best Execution <sup>8</sup></b>	When executing orders on behalf of clients, we are required to take all reasonable steps to obtain the best possible result for our clients, taking into account the price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order. Specificities by client category apply (see below).		Not applicable
<b>Best Execution</b>	Where we execute an order on behalf of a retail client, our provision of best execution will be determined primarily in terms of total consideration, which is the sum of the price of the relevant financial instrument and execution costs (Total Consideration). Total Consideration includes all expenses incurred which are directly related to the execution of the order (such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order).	Contrary to the protection afforded to retail clients, different factors are prioritised and taken into account to provide best execution for the orders of professional clients (e.g. price, cost, speed). In some cases, best execution will not be applicable to professional clients. This is explained in our Best Execution and Client Order Handling Policy for Professional and Retail Clients.	Not applicable
<b>Client order handling</b>	We must apply procedures which ensure the timely and fair execution of our client's orders in relation to other client orders or in relation to our own trading positions		Not applicable
<b>Suitability evaluation</b>	<p>When providing advised services (i.e. investment advice or portfolio management services), we must assess whether the financial product recommended and/or the relevant investment service is suitable for the client's particular situation.</p> <p>We must obtain information on the client's investment objectives (including sustainability preferences), financial situation, ability to bear losses, financial markets' knowledge/expertise and risk tolerance.</p> <p>We draw your attention to the importance of providing us with information, which is up to date, accurate, and complete so that we can recommend suitable products or services to you. Without such information, we cannot provide investment advice or portfolio management services to clients.</p>	<p>When providing advised services (i.e. investment advice or portfolio management services) to a professional client, we are entitled to assume that, in relation to the products, transactions and services for which the professional client is so categorised, the client has the necessary level of experience and knowledge in order to understand the risks involved in the transaction or in the management of his portfolio.</p> <p>When providing advised services to a per se professional client, we may also assume that the client is able to financially bear any related investment risks consistent with his investment objectives.</p>	Clients cannot be categorised as eligible counterparties for the purpose of investment advice or portfolio management services. For these services, eligible counterparties will be treated as professional clients.
<b>Appropriateness evaluation</b>	When we provide non-advised services (i.e. investment services other than investment advice or portfolio management), we must	Not applicable	Not applicable

<sup>8</sup> For more information, please refer to the SOCIETE GENERALE Best Execution and Client Order Handling Policy for Professional and Retail Clients:

[https://wholesale.banking.societegenerale.com/fileadmin/user\\_upload/Wholesale/pdf/compliance/Best-Execution/EN/Best\\_Execution\\_and\\_Client\\_Order\\_Handling\\_Policy\\_2024.pdf](https://wholesale.banking.societegenerale.com/fileadmin/user_upload/Wholesale/pdf/compliance/Best-Execution/EN/Best_Execution_and_Client_Order_Handling_Policy_2024.pdf)

<b>Information to clients' requirements</b>	determine whether the product or service is appropriate for the client. We must obtain information on the client's knowledge and experience of financial markets so that we can assess whether the client is able to understand the risks involved with the type of product or service envisaged.	We are entitled to assume that a professional client has the necessary level of experience and knowledge.	
	We must provide clients with appropriate information in good time before we provide a product or an investment (or ancillary) service or activity. Among other things, this information includes detailed relevant information about the envisaged service, general information about us, a description of financial instruments and the risks involved.		We must provide clients with appropriate information before we provide them with a product or an investment (or ancillary) service or activity, and periodic reporting. In many instances, the information provided to eligible counterparties may be less detailed than that which would be provided to retail or professional clients.
	Once the transaction has been executed, we must send clients a report with detailed information on the executed transaction and provide detailed periodic reports on financial instruments and on any portfolio management services provided.	Once the transaction has been executed, we must send clients a report with essential information on the executed transaction. Periodic reports on financial instruments and on any portfolio management services provided may be less detailed than would be provided to retail clients.	
<b>Transparent information on fees</b>	We must disclose fees, commissions, and non-monetary benefits that we pay or provide to, or receive from, a third party. Such fees, commissions and non-monetary benefits must improve the quality of the service we provide to the client and must not prevent us from acting in your best interests.		Not applicable
<b>Costs and charges</b>	Ex-ante and ex-post costs and charges information must be disclosed to a retail client.	Detailed costs and charges information must be provided to professional clients and eligible counterparties only when providing portfolio management or investment advice.	
<b>Organisational requirements</b>	Regardless of the client's category, we must comply with a number of organisational requirements, including those intended to prevent conflicts of interest, those guaranteeing continuous and regular investment services and those intended to preserve the client's rights with regard to the assets entrusted with us.		

### Complaints handling

You will find our complaint handling process management policy:

for SGIL, published on:

<https://sgildisclosure.societegenerale.com/en/useful-information/complaints/>; and

for SGLB published on:

<https://www.societegenerale.co.uk/index.php?id=22337>

To make a complaint:

<https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/useful-information/client-claim/>

### 6.1 Changes in the level of protection

You may request a change of client category and we may agree or refuse such request. For more information, please liaise with your usual contact.

Your change of category will only affect transactions concluded after the acceptance of your change of category.

Under the UK version of the Securities Financing Transaction Regulation (**UK SFTR**) and UK MIFID II there are restrictions on the use of financial collateral arrangements involving ownership transfer.

UK MIFID II prohibits the use of title transfer financial collateral arrangements (**TTCA**) with retail clients.

For other clients, UK SFTR and UK MIFID II authorise it subject to: (i) disclosure of the information on the risks involved and the impact of any TTCA on the client's financial instruments and funds and (ii) the consent of the counterparty. In addition, under UK MIFID II, the use of TTCA must be appropriate. Such consent is obtained in the collateral contracts (e.g. CSA or other financial collateral arrangements) or in other relevant client documentation that our non-retail clients have entered into with us.

The risks and consequences associated with granting consent to a right of collateral reuse under collateral arrangements (including TTCA and security collateral arrangements) are disclosed here:

<https://wholesale.banking.societegenerale.com/fr/compliance-regulatory-information/market-regulation/sftr/>

## 8 Information on investment advice

### 7 Restrictions on financial collateral arrangements with ownership transfer

Please note that any investment advice is provided on a non-independent basis. This means that we may limit our investment advice to financial instruments that are issued or designed by entities

belonging to the Société Générale group or entities that have a close legal or economic link with the Société Générale group.

We may recommend different types of financial instruments including, without limitation, bonds, equity derivatives or credit derivatives. However, the exact range of financial instruments that we analyse as part of our investment advice depends on the department of SG CIB UK that is providing the investment advice.

## 9 Communicating with us

### 9.1 Languages

The language(s) in which you may communicate with, or receive documents from, us are those in use in the country where the investment (or ancillary) service or activity is provided or the usual language(s) used in finance in that country or any language agreed between you and us.

### 9.2 Communication modes

Unless you have notified us otherwise, any communication between you and us can be made by any means, notably via email, phone, mobile phone, chat, SG CIB UK's websites or any other electronic communication mode.

### 9.3 Record Keeping

All communications between you and us, using any of the modes mentioned in paragraph 6.2, that result in or may result in transactions, will be recorded. Upon request, and at your expense we can provide this record to you.

## 10 Requests for additional information

For any questions about this leaflet or, more generally on UK MiFID II, please contact [mifid.clientsupport@sgcib.com](mailto:mifid.clientsupport@sgcib.com).

### Legal notices

Societe Generale is a French credit institution (bank) authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (the French Prudential Control and Resolution Authority) and regulated by the Autorité des Marchés Financiers (the French financial markets regulator).

Societe Generale London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.

Societe Generale's registered office is 29 boulevard Haussmann, 75009 Paris, France and its principal place of business is Immeuble Basalte, Cours Valmy, 92 987 Paris La Défense. Societe Generale, London Branch's principal place of business is One Bank Street, London E14 4SG, United Kingdom.

Societe Generale International Limited (SGIL) is a wholly owned subsidiary of Societe Generale, a French credit institution (bank) authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (the French Prudential Control and Resolution Authority) and regulated by the Autorité des Marchés Financiers (the French financial markets regulator). SGIL is a UK based Investment Firm authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

SGIL is a limited company incorporated in the UK with Companies House under number 5407520. The SGIL registered office is at One Bank Street, London E14 4SG, United Kingdom

The FCA's registered office is at 12 Endeavour Square, London, E20 1JN, United Kingdom.

The PRA's registered office is at 8 Lothbury, London EC2R 7HH, United Kingdom.

Full Legal Entity Name	Jurisdiction	Legal Entity Identifier (LEI)	SI MIC	UK MiFID II Investment Firm (Y/N)
Societe Generale London Branch	FCA	O2RNE8IBXP4R0TD8PU41	XSGB	Y (UK branch of third country investment firm)
Societe Generale International Limited	FCA	OIKLU6X1B10WK7X42C15	Not Applicable	Y (UK investment firm)