RISK REPORT
2024 - PILLAR III

GROUPE BPCE

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RISK REPORT

2024 - PILLAR III

The purpose of Pillar III is to establish market discipline through a series of reporting requirements. These requirements – both qualitative and quantitative – are intended to improve financial transparency in the assessment of exposure to risks, risk assessment procedures and capital adequacy.

Pillar III, therefore, enhances minimum capital requirements (Pillar I) and the prudential supervision process (Pillar II).

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Foreword

Regulation (EU) No. 2019/876 (CRR2) provides for new provisions relating to the calculation of risk-weighted assets and new ratio requirements, applicable from June 28, 2021. The main impacts for Groupe BPCE are as follows:

- the leverage ratio and long-term structural liquidity ratio (NSFR) requirements become effective, with a minimum of 3% for leverage and 100% for NSFR;
- a new Standardized Approach (SA-CCR), corresponding to the sum of the replacement cost and the calculated potential future exposure, is now applied to calculate the exposure value of derivatives; this exposure was previously modeled using the mark-to-market method.

This report presents information on Groupe BPCE's risks; the format of the Pillar III tables changed on June 30, 2021, in accordance with the technical standards defined by Implementing Regulation (EU) No. 2021/637.

Groupe BPCE has put an internal control framework in place to verify that the reported information is appropriate and compliant.

Structure of the Pillar III report

The Pillar III report is divided into 19 sections dedicated to risk management:

- section 1 presents the key figures, the type of risks and the regulatory context;
- section 2 is dedicated to risk factors;
- section 3 explains the overall organization of Groupe BPCE's risk management system;
- section 4 is dedicated to capital management and capital adequacy;
- section 5 summarizes the main elements relating to credit risk management;
- section 6 presents counterparty risk;
- securitization transactions are detailed in section 7;
- market risks are presented in section 8;
- liquidity, interest rate and foreign exchange risk is detailed in section 9;
- the following sections 10 to 15 provide detailed information on the other main risks;
- environmental, social and governance risks are presented in section 16.

Each section describes the principles of organization and risk management, presents an overview of the essential information and sets out detailed quantitative information in a dedicated section.

The internal control policy and the statement on the publication of information required under Pillar III are presented in section 18.

Section 19 is dedicated to the annexes which contain the index of tables, the Pillar III cross-reference table and the glossary.

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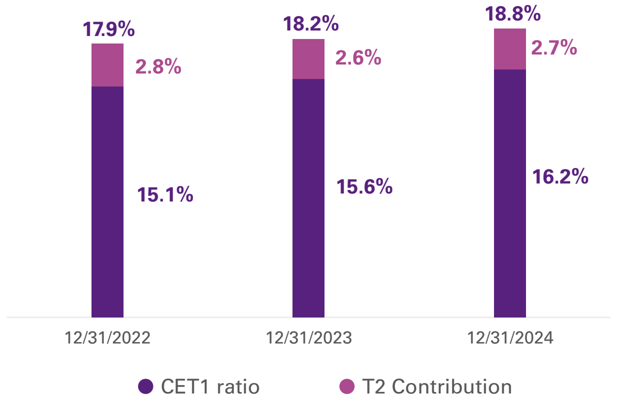
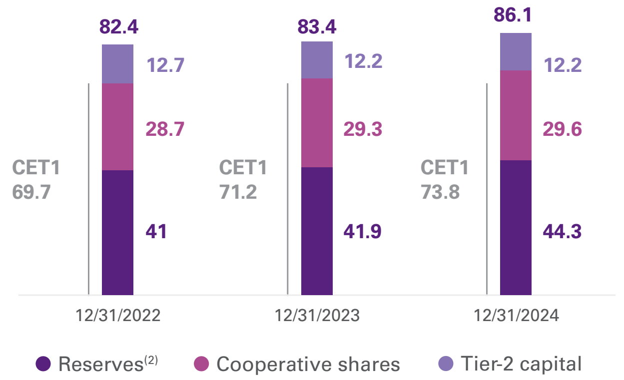
KEY INDICATORS

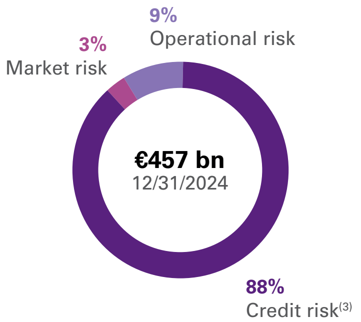
Capital ratios [1] *(as a %)*



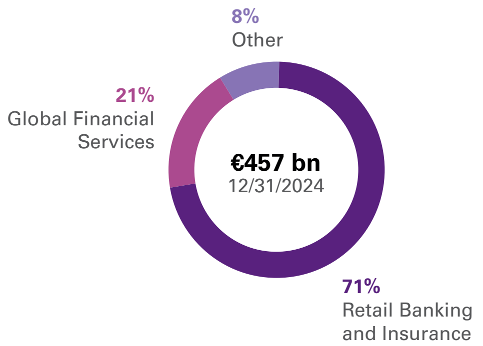
Total capital [1] *(in billions of euros)*



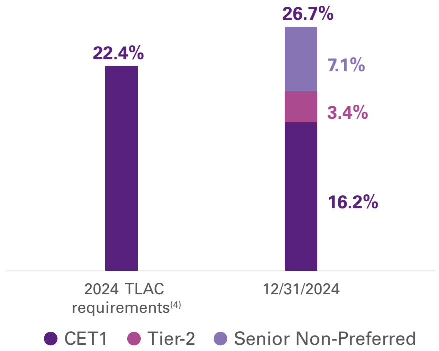
Risk-weighted assets by type of risk



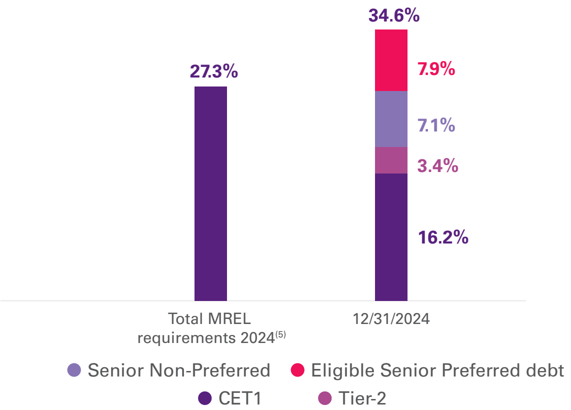
Risk-weighted assets by business line



TLAC ratio *(as a % of RWAs)*



MREL ratio *(as a % of RWAs)*



(1) According to CRR/CRD IV regulations.

(2) Reserves net of prudential restatements.

(3) Including settlement-delivery risk.

(4) Based on FSB TLAC term sheet dated November 9, 2015.

(5) Following receipt of the MREL 2024 annual letter.

Additional indicators

	12/31/2024	12/31/2023
Cost of risk *(in basis points)*	24	20
Ratio of non-performing/gross outstanding loans	2.5%	2.4%
Impairment recognized/Gross outstandings	39.9%	39.2%
Groupe BPCE's consolidated VaR *(in millions of euros)*	7.9	9.0
Liquidity reserves *(in billions of euros)*	302	302

EU KM1 – Key indicators

		a	b	c	d	e
	in millions of euros	12/31/2024	09/30/2024	06/30/2024	03/31/2024	12/31/2023
	AVAILABLE CAPITAL					
1	Common Equity Tier-1 (CET1) capital	73,847	72,359	71,453	71,491	71,246
2	Tier-1 capital	73,847	72,359	71,453	71,491	71,246
3	Total capital	86,057	84,625	84,412	84,573	83,411
	RISK-WEIGHTED ASSETS					
4	Total risk-weighted assets	456,591	446,184	458,329	458,996	457,606
	CAPITAL RATIOS (AS A PERCENTAGE OF RISK-WEIGHTED ASSETS)					
5	Common Equity Tier-1 ratio	16.17%	16.22%	15.59%	15.58%	15.57%
6	Equity Tier-1 ratio	16.17%	16.22%	15.59%	15.58%	15.57%
7	Total capital ratio	18.85%	18.97%	18.42%	18.43%	18.23%
	ADDITIONAL CAPITAL REQUIREMENTS TO ADDRESS RISKS OTHER THAN THE EXCESSIVE LEVERAGE RISK (AS A PERCENTAGE OF THE RISK-WEIGHTED ASSETS)					
EU 7a	Additional capital requirements to address risks other than excessive leverage risk	2.10%	2.10%	2.10%	2.10%	2.00%
EU 7b	of which: to be met with CET1 capital	1.18%	1.18%	1.18%	1.18%	1.13%
EU 7c	of which: to be met with Tier-1 capital	1.58%	1.58%	1.58%	1.58%	1.50%
EU 7d	Total SREP capital requirement	10.10%	10.10%	10.10%	10.10%	10.00%
	OVERALL BUFFER REQUIREMENT AND OVERALL CAPITAL REQUIREMENT (AS A PERCENTAGE OF THE RISK-WEIGHTED ASSETS)					
8	Capital conservation buffer	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk at the level of a Member State	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution-specific countercyclical capital buffer	0.90%	0.90%	0.90%	0.89%	0.47%
EU 9a	Systemic risk buffer	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global systemically important institution buffer	1.00%	1.00%	1.00%	1.00%	1.00%
EU 10a	Other systemically important institution buffer	1.00%	1.00%	1.00%	1.00%	1.00%
11	Overall buffer requirement	4.40%	4.40%	4.40%	4.39%	3.98%
EU 11a	Overall capital requirements	14.50%	14.50%	14.50%	14.49%	13.98%
12	CET1 capital available after compliance with total SREP capital requirements	8.60%	8.64%	8.01%	8.00%	8.07%
	LEVERAGE RATIO					
13	Total exposure measure	1,435,845	1,427,943	1,422,570	1,413,789	1,413,461
14	Leverage ratio	5.14%	5.07%	5.02%	5.06%	5.04%
	ADDITIONAL CAPITAL REQUIREMENTS TO ADDRESS THE EXCESSIVE LEVERAGE RISK (AS A PERCENTAGE OF THE TOTAL EXPOSURE MEASURE)					
EU 14a	Additional capital requirements to address the excessive leverage risk	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be met with CET1 capital	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirement	3.00%	3.00%	3.00%	3.00%	3.00%
	LEVERAGE RATIO BUFFER REQUIREMENT AND OVERALL LEVERAGE RATIO REQUIREMENT (AS A PERCENTAGE OF TOTAL EXPOSURE MEASURE)					
EU 14d	Leverage ratio buffer requirement	0.50%	0.50%	0.50%	0.50%	0.50%
EU 14e	Overall leverage ratio requirement	3.50%	3.50%	3.50%	3.50%	3.50%
	LIQUIDITY COVERAGE RATIO					
15	Total High-Quality Liquid Assets (HQLA) (weighted average value)	206,456	207,930	206,317	205,529	211,590
EU 16a	Cash outflows – Total weighted value	234,163	229,714	227,209	223,049	224,243
EU 16b	Cash inflows – Total weighted value	95,804	90,601	85,682	80,899	78,615
16	Total net cash outflows (adjusted value)	138,359	139,114	141,527	142,150	145,629
17	Liquidity coverage ratio	149.33%	149.60%	145.94%	144.70%	145.11%
	NET STABLE FUNDING RATIO					
18	Total available stable funding (ASF)	885,232	871,263	870,202	864,578	856,936
19	Total required stable funding (RSF)	825,703	814,278	801,679	800,744	797,016
20	NSFR ratio	107.21%	107.00%	108.55%	107.97%	107.52%

1.1 Types of risk

Risk macro-categories	Definition
Credit and counterparty risk	
• Credit risk	The risk of loss from the inability of clients, issuers or other counterparties to honor their financial commitments. It includes counterparty risk related to market transactions (replacement risk) and securitization activities. It can be exacerbated by concentration risk.
• Securitization risks	Transactions for which the credit risk inherent in a set of exposures is housed in a dedicated structure (generally a mutual fund or "conduit") and then divided into tranches for acquisition by investors.
Financial risks	
• Market risk	The risk of loss of value on financial instruments resulting from changes in market inputs, from the volatility of these inputs or from the correlations between these inputs. Inputs include exchange rates, interest rates and prices of securities (equities, bonds), commodities, derivatives or any other assets, such as real estate assets.
• Liquidity risk	The risk that the Group cannot meet its cash requirements or collateral requirements when they fall due and at a reasonable cost.
• Structural interest rate risks	The risk of loss in interest income or in the value of a fixed-rate structural position in the event of changes in interest rates. Structural interest rate risks are associated with commercial activities and proprietary transactions.
• Credit spread risk	The risk associated with a decline in the creditworthiness of a specific issuer or a specific category of issuers.
• Foreign exchange risk	The risk of loss in interest income or in the value of a fixed-rate structural position in the event of changes in exchange rates. Structural interest rate and exchange rate risks are associated with commercial activities and proprietary transactions.
Non-financial risks	
• Non-compliance risk	The risk of a legal, administrative or disciplinary penalty, material financial loss or reputational risk arising from a failure to comply with the provisions specific to banking and financial activities (whether these are stipulated by directly applicable national or European laws or regulations), with professional or ethical standards, or instructions from executive management, notably issued in accordance with the policies of the supervisory body.
• Operational risk	The risk of losses arising from the inadequacy or failure of internal processes, people and systems or from external events, including legal risk. Operational risk includes risks related to events with a low probability of occurrence but a high impact, the risks of internal and external fraud defined by the regulations, and risks related to the model.
• Insurance underwriting risk	In addition to asset-liability risk management (interest rate, valuation, counterparty and exchange rate risks), these risks include pricing risk in respect of mortality risk premiums and structural risks related to life and non-life insurance activities, including pandemics, accidents and disasters (earthquakes, hurricanes, industrial accidents, terrorist acts and military conflicts).
• Model risk	Model risk is defined as the risk of adverse consequences - financial loss and/or possible damage to the Group's reputation - resulting from model-based decisions due to errors in the design, implementation or use of these models.
• Legal risk	Legal risk defined in French regulations as the risk of any dispute with a counterparty, resulting from any inaccuracy, lacunae or insufficiency that may be attributable to the company in respect of its operations.
• Reputational risk	Reputational risk is defined as the risk of damage to the trust of the company, its customers, counterparties, suppliers, employees, shareholders, supervisors or any other third party whose trust, in any capacity whatsoever, is a necessary condition for the normal continuation of the activity.
Strategic business and ecosystem risks	
• Solvency risk	The risk that the company will be unable to honor its long-term commitments and/or ensure the continuity of its ordinary operations in the future.
• ESG risks	Environmental, social and governance risks: direct and indirect risks (*i.e. via* assets/liabilities held) arising from extreme or chronic physical risk events related to climate and the environment (loss of biodiversity, pollution, *etc.*), risks related to the transition to a low-carbon economy with lower environmental impact (regulatory, technological or stakeholder behavior changes), risks related to social issues (rights, well-being, interests of people and stakeholders) or corporate governance issues (ethics and culture, supplier relations, business conduct). These risks are expressed through the main risk categories to which Groupe BPCE is exposed.

1.2 Regulatory changes

Progress of banking union

The new banking package (CRR3 regulation and CRD6 directive) was published on June 19, 2024, in the Official Journal of the European Union.

This banking package implements the final component of the Basel III regulatory reform within the European Union. Most provisions of the CRR3 regulation will come into effect on January 1, 2025. However, the rules concerning market risks have been postponed by one year to January 1, 2026, in order to maintain a consistent global regulatory framework.

The governance of financial institutions is at the core of the provisions of the CRD6 directive, which will be applicable starting from January 11, 2026.

CRR3 introduces significant technical modifications that directly influence risk management in banks. These adjustments primarily concern the methods for calculating credit risks, market risks, and credit valuation adjustments (CVA). Furthermore, CRR3 imposes more rigorous reporting and data collection standards to enhance the transparency and comparability of financial information.

Among the key issues, the introduction of the output floor (which establishes that capital requirements calculated using internal models cannot fall below 72.5% of the requirements set out by the standardized approach) is of major importance.

Regarding the resolution framework, the Eurogroup validated a pragmatic approach in June 2022 and requested the Commission to strengthen the reform project on a limited number of topics (hierarchy of claims, notion of public interest, etc.) concerning, in particular, the treatment applicable to medium-sized banks. The European Commission published its proposals for revising the resolution framework and the crisis management and deposit insurance framework (CMDI) on April 18, 2023, which continues to be the subject of intense discussions. The trilogue began in December 2024. In France, Article 2-I of the DDADUE 2025 bill transposes various provisions of the 2024/1174 directive "Daisy Chains II".

A sustained regulatory agenda

The regulatory agenda remains robust for banks, and Groupe BPCE is closely monitoring the issues, whether they pertain to the banking sector or the broader economic environment and its cooperative banking model.

The Digital Operational Resilience Act (DORA) came into effect on January 17, 2025. The requirements of this regulation relate to the management of risks associated with information technology and aim to mitigate cyberattacks and other risks linked to information systems. It includes provisions on the governance of financial entities, risk management, and the reporting of ICT (Information and Communication Technologies) related incidents, and introduces resilience testing every three years. The designation of critical ICT third-party providers is expected by June 30, 2025. Finally, European supervisory authorities published a report on January 17, 2025, studying the feasibility of strengthening the centralization of major ICT-related incident reporting.

The 2023/225 directive regarding consumer credit contracts was published in the Official Journal of the European Union on October 30, 2023. The transposition deadline runs until November 20, 2025, and the new regime will be fully applicable from November 20, 2026. The main developments concern the scope (a new definition of the credit contract concluded between a lender and a consumer, which effectively excludes the GAFAM), the establishment of a mandatory creditworthiness assessment, the enhancement of pre-contractual information, as well as the modalities for conducting activities for providers not falling under sectoral regulation.

The 2002/65 directive concerning the distance marketing of financial services to consumers, known as the Distance Marketing in Financial Services Directive (DMFSD), has finally been repealed and replaced by the 2023/2673 directive, set to apply from June 2026. The developments particularly involve pre-contractual information and the facilitation of the right of withdrawal through the introduction of a "withdrawal function" accessible via the provider's interface.

In France, Article 2-VII of the DDADUE 2025 bill empowers the government to transpose the two directives 2023/2225 of October 18, 2023, and 2023/2673 of November 22, 2023, by ordinance.

The European Commission published a set of measures on May 24, 2023, known as the "Retail Investment Package," aimed at enhancing the protection of retail clients in terms of investment in financial products. While the formal prohibition of inducements was removed from these measures, the Council's position of June 12, 2024, introducing an "inducement test," which could effectively become a de facto prohibition, calls for heightened vigilance regarding the ongoing discussions. The trilogues will commence on March 18, 2025. France emphasizes two priorities for simplifying these texts: simplifying the customer journey and simplifying benchmarks/VFM and inducement test.

The proposal to revise the Payment Services Directive (PSD3) presented by the European Commission on June 28, 2023, was amended by the European Parliament during its plenary session on April 23, 2024. This proposal also contributes to the development of open banking (access to banking and financial data). Impact assessments are ongoing. The trilogue has been postponed to the first quarter of 2025, as has the implementation date, now set for late 2026 to early 2027.

It should also be noted that Articles 2 IV to VI of the DDADUE 2025 bill, currently under parliamentary discussion, participate in the implementation of Regulation 2024/886 concerning instant payments, applicable since January 9, 2025, regarding free payment services.

On June 28, 2023, the European Commission published its proposal for a regulatory framework for financial data access (Framework for Financial Data Access - FIDA), previously referred to as "open finance." This initiative is part of the European Commission's digital finance strategy, which aims to establish a European financial data space. The trilogues will begin in 2025. The regulation known as the AI Act, dated June 13, 2024, establishes the first legal framework for artificial intelligence in Europe. This regulation will come into effect on August 2, 2026, but some measures will be implemented starting February 2, 2025 (prohibiting high-risk AI).

Ordinance 2023-1142 of December 7, 2023, transposing Directive 2022/2464 regarding the publication of sustainability information by companies, known as CSRD, applies to reports published in 2025. It is set to be amended within the framework of Articles 7 to 12 of the DDADUE 2025 law adopted on February 17, 2025. Two proposals for directives known as Omnibus I were published on February 26, 2025, aimed specifically at postponing and modifying the CSRD and the CS3D. A draft delegated regulation aimed at amending the Taxonomy Regulation was published on February 26, 2025, and is open for public consultation.

Furthermore, Regulation 2023/2631 on European green bonds ("European Green Bond Standard") published on November 30, 2023, and applicable from December 21, 2024, defines requirements for issuers wishing to use the label "European Green Bond" or "EuGB." To implement this regulation, the DDADUE 2025 bill plans to assign the supervision of green bond issuers to the AMF.

The legislative package presented by the European Commission in July 2021 completely overhauls the European framework regarding AML-CFT, particularly by strengthening the harmonization of rules applicable to customer due diligence and vigilance, redefining compliance functions, and establishing a new authority, the AMLA, which will be based in Frankfurt. The two draft regulations AMLAR and AMLR, as well as the draft directive AMLD, were published in the Official Journal of the European Union on June 19, 2024.

2 RISK FACTORS

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2.1 Risk factors

The banking and financial environment in which Groupe BPCE operates is exposed to numerous risks and requires the implementation of an increasingly demanding and strict policy to control and manage these risks.

Some of the risks to which Groupe BPCE is exposed are set out below. However, this is not a comprehensive list of all of the risks incurred by Groupe BPCE in the course of conducting its business or given the environment in which it operates. The risks presented below are those identified to date as significant and specific to Groupe BPCE, and liable to have a material adverse impact on its business, financial position and/or results. For each of the risk sub-classes listed below, the risk factor considered to date by Groupe BPCE as the most significant is listed first.

The risks presented below are those identified to date as liable to have an adverse impact on the businesses of BPCE SA.

The risk factors described below are presented as of the date of this document and the situation described may change, even significantly, at any time.

Credit and counterparty risk

Groupe BPCE is exposed to credit and counterparty risks that could have a material adverse effect on the Group’s business, financial position and income.

Groupe BPCE is significantly exposed to credit and counterparty risk through its financing or market activities. The Group could thus incur losses in the event of default by one or more counterparties, in particular if the Group encounters legal or other difficulties in exercising its collateral or if the value of the collateral does not allow it to fully cover the exposure in the event of a default. Despite the due diligence carried out by the Group aimed at limiting the effects of having a concentrated credit portfolio, both in units and sectors, counterparty defaults may be amplified within a specific economic sector or world region by the effects of interdependence between these counterparties. Default by one or more major counterparties could thus have a material adverse effect on the Group’s cost of risk, results and financial position.

For information, on December 31, 2024, Groupe BPCE’s gross exposure to credit risk amounted to €1,511 billion, with the following breakdown for the main types of counterparty: 37% for retail customers, 30% for corporates, 16% for central banks and other sovereign exposures, and 6% for the public sector and similar entities. The credit risk-weighted assets amounted to €398 billion (including counterparty risk).

The main economic sectors to which the Group was exposed in its non-financial companies portfolio were Real Estate (38% of gross exposures at December 31, 2024), Wholesale and Retail Trade (11%), Finance/Insurance (10%) and Specialized, Scientific and Technical Activities (6%).

Groupe BPCE develops its activities mainly in France. The Group’s gross exposure (gross carrying amount) to France was €1,070 billion, representing 82% of the total gross exposure. The remaining exposures were mainly concentrated in the United States, for 5%, with other countries accounting for 12% of the total gross exposures.

For further information, please see Chapters 5 “Credit risks” and 6 “Counterparty risk” in this document.

A substantial increase in impairments or provisions for expected credit losses recognized in Groupe BPCE's accounts could have a material adverse effect on its results and financial position.

In the course of its activities, Groupe BPCE regularly recognizes charges for impairments in order to reflect, if necessary, actual or potential losses on its portfolio of loans and advances, on its portfolio of fixed-income securities (at amortized cost or at fair value through other comprehensive income) and in respect of its commitments given. These impairments are booked in the income statement under “Cost of risk”. Groupe BPCE’s total charges for asset impairments are based on the Group’s measurement of past losses on loans, volumes and types of loans granted, industry standards, loans in arrears, economic conditions and other factors associated with the recoverability of various types of loans. While Groupe BPCE makes every effort to set aside a sufficient level of provisions for asset impairment expenses, its lending activities may cause it, in the future, to have to increase its expenses for losses on loans, due to a rise in non-performing loans or for other reasons such as the deterioration of market conditions or factors affecting certain countries. Any substantial increase in charges for losses on loans, material change in Groupe BPCE’s estimate of the risk of loss associated with its portfolio of loans, or any loss on loans exceeding past impairment expenses, could have an adverse impact on Groupe BPCE’s results and financial position.

For information, Groupe BPCE’s cost of risk amounted to €2,061 million in 2024 compared to €1,731 million in 2023, with credit risks accounting for 87% of Groupe BPCE’s risk-weighted assets. On the basis of gross exposures, 37% relate to retail customers and 30% to corporate customers (of which 68% of exposures are located in France).

Consequently, the risk associated with a significant increase in impairment expenses on assets booked to Groupe BPCE’s loans and advances portfolio is significant in terms of impact and probability, and is therefore monitored carefully and proactively. In addition, prudential requirements supplement these provisioning mechanisms *via* the prudential backstop process, which results in a deduction in equity of non-performing loans beyond a certain maturity in line with the quality of the guarantees and according to a regulatory timetable defined by regulatory texts.

A decline in the financial strength and performance of other financial institutions and market players may have an unfavorable impact on Groupe BPCE.

Groupe BPCE's ability to execute transactions may be affected by a decline in the financial strength of other financial institutions and market players. Financial institutions are closely interconnected owing to their trading, clearing, counterparty and financing operations. A default by a significant sector player (systemic risk), or even mere rumors or concerns regarding one or more financial institutions or the financial industry in general, may lead to a general contraction in market liquidity and subsequently to losses or further defaults in the future. Groupe BPCE is directly or indirectly exposed to various financial counterparties, such as investment service providers, commercial or investment banks, clearing houses and CCPs, mutual funds, hedge funds, and other institutional clients, with which it regularly conducts transactions. The default or failure of any such counterparties may have an adverse impact on Groupe BPCE's financial position. Moreover, Groupe BPCE may be exposed to the risk associated with the growing involvement of operators subject to little or no regulation in its business segment and to the emergence of new products subject to little or no regulation (including in particular crowdfunding and trading platforms). This risk would be exacerbated if the assets held as collateral by Groupe BPCE could not be sold or if their selling price would not cover all of Groupe BPCE's exposure to defaulted loans or derivatives, or in the event of fraud, embezzlement or other misappropriation of funds committed by financial sector participants in general to which Groupe BPCE is exposed, or if a key market operator such as a CCP defaults.

In addition, the distribution risk in the event of market difficulties or a deterioration in the economic environment may entail a potential loss in a severe scenario.

The exposures to "financial institutions" represented 4% of Groupe BPCE's total gross exposures of €1,511 billion at December 31, 2024. In geographic terms, 67% of gross exposures to "institutions" are located in France.

Financial risks

Significant changes in interest rates may have a material adverse impact on Groupe BPCE's net banking income and profitability.

Groupe BPCE's net interest margin over a given period represents a significant portion of its revenues. Consequently, changes in the margin have a significant impact on Groupe BPCE's net banking income and profitability for the period. The costs of the resource as well as the conditions of return on the asset, in particular those attached to new production, are therefore very sensitive elements, in particular to factors that may be beyond Groupe BPCE's control, as these significant changes could entail significant temporary or long-term repercussions, even if a rise in interest rates is expected to be generally favorable in the medium to long term.

The recent environment has been marked by a sharp rise in interest rates initiated by the European Central Bank at the end of 2022, maintaining them at very high levels during 2023, exposure to interest rate risk and more generally to price risk was thus reinforced by the combination of unfavorable factors, namely the marked increase in regulated rates, the reallocation of part of the savings following the rapid exit from the low interest rate environment, the rise in interbank spreads, while, conversely, the rate of new loans was temporarily constrained by the level of the usury rate in 2022 and 2023. While inflation has begun a gradual decline, global central banks including the European Central Bank (ECB), after completing their monetary policy tightening cycle at the end of 2023, initiated a cycle of gradual reductions in key rates during 2024. The European Central Bank (ECB) announced its first rate cut (-25 bps) in June 2024, and the US Federal Reserve in September 2024. Despite this cautious start to the rate-cutting cycle, short-term and long-term interest rates remain at high levels not seen since 2008. Indeed, the ECB's rates are in the range of 3.0%-3.15%, while the US Federal Reserve (FED) has lowered its key rates in the range of 4.25%-4.5%.

At the same time, the *Livret A* savings account rate, to which Groupe BPCE is exposed due to the regulated savings accounts held by its customers, has experienced a trajectory similar to that of inflation with a rapid increase and then stability at 3% since February 2023 (rate announced stable until February 2025). From February 2025, the *Livret A* savings account rate was reduced to 2.4%.

The corollary of this atypical situation, in terms of intensity and economic impact, was a significant reduction in Groupe BPCE's bank loan production in 2024 after a peak in activity in the first months of the inflationary period. This situation has resulted in an 11% decrease in loan production with a more marked effect on home loans to households with -21% between 2023 and 2024, after the sharp decline already observed between 2022 and 2023 to -44%.

As a result of the increase in the average resource cost on the customer balance sheet for the two main regional banking networks (Banques Populaires and Caisses d'Epargne), Groupe BPCE gradually passed on the rate increase levels observed in 2024 to the rates of new home loans and other fixed-rate consumer and corporate loans.

On the other hand, customers have continued to gradually switch their low-interest accounts to higher-yielding products (regulated passbook accounts and term accounts). In this context of squeezed margins, given the speed with which the rapid rate increases were being passed on, Groupe BPCE adjusted its interest rate hedging policy by increasing the volume of its interest rate swaps (macro-hedging) so as to protect the value of its balance sheet and its future net interest margin.

Consequently, even if the context of rising rates is generally favorable in the medium to long term, these significant changes can have major repercussions, whether temporary or lasting. Groupe BPCE's interest rate risk indicators reflect this exposure.

The sensitivity of the net present value of Groupe BPCE's balance sheet to a +/-200 bps variation in interest rates remained lower than the 15% Tier-1 limit. At December 31, 2024, Groupe BPCE's sensitivity to Tier-1 interest rate increases stood at -9.62% compared to -10.8% at December 31, 2023. This indicator, calculated according to a static approach (contractual or conventional flow of all balance sheet items) and in a stress scenario (immediate and significant interest rate shock), makes it possible to highlight the distortion of the balance sheet over a long horizon.

To better control the Group’s exposure to interest rate risk, this approach must be supplemented by a dynamic approach (including new production forecasts). Following regulatory changes and modifications of its management system, since 2023 Groupe BPCE has deployed an internal revenue sensitivity indicator on the commercial banking networks and the Supervisory Outlier Test (SOT) Net Interest Margin (NIM) regulatory indicator at Group level, in addition to its internal indicators. The introduction of the SOT NIM supplements the information communicated as part of the interest rate risk management system by a margin view over a one-year horizon, and must be published in the financial statements, even if it will not directly generate a Pillar I expense. *At December 31, 2024, the most penalizing scenario for the Group in terms of the SOT NIM was the downside scenario. The indicator stands at -1.2% and remains below the 5% limit compared to the first quarter.*

The dynamic approach in terms of sensitivity of future revenues is reinforced by a multi-scenario vision allowing a broader approach by taking into account the uncertainties related to business forecasts (new activity and changes in customer behavior), possible changes in commercial margin, *etc.* This is achieved through the sensitivity of the Group’s revenues by measuring the change in the Group’s forecast net interest margin at one year according to four scenarios (rise in rates, decline in rates, steepening of the yield curve, flattening of the yield curve) compared to the core scenario. This revenue sensitivity indicator covers all commercial banking activities and aims to estimate the sensitivity of the institutions’ results to interest rate fluctuations.

Groupe BPCE is dependent on its access to funding and other sources of liquidity, which may be limited for reasons outside its control, thus potentially having a material adverse impact on its results.

Access to short-term and long-term funding is critical for the conduct of Groupe BPCE’s business. Non-collateralized sources of funding for Groupe BPCE include deposits, issues of long-term debt and short/medium-term negotiable debt securities, banks loans and credit lines. Groupe BPCE also uses secured funding, notably through repurchase agreements and the issuance of covered bonds or securitization *via* dedicated vehicles or conduits. Geopolitical instabilities in the world with variable rate tranches can have an impact on payment arrears and default rates as well as on final legal maturities. If Groupe BPCE were unable to access the secured and/or unsecured debt market at conditions deemed acceptable, or incurred an unexpected outflow of cash or collateral, including a significant decline in customer deposits, its liquidity may be negatively affected. Furthermore, if Groupe BPCE were unable to maintain a satisfactory level of customer deposits (*e.g.* in the event its competitors offer higher rates of return on deposits), it may be forced to obtain funding at higher rates, which would reduce its net interest margin and results.

Groupe BPCE’s liquidity, and therefore its results, may also be affected by unforeseen events outside its control, such as general market disruptions, which may in particular be related to geopolitical or health, a resurgence of financial crises, operational hardships affecting third parties, negative opinions on financial services in general or on the short/long-term outlook for Groupe BPCE, changes in Groupe BPCE’s credit rating, or even the perception of the position of the Group or other financial institutions among market operators.

Groupe BPCE’s access to the capital markets, and the cost of long-term unsecured funding, are directly related to changes in its credit spreads on the bond and credit derivatives markets, which it can neither predict nor control. Liquidity constraints may have a material adverse impact on Groupe BPCE’s business, financial position, results and ability to meet its obligations to its counterparties. Similarly, a change in the monetary policy stance, in particular that of the European Central Bank, may impact Groupe BPCE’s financial position.

However, to deal with these risk factors, Groupe BPCE has significant liquidity reserves made up of cash deposits with central banks and available securities and receivables eligible for central bank refinancing mechanisms. *Groupe BPCE’s liquidity reserve amounted to €302 billion at December 31, 2024 covering 177% short-term funding and short-term maturities of MLT debt compared to 161% at December 31, 2023. The LCR (Liquidity Coverage Ratio) averaged 149% over 12 months on December 31, 2024 versus 145% at December 31, 2023.* Given the importance of these risks for Groupe BPCE in terms of impact and probability, these risks are monitored proactively and closely, with Groupe BPCE also pursuing a very active policy of diversifying its investor base.

Downgraded credit ratings could have an adverse impact on BPCE’s funding cost, profitability and the continuity of some businesses.

Groupe BPCE’s long-term ratings at December 31, 2024, were A+ for Fitch ratings, A1 for Moody’s, A+ for R&I and A+ Standard and Poor's, which revised this rating upwards in July 2024, thus demonstrating its assessment of the Group's solidity. The decision to downgrade these credit ratings may have a negative impact on the funding of BPCE and its affiliates active in the financial markets. A ratings downgrade may affect Groupe BPCE’s liquidity and competitive position, increase funding costs, limit access to financial markets and trigger obligations under some bilateral contracts governing trading, derivative and collateralized funding transactions, thus adversely impacting its profitability and business continuity.

Furthermore, BPCE’s unsecured long-term funding cost is directly linked to its credit spreads (the yield spread over and above the yield on government issues with the same maturity that is paid to bond investors), which in turn are heavily dependent on its ratings. An increase in credit spreads may raise BPCE’s funding cost. Shifts in credit spreads are correlated to the market and sometimes subject to unforeseen and highly volatile changes. Accordingly, a change in perception of an issuer solvency due to a rating downgrade could have an adverse impact on that issuer’s profitability and business continuity.

Groupe BPCE is exposed to credit spread risk at the level of its assets in a scenario of widening credit spreads, on its portfolio of securities at fair value or at amortized cost. The Group holds a significant bond portfolio eligible for the liquidity reserve, mainly composed of sovereign and corporate bonds, which makes its valuation sensitive to changes in the credit spreads of its securities.

Market fluctuations and volatility could expose Groupe BPCE, and in particular its major corporate & investment banking business lines (Natixis CIB and Natixis IM), to favorable or unfavorable fluctuations in its trading and investment activities, which could adversely affect Groupe BPCE's results of operations and financial position.

In the course of its third-party trading or investment activities, Groupe BPCE may carry positions in the bond, currency, commodity and equity markets, and in unlisted securities, real estate assets and other asset classes. These positions may be affected by volatility on the markets (especially the financial markets), i.e. the degree of price fluctuations over a given period on a given market, regardless of the levels on the market in question. Certain market configurations and fluctuations may also generate losses on a broad range of trading and hedging products used, including swaps, futures, options and structured products, which could adversely impact Groupe BPCE's operating results and financial position. Similarly, extended market declines and/or major crises may reduce the liquidity of certain asset classes, making it difficult to sell certain assets and in turn generating material losses.

The market risk-weighted assets totaled €13 billion, i.e. around 4% of Groupe BPCE's total risk-weighted assets, on December 31, 2024. For information, the weight of Corporate & Investment Banking activities in the Group's net banking income was 19% for the year 2024. For more detailed information and examples, see Note 10.1.2 "Analysis of financial assets and liabilities classified in Level 3 of the fair value hierarchy" to the consolidated financial statements of Groupe BPCE, included in the Universal Registration Document.

Groupe BPCE's revenues from brokerage and other activities associated with fee and commission income may decrease in the event of market downturns.

A market downturn is liable to lower the volume of transactions (particularly financial services and securities transactions) executed by Groupe BPCE entities for their customers and as a market maker, thus reducing the net banking income from these activities. In particular, in the event of a decline in market conditions, Groupe BPCE may record a lower volume of customer transactions and a drop in the corresponding fees, thus reducing revenues earned from this activity. Furthermore, as management fees invoiced by Groupe BPCE entities to their customers are generally based on the value or performance of portfolios, any decline in the markets causing the value of these portfolios to decrease or generating an increase in the amount of redemptions would reduce the revenues earned by these entities through the distribution of mutual funds or other products (for the Caisses d'Epargne and the Banques Populaires) or through asset management activities. In addition, any deterioration in the economic environment could have an unfavorable impact on the seed money contributed to asset management structures with a risk of partial or total loss.

Even where there is no market decline, if funds managed for third parties throughout Groupe BPCE and other Groupe BPCE products underperform the market, redemptions may increase and/or inflows decrease as a result, with a potential corresponding impact on revenues from the asset management activities.

In 2024 the total net amount of fees and commissions received was €11,036 million, representing 47% of Groupe BPCE's net banking income. For more detailed information on the amounts of fees and commissions received by Groupe BPCE, see Note 4.2 "Fee and commission income and expenses" to the consolidated financial statements of Groupe BPCE in the Universal Registration Document.

Changes in the fair value of Groupe BPCE's portfolios of securities and derivative products, and its own debt, are liable to have an adverse impact on the net carrying amount of these assets and liabilities, and as a result on Groupe BPCE's net income and equity.

The net carrying amount of Groupe BPCE's securities, derivative products and other types of assets at fair value, and of its own debt, is adjusted (at balance sheet level) at the date of each new financial statement. These adjustments are predominantly based on changes in the fair value of assets and liabilities during an accounting period, *i.e.* changes taken to profit or loss or recognized directly in other comprehensive income. Changes recorded in the income statement, but not offset by corresponding changes in the fair value of other financial instruments, have an impact on net banking income and thus on net income. All fair value adjustments have an impact on equity and thus on Groupe BPCE's capital adequacy ratios. Such adjustments are also liable to have an adverse impact on the net carrying amount of Groupe BPCE's assets and liabilities, and thus on its net income and equity. The fact that fair value adjustments are recorded over an accounting period does not mean that additional adjustments will not be necessary in subsequent periods.

At December 31, 2024 total financial assets/liabilities at fair value through profit or loss amounted to €231 billion (with €218 billion in financial assets at fair value held for trading) and €219 billion (with €175 billion in financial liabilities at fair value held for trading) respectively. For more detailed information, see also Note 4.3 "Gains (losses) on financial instruments at fair value through profit or loss", Note 4.4 "Gains (losses) on financial assets measured at fair value through other comprehensive income before tax", Note 5.2 "Financial assets and liabilities at fair value through profit or loss" and Note 5.4 "Financial assets at fair value through other comprehensive income" to the consolidated financial statements of Groupe BPCE in the Universal Registration Document.

Non-financial risks

In the event of non-compliance with applicable laws and regulations, Groupe BPCE could be exposed to significant fines and other administrative and criminal penalties that could have a material adverse effect on its financial position, activities and reputation.

The risk of non-compliance is defined as the risk of sanction – judicial, administrative or disciplinary – but also of financial loss or damage to reputation, resulting from non-compliance with laws and regulations, professional standards and practices, and ethical standards specific to banking and insurance activities, whether national or international.

The banking and insurance sectors are subject to increased regulatory oversight, both nationally and internationally. Recent years have seen an increase in the volume of new regulations that have introduced significant changes affecting relationships between investment service providers and customers or investors (*e.g.* MIFID II, PRIIPS, the Insurance Distribution Directive, Market Abuse Regulation, Personal Data Protection Regulation, Benchmark Index Regulation, *etc*.). These new regulations have major impacts on the company's operational processes.

In terms of financial security, the regulatory framework on the fight against money laundering and the financing of terrorism is part of a European trajectory. The Anti-Money Laundering (AML) package, currently in trialogue, will significantly harmonize and raise the level of requirements for regulated professions, particularly the financial sector. This package includes a systemic change in the supervision function due to the establishment, in 2024, of a new European authority, the AML Authority. It will have dual powers: (i) in terms of supervision. By 2027, it will have around 40 entities under its direct supervision, and will supervise the rest of the financial sector indirectly *via* national authorities, and (ii) in terms of coordinating the EU's financial intelligence units (FIUs). The gradual increase in the EBA's powers in AML-CTF areas also confirms the trend towards bringing these regulations into line with prudential rules, in terms of consolidated supervision requirements for banking groups.

The risk of non-compliance could result, for example, in the use of inappropriate means to promote and market the bank's products and services, inadequate management of potential conflicts of interest, disclosure of confidential or privileged information, failure to comply with due diligence when dealing with suppliers, failure to comply with legal and regulatory obligations to detect financial transactions likely to derive from criminal offenses (*e.g.*: corruption, tax fraud, drug trafficking, concealed work, the financing of the proliferation of weapons of mass destruction, *etc*.) committed by customers and linked to acts of terrorism. The risk of non-compliance may also lead to failures in the implementation of international sanctions (embargoes, asset freezes on individuals targeted by national measures applicable in the jurisdictions in which Groupe BPCE is present, European Union restrictions, or extraterritorial sanctions from certain foreign authorities).

Within BPCE, the Compliance function is responsible for overseeing the system for preventing and managing non-compliance risks. Despite this system, Groupe BPCE remains exposed to the risk of fines or other significant sanctions from the regulatory and supervisory authorities, as well as civil or criminal legal proceedings that could have a significant adverse impact on its financial position, activities and reputation.

Any interruption or failure of the information systems belonging to Groupe BPCE or third parties, particularly external service providers may generate losses (including commercial losses) and may have a material adverse impact on Groupe BPCE's results.

As is the case for the majority of its competitors, Groupe BPCE is highly dependent on information and communication systems, as a large number of increasingly complex transactions are processed in the course of its activities. Any failure, interruption or malfunction in these systems may cause errors or interruptions in the systems used to manage customer accounts, general ledgers, deposits, transactions and/or to process loans. For example, if Groupe BPCE's information systems were to malfunction, even for a short period, the affected entities would be unable to meet their customers' needs in time and could thus lose transaction opportunities. Similarly, a temporary failure in Groupe BPCE's information systems despite back-up systems and contingency plans could also generate substantial information recovery and verification costs, or even a decline in its proprietary activities if, for example, such a failure were to occur during the implementation of a hedging transaction. The inability of Groupe BPCE's systems to adapt to an increasing volume of transactions may also limit its ability to develop its activities and generate losses, particularly losses in sales, and may therefore have a material adverse impact on Groupe BPCE's results.

Groupe BPCE is also exposed to the risk of malfunction or operational failure by one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to carry out or facilitate its securities transactions. As interconnectivity with its customers continues to grow, Groupe BPCE may also become increasingly exposed to the risk of the operational malfunction of customer information systems. Groupe BPCE's communication and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cybercriminal or cyberterrorist acts. For example, as a result of its digital transformation, Groupe BPCE's information systems are becoming increasingly open to the outside (cloud computing, big data, *etc*.). Many of its processes are gradually going digital. Use of the Internet and connected devices (tablets, smartphones, apps used on tablets and mobiles, *etc*.) by employees and customers is on the rise, increasing the number of channels serving as potential vectors for attacks and disruptions, and the number of devices and applications vulnerable to attacks and disruptions. Consequently, the software and hardware used by Groupe BPCE's employees and external agents are constantly and increasingly subject to cyberthreats. As a result of any such attacks, Groupe BPCE may face malfunctions or interruptions in its own systems or in third-party systems that may not be adequately resolved. Any interruption or failure of the information systems belonging to Groupe BPCE or third parties may generate losses (including commercial losses) due to the disruption of its operations and the possibility that its customers may turn to other financial institutions during and/or after any such interruptions or failures.

The risk associated with any interruption or failure of the information systems belonging to Groupe BPCE or third parties is significant for Groupe BPCE in terms of impact and probability, and is therefore carefully and proactively monitored.

Lastly, it is necessary to note the risk of outsourcing, particularly in external IT services or more generally in connection with critical and important external services within the meaning of French regulations.

Reputational and legal risks could unfavorably impact Groupe BPCE's profitability and business outlook.

As a major player in the financial system, Groupe BPCE relies on the notion of a trusted third party for the general public, its individual customers, companies, investors and all economic players. Damage to Groupe BPCE's reputation, particularly when associated with an unfavorable media campaign, could compromise the relationship of trust between the Group and both internal and external stakeholders.

Groupe BPCE is exposed to reputational risks due to the diversity of its international banking, financial and insurance activities. This risk may arise following criticism concerning, in particular, the promotion and marketing of its products and services, the nature of the financing and investments made, as well as the reputation of the Group’s partners. In addition, concerns may arise around BPCE’s environmental strategy and social policies or its governance.

In addition, Groupe BPCE's reputation could also be compromised by the actions of external entities, such as cybercrime or cyber-terrorism, internal or external fraud, or the misappropriation of funds. BPCE could restrict its ability to enter into new relationships or maintain existing relationships with its counterparties, customers or service providers and weaken its attractiveness to employees and candidates, this negatively impacting its financial position and business outlook.

Inadequate management of reputational risk would limit the mitigation of negative impacts and could also increase Groupe BPCE’s legal risk. This could lead to an increase in the number of legal actions and the risk of being ordered to pay damages, while exposing the Group to sanctions from regulatory authorities. For more information, please refer to the “Legal Risks” chapter of this document. Like reputational risk, these litigations could also have repercussions on Groupe BPCE’s financial position and its business outlook.

At December 31, 2024, the total provisions for legal and tax risks amounted to €994 million.

Unforeseen events may interrupt Groupe BPCE’s operations and cause losses and additional costs.

Unforeseen events, such as a serious natural disaster, events related to climate risk (physical risk directly associated with climate change), pandemics, attacks or any other emergency situation can cause an abrupt interruption in the operations of Groupe BPCE entities, affecting in particular the Group’s core business lines (liquidity, payment instruments, securities services, loans to individual and corporate customers, and fiduciary services) and trigger material losses, if the Group is not covered or not sufficiently covered by an insurance policy. These losses could relate to material assets, financial assets, market positions or key employees, and have a direct and potentially material impact on Groupe BPCE’s net income. Moreover, such events may also disrupt Groupe BPCE’s infrastructure, or that of a third party with which Groupe BPCE does business, and generate additional costs (relating in particular to the cost of re-housing the affected personnel) and increase Groupe BPCE’s costs (such as insurance premiums). Such events may invalidate insurance coverage of certain risks and thus increase Groupe BPCE’s overall level of risk.

At December 31, 2024, the majority of Groupe BPCE’s operational risk losses were in the business line "Payment and settlement" at 41%. They concentrated on the Basel category "External fraud" for 37%.

The failure or inadequacy of Groupe BPCE’s risk management and hedging policies, procedures and strategies may expose it to unidentified or unexpected risks which may trigger unforeseen losses.

Groupe BPCE’s risk management and hedging policies, procedures and strategies may not succeed in effectively limiting its exposure to all types of market environments or all kinds of risks, and may even prove ineffective for some risks that the Group was unable to identify or anticipate. Furthermore, the risk management techniques and strategies employed by Groupe BPCE may not effectively limit its exposure to risk and do not guarantee that overall risk will actually be lowered. These techniques and strategies may prove ineffective against certain types of risk, in particular risks that Groupe BPCE had not already identified or anticipated, given that the tools used by Groupe BPCE to develop risk management procedures are based on assessments, analyses and assumptions that may prove inaccurate or incomplete. Some of the indicators and qualitative tools used by Groupe BPCE to manage risk are based on the observation of past market performance. To measure risk exposures, the risk management department analyzes these observations, particularly statistically.

These tools and indicators may not be able to predict future risk exposures leading to model risk. For example, these risk exposures may be due to factors that Groupe BPCE may not have anticipated or correctly assessed in its statistical models or due to unexpected or unprecedented shifts in the market. This would limit Groupe BPCE’s risk management capability. As a result, losses incurred by Groupe BPCE may be higher than those anticipated on the basis of past measurements. Moreover, the Group’s quantitative models cannot factor in all risks. While no significant problem has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. Some risks are subject to a more qualitative analysis, which may prove inadequate and thus expose Groupe BPCE to unexpected losses. Groupe BPCE is also exposed to the risk of cybercrime. Cybercrime refers to a set of malicious and/or fraudulent acts using digital means, including those based on artificial intelligence (AI), to achieve higher levels of persuasion, in order to access data (personal, banking, insurance, technical or strategic), processing and users to cause significant harm to a company and its employees, partners, customers and counterparties.

Actual results may vary compared to assumptions used to prepare Groupe BPCE’s financial statements, which may expose it to unexpected losses.

In accordance with current IFRS standards and interpretations, Groupe BPCE must use certain estimates when preparing its financial statements, in particular accounting estimates relating to the determination of impairment for credit risk and provisions for employee benefits or provisions for litigation, estimates relating to the determination of the fair value of certain financial assets and liabilities, etc. If the values used for the estimates by Groupe BPCE prove to be materially inaccurate, in particular in the event of major and/or unexpected market trends, or if the methods used to calculate these values are modified due to future changes in IFRS standards or interpretations, Groupe BPCE may be exposed to unexpected losses.

Information on the use of estimates and judgments is provided in Note 2.3 “Use of estimates and judgments” to the Group’s consolidated financial statements included in the Universal Registration Document.

Strategic, business and ecosystem risks

Environmental, Social and Governance risks (ESG), together with their repercussions for economic players, could adversely affect Groupe BPCE's activities, results and financial position.

Environmental, Social and Governance (ESG) risks are a set of risk factors arising from the impacts of climate change, environmental issues (biodiversity, pollution, natural resources, water), social issues (respect for human rights, well-being and the interests of people and stakeholders) and governance issues (ethics and corporate culture, business practices, supplier relations). These risks are likely to materialize in the short, medium or long term. They are factors that aggravate other categories of risk to which Groupe BPCE is exposed (credit and counterparty risk, market risk, operational risk, structural balance sheet risk, risk related to insurance activities, strategic risk, legal risk, compliance risk and reputation risk). Groupe BPCE is mainly exposed to ESG risks indirectly through its customers and counterparties and its investments, either on its own behalf or on behalf of third parties. It is also directly exposed to these risks through its own business activities.

Environmental risks include physical risks and transition risks: Physical risks result from damage directly caused to people and property by events related to climate and environmental changes. These risks can be related to acute events, linked to extreme conditions circumscribed in time and space (such as heat waves, landslides, floods, late frosts, fires, storms, situations of water stress or air, water or soil pollution) or to chronic events of a more gradual and diffuse nature (such as changes in rainfall patterns, rise in sea levels and average temperatures, loss of biodiversity, the depletion of natural resources). Physical risks are likely to affect a wide variety of geographical areas and economic sectors and impact the business, assets and financial profile of the counterparties to which Groupe BPCE is exposed, particularly through its financing, investment or insurance activities. Groupe BPCE is also likely to be directly affected by climatic or environmental events that affect its operating sites, employees or suppliers. Transition risks result from adjustments made by economic players and stakeholders during the transition to a low-carbon economy that is more respectful of environmental balances. These adjustments are reflected in regulatory, technological or socio-demographic changes that may affect the business models, operating models and financial profiles of economic players as well as the value of the assets to which Groupe BPCE is exposed, particularly through its financing and investment activities. Groupe BPCE is also directly exposed to transition risks through regulatory changes and changes in stakeholder expectations, particularly with regard to its product and service offering as well as its voluntary commitments.

Social risks arise from issues related to the rights, well-being, and interests of people and stakeholders (company and value chain employees, communities concerned, consumers and end users). Through their potential impact on activities (work organization, supply chains, products, etc.) and the associated reputation issues, these risks are likely to affect the financial profile of the counterparties to which Groupe BPCE is exposed, particularly through its financing and investment activities. They may also lead to increased reputation risk for Groupe BPCE, either directly or through its counterparties.

Governance risks include issues related to ethics and corporate culture (governance structure, business integrity and transparency, etc.), supplier relationship management, influence activities and business conduct practices. Through their potential impact on activities (corporate governance standards, control systems, commercial practices, etc.) and the associated reputation issues, these risks are likely to affect the financial profile of the counterparties to which Groupe BPCE is exposed, in particular through its financing and investment activities. They may also lead to increased reputation risk for Groupe BPCE, either directly or through its counterparties.

Overall, Environmental, Social and Governance risks could adversely affect Groupe BPCE's business, results and financial position.

Groupe BPCE may be vulnerable to political, macro-economic and financial environments or to specific circumstances in its countries of operation.

Some Groupe BPCE entities are exposed to country risk, which is the risk that economic, financial, political or social conditions in a country (particularly in countries where the Group conducts business) may affect their financial interests. Groupe BPCE predominantly does business in France (77% of net banking income for the fiscal year ended December 31, 2024) and North America (13% of net banking income for the fiscal year ended December 31, 2024), with other European countries and the rest of the world accounting for 3% and 7%, respectively, of net banking income for the fiscal year ended December 31, 2024. Note 12.6 "Locations by country" to the consolidated financial statements of Groupe BPCE, contained in the 2024 Universal Registration Document, lists the entities established in each country and gives a breakdown of net banking income and income before tax by country of establishment.

A significant change in the political or macro-economic environment of such countries or regions may generate additional expenses or reduce profits earned by Groupe BPCE.

The economic outlook remains weakened by the uncertainties and downward risks that surround them, especially when they are increasing against a backdrop of geopolitical tensions. In particular, two major events marked the year 2024, the effects of which may extend into 2025 and beyond: the surprise dissolution of the French National Assembly on June 9 and the presidential election of Donald Trump in the United States on November 5. Generally, the extent of the imbalances to be eliminated can also always tip the developed economies into a downward spiral, whether it is the significance of public and private debts on both sides of the Atlantic and in China, the resurgence of an inflationary expectation mechanism or the heterogeneity of geographical and sectoral situations, combined with overlapping global risks, thus fueling the return of the risk of financial instability. In addition, there is the potential occurrence of natural disasters or health risks. Joint threats mainly concern geopolitical and economic uncertainties: the context of the war waged by Russia against Ukraine and the conflict in the Middle East; the still latent risks of tensions between Taiwan and China; the availability of nuclear weapons in Iran; the Sino-US geostrategic confrontation and the development of protectionist trends, particularly in the US; the deepening economic decline in Europe, Germany and France, in the face of the strategies of the race for industrial hegemon implemented by China and the United States; the emergence of Eurosceptic and protectionist governments in several major European economies; even the behavior of European and French consumers, whose savings rate remains well above its pre-health crisis level.

France entered a situation of political instability after the dissolution of the National Assembly. The business climate, which declined in the summer just after the dissolution, remained below its long-term average. Its fiscal credibility, already tarnished by an unanticipated public deficit of 5.5% of GDP in 2023 and by the downgrade of its sovereign rating on May 31 by Standard & Poor’s, the most powerful American agency (rating downgraded to AA-, from AA since 2013), then Moody's rating on December 4 (Aa3 from Aa2), became the main victim of ambitious election campaign promises, with no real basis in terms of financing. With the censorship of the government of Prime Minister Michel Barnier on December 4, political instability took over from inflationary fears, despite the appointment of François Bayrou. It has increased, fueling the budgetary uncertainty it generates. The public deficit once again increased, reaching 6.1% of GDP in 2024. In addition to maintaining the widening of the sovereign yield spread with Germany by nearly 80 basis points (bps), compared to only 50 bps before the dissolution of the National Assembly, this shock would have already cost 0.1 point of GDP in lost growth in 2024 according to the *Observatoire Français des Conjonctures Économiques* (OFCE), which was mainly due to lower private investment.

Once again, 2025 has begun amidst a period of radical geopolitical, political and economic uncertainty, particularly in France, where the political situation remains very uncertain, despite the constitution of a government before the Christmas holidays by the new Prime Minister François Bayrou. Internationally, the impact of the election of the new US President remains to be seen, whether it is the rapid implementation of customs measures that could slow global trade – by leading to tensions. widespread commercialization and strong potential for retaliation from China – the risk of losses in economic efficiency and price increases (and therefore of persistently higher interest rates) or the favorable magnitude of the planned fiscal expansion. Added to this is the reaction of monetary policy to the potential resurgence of inflationary seeds and to Donald Trump's desire to drive down the dollar.

We can also see a deepening of the economic decline in Europe, Germany and France, due to a loss of competitiveness – also linked to higher energy costs than on the other side of the Atlantic – and to the attractiveness of the Eurozone, in view of the race for industrial hegemony between the two main competitors, China and the United States. The race between the American champion and the Chinese outsider involves a budgetary headlong rush which is set to continue through 2025 and into 2026. Systems to support American industry, such as the *Chips Act* and the IRA, greatly increase the attractiveness of investments from the United States. The profitability gap in their favor could result in Europe losing out to the United States on key localization projects. As for the Chinese offensive, it is based on price competitiveness, coupled with a rise in technological range. Europe, which has suffered a largely specific energy crisis with the economic sanctions against Russia, has seen the price of its exports increase by more than 30% since the end of 2019, against a maximum of 5% for Chinese exports. In addition, the need to restore a certain fiscal discipline in the Member States of the Eurozone, after the overrun in public finances which was justified by the pandemic, could lead certain countries, such as Italy and France, to present debt and public deficit reduction plans. This would then gradually involve a restriction on public spending, likely to cause a drop in demand.

Across the Atlantic, the Trump program is based on four main areas, namely deregulation, protectionism, reduction in taxation and public spending, and finally the control of migration flows. It would be moderately inflationary in the short term in 2025 but favorable to growth, while widening public and commercial deficits (to more than 6% of GDP?). If the increase in tariffs is only 10%, it can probably be offset by the appreciation of the dollar and by the margins of exporters and distributors. Moreover, following the example of the first presidential term, it is not impossible that the anxiety-provoking statements of protectionism are more of a negotiating technique aimed at forcing Europe to take responsibility for financing its own defense and for China to strengthen its internal demand. The most significant protectionist measure, which would only take effect in 2026, concerns the 60% increase in customs duties vis-à-vis the Middle Kingdom, whose economy is tending to change (significant decline in the weight of real estate in favor of cutting-edge industries and technological services). In retaliation, while avoiding a war on increased customs duties, China may then make it more difficult to export certain strategic inputs such as Gallium, Germanium and Antimony.

In addition, the economic development of Europe’s main trading partners, in particular China, could also present risks. Chinese public and private over-indebtedness is slowing down the country’s ability to keep pace with growth. 10 years after the announcement of the China 2025 plan, which aimed for industrial pre-eminence in 10 key sectors, China’s leadership is still only asserted at the cost of increased trade tensions with its American, Asian and European partners and the instability of the Chinese financial system.

In addition, other perennial sources of instability, such as the continuation of the war in Ukraine, the situation in the Middle East or the Red Sea, could cause tensions on oil and gas prices and shipping costs, resulting in upwards risk on inflation and downwards risk on activity. A scenario in which Ukraine is abandoned in its struggle against Russia could also create the conditions for a climate of concern for Europe. Without going as far as an invasion of Taiwan by China, a major escalation of tensions between these two countries is likely to lead to the implementation of severe sanctions against China, such as the freezing of all Chinese assets and the disconnection of China from all SWIFT platforms, similar to what happened in Russia after the invasion of Ukraine. This poses a major risk for the global economy, particularly for trade flows through the Taiwan Strait. It is used by almost half of the world’s container ships, connecting the electronic equipment factories (leading semiconductors) in East Asia to the rest of the world. This corridor is also used to supply the continent with natural gas and oil. All this could still cause a deep recession, especially in Europe.

In France, in addition to a significant risk of an additional increase in the interest rate risk premium vis-à-vis Germany and a continued drift in public spending, a wait-and-see attitude may turn into mistrust, due to political instability. It may lead to rather cautious spending behavior by households and businesses, despite the a priori favorable effect of less budgetary consolidation. In particular, savings incentives may remain strong, slowing the expected decline in the household savings rate, due to a need for precaution, with rising unemployment and individual customers' concern about budgetary imbalances. Regarding companies, the proportion of business leaders who have said that they are postponing their planned investments and hires has increased significantly, according to the BPI France and Rexecode survey on SMEs and mid-sized companies in November 2024. Moreover, despite the relative maintenance of margin levels for all non-financial companies, the increase in financing costs is weighing on corporate profits. The latter fell to a historically low level in 2024. This could even result in an accentuation of the decline in productive investment, despite the improvement in monetary and financial conditions and the trend towards investment in digital and energy transitions. Furthermore, the rather modest improvement in household spending, the main driver of activity, would then be insufficient to counteract the increased prudence of companies in terms of employment, management of inventories and investment, due to the environment of still high interest rates, the deterioration of the cash position of VSEs/SMEs and the rise in insolvencies. In particular, nearly 66,500 companies have failed, reaching the highest level since at least 2009, according to a 2024 report prepared by BPCE *L'Observatoire*. In the fourth quarter of 2024 alone, 17,966 insolvencies were recorded, according to this source. This record number of insolvencies, which could have dangerous consequences, particularly in terms of jobs, constitutes a warning for economic and political players as we enter 2025, which already promises to be difficult on an economic level and uncertain on a political and budgetary level: 68,000 insolvencies are expected and 240,000 jobs are at risk.

However, the identical renewal of the services voted in the last Finance Law, in addition to the capacity of the French State to raise taxes and take on debt to finance itself as well as the Social Security must *a priori* lead to an *ex-ante* reduction in the budget deficit, hence a reduction in the budget impulse. The Finance Act for 2025 was adopted on February 5, 2025, and provides for an exceptional contribution on the profits of large companies that will only apply to the fiscal year ended December 31, 2025 (an exceptional contribution of 41.20%, increasing the rate effective tax rate to 36.2%). The corporate income tax rate remained at 25.83% for the fiscal year ended December 31, 2024.

The consensus forecasts presented for 2025, particularly for France, therefore reproduce the economic trends already at work, without necessarily integrating specific measures likely to be taken by the new government, nor the effects of an even more prolonged wait-and-see period, in the event of a misunderstood direction of economic policy.

Lastly, the physical risks related to extreme climate events (heat waves, fires, droughts, floods, etc.) or environmental degradation as well as the risks associated with the transition to an economy with a lower environmental impact are likely to have a material impact on people, companies and public players and have a negative impact on the French economy.

For more detailed information, see Sections 5.2 "Economic and financial environment" and 5.8 "2025 economic outlook" in the 2024 Universal Registration Document.

The risk of a pandemic (such as the coronavirus – Covid-19) and its economic consequences may adversely impact the Group's activities, results and financial position.

The emergence of Covid-19 in late 2019 and rapid spread of the pandemic across the globe led to a deterioration in economic conditions in multiple business segments, a deterioration in the financial position of economic players, while also disrupting the financial markets. In response, many affected countries were forced to implement preventive health measures (closed borders, lockdown measures, restrictions on certain economic activities, *etc.*). Government (guaranteed loans, tax and social assistance, *etc.*) and banking (moratoriums) schemes were put in place. Some counterparties emerged weakened from this unprecedented period.

Massive fiscal and monetary policy measures to support activity were put in place between 2020 and 2022, notably by the French government (State-guaranteed loans for businesses and professional customers on the one hand, for individual customers on the other hand, short-time working measures as well as numerous other fiscal, social and bill-paying measures) and by the European Central Bank (more abundant and cheaper access to very large refinancing packages) with a restrictive monetary policy on rates over the last few quarters. Groupe BPCE has participated in the French State-guaranteed loan program in the interest of financially supporting its customers and helping them overcome the effects of this crisis on their activities and income (*e.g.* automatic six-month deferral on loans to certain professional customers and micro-enterprises/SMEs). There is no way to guarantee, however, that such measures will be enough to offset the negative impacts of the pandemic on the economy or to fully stabilize the financial markets over the long term. In particular, the repayment of State-guaranteed loans may lead to defaults on the part of borrowers and financial losses for Groupe BPCE up to the portion not guaranteed by the State.

Groupe BPCE may not achieve the objectives of its VISION 2030.

On June 26, 2024, Groupe BPCE presented its strategic plan "VISION 2030" based on three pillars: (i) forging our growth for the long term, (ii) giving our customers trust in their future, and (iii) expressing our cooperative values in all territories. The first pillar aims to make Groupe BPCE a leading banking group promoting diversified growth, open to partnerships, and capable of achieving high levels of performance. The second pillar aims to make the Group into a facilitator for access to housing for all, and for all types of needs, to be the go-to player for territorial competitiveness, to protect customers at every moment and stage in their lives, and to simplify client relationship models (from 100% physical to 100% digital), notably with the help of AI. The third pillar aims to give full expression to the cooperative values promoted by the Group, which draws its strength from its multifaceted activities and the range of its expertise, from its positive global impact, and from its cooperative shareholders and employees, proud and committed in their day-to-day lives. The new growth model is being implemented in three major geographical circles–France, Europe and the rest of the World–and is based on organic growth, acquisitions, and partnerships.

This strategic vision is accompanied by a trajectory for 2026 based on a macroeconomic scenario that assumes, from 2025 onwards, a rebound in economic growth at rates that may vary from one geographical region to the next, a moderate fall in inflation in 2025 and 2026, a fall in the three-month Euribor and relative stability in long-term interest rates (10-year OAT).

The success of the 2026 financial trajectory is grounded in a large number of initiatives to be rolled out within the various business lines of Groupe BPCE. Although most of the goals defined in the strategic plan are expected to be achieved, some may not, owing to changes in the economic environment or possible changes in accounting and/or tax regulations. If Groupe BPCE does not achieve these goals, the 2026 financial trajectory could be affected.

Groupe BPCE may encounter difficulties in adapting, implementing and incorporating its policy governing acquisitions or joint ventures.

Groupe BPCE may consider acquisition or partnership opportunities in the future. Although Groupe BPCE carries out an in-depth analysis of any potential acquisitions or joint ventures, in general it is impossible to carry out an exhaustive appraisal in every respect. As a result, Groupe BPCE may have to manage initially unforeseen liabilities. Similarly, the results of the acquired company or joint venture may prove disappointing and the expected synergies may not be realized in whole or in part, or the transaction may give rise to higher-than-expected costs.

Groupe BPCE may also encounter difficulties with the consolidation of new entities. The failure of an announced acquisition or failure to consolidate a new entity or joint venture may place a strain on Groupe BPCE's profitability. This situation may also lead to the departure of key employees. In the event that Groupe BPCE is obliged to offer financial incentives to its employees in order to retain them, this situation may also lead to an increase in costs and a decline in profitability. Joint ventures also expose Groupe BPCE to additional risks and uncertainties such as dependency on systems, controls and persons that would be outside its control and may, in this respect, see its liability incurred, suffer losses or incur damage to its reputation. Moreover, conflicts or disagreements between Groupe BPCE and its partners may have a negative impact on the targeted benefits of the joint venture.

At December 31, 2024, the total investments accounted for using the equity method amounted to €2.1 billion and that of goodwill amounted to €4.3 billion. For further information, please refer to Note 12.4.1 "Partnerships and associates" and Note 3.5 "Goodwill" to the consolidated financial statements of Groupe BPCE, included in the Universal Registration Document.

Intense competition in France, Groupe BPCE's main market, or internationally, may cause its net income and profitability to decline.

Groupe BPCE's main business lines operate in a very competitive environment both in France and other parts of the world where it does substantial business. This competition is heightened by consolidation, either through mergers and acquisitions or cooperation and arrangements. Consolidation has created a certain number of companies which, like Groupe BPCE, can offer a wide range of products and services ranging from insurance, loans and deposits to brokerage, investment banking and asset management. Groupe BPCE is in competition with other entities based on a number of factors, including the execution of transactions, products and services offered, innovation, reputation and price. If Groupe BPCE is unable to maintain its competitiveness in France or in its other major markets by offering a range of attractive and profitable products and services, it may lose market share in certain key business lines or incur losses in some or all of its activities.

For example, at December 31, 2024, in France, Groupe BPCE was the 1st bank for SMEs[1] and 2nd for individual, professional and self-employed customers. The Group had a 26% market share in home loans[2]. For Retail Banking and Insurance, loan outstandings amounted to €724 billion at December 31, 2024, compared to €719 billion at December 31, 2023, with savings deposits[3] of €937 billion at December 31, 2024, compared to €918 billion at December 31, 2023 (for more information on the contribution of each business line, and each network, see section 5.4.2. "The Group's business lines" of the 2024 Universal Registration Document).

In addition, any slowdown in the global economy or in the economies in which Groupe BPCE's main markets are located is likely to increase competitive pressure, in particular through increased pressure on prices and a contraction in the volume of activity of Groupe BPCE and its competitors. New, more competitive rivals subject to separate or more flexible regulation or other prudential ratio requirements could also enter the market. These new market participants would thus be able to offer more competitive products and services. Advances in technology and the growth of e-commerce have made it possible for institutions other than custodians to offer products and services that were traditionally considered as banking products, and for financial institutions and other companies to provide electronic and internet-based financial solutions, including electronic securities trading. These new entrants may put downward pressure on the price of Groupe BPCE's products and services or affect Groupe BPCE's market share. Advances in technology could lead to rapid and unexpected changes on Groupe BPCE's markets of operation. Groupe BPCE's competitive position, net income and profitability may be adversely affected should it prove unable to adequately adapt its activities or strategy in response to such changes.

Groupe BPCE's ability to attract and retain skilled employees is paramount to the success of its business and failing to do so may affect its performance.

The employees of Groupe BPCE entities are the Group's most valuable resource. Competition to attract qualified employees is fierce in many areas of the financial services sector. Groupe BPCE's earnings and performance depend on its ability to attract new employees and retain existing employees. The current upheavals (technological, economic and customer requirements), particularly in the banking sector, demand major efforts to support and train employees. Without enough support, this could prevent Groupe BPCE from taking advantage of potential opportunities in terms of sales or efficiency, which could in turn affect its performance.

At December 31, 2024 Groupe BPCE had a registered workforce of 103,418 employees.

Groupe BPCE could be exposed to unidentified or unanticipated risks that may have a negative impact on its results and financial position if its model-based risk measurement system should fail.

Groupe BPCE's risk measurement system is based specifically on the use of models. Groupe BPCE's portfolio of models mainly includes the Corporate & Investment Banking market models and the credit models of Groupe BPCE and its entities. The models used for strategic decision-making and risk management monitoring (credit, financial (ALM and market), operational including compliance and climatic) could fail, exposing BPCE to unidentified or unanticipated risks that could result in significant losses.

(1) 2023 Kantar SME-SMI survey.
(2) Market share: 21.9% in household deposits/savings and 26.3% in home loans (Banque de France Q3 2024). Penetration rate of 38.4% (rank 2) among professionals and individual entrepreneurs (2021-2022 Pépites survey, CSA).
(3) Balance sheet and financial savings.

Insurance risks

At December 31, 2024, net banking income from insurance activities increased by 10% (+€61 million) to €694 million compared to €633 million for 2023.

A deterioration in market conditions, in particular excessive fluctuations in interest rates (both upwards and downwards) and/or a deterioration in spreads or equity markets, or an increase in reinsurance costs could have a significant adverse impact on the financial position and solvency of Life and Non-Life insurance companies.

The main risk to which Groupe BPCE's insurance subsidiaries are exposed is financial risk. Exposure to this risk is mainly linked to the capital guarantee on the scope of euro funds for savings products and to unrealized capital gains or losses on portfolio investments.

Among financial risks, interest-rate risk is structurally significant due to the predominantly bond-based composition of assets backing commitments. Significant fluctuations in interest rates may have the following consequences:

- in the case of higher rates: reduce the competitiveness of the euro-denominated offer (by making new investments more attractive) and trigger waves of redemptions and major arbitrages on unfavorable terms with unrealized capital losses on outstanding bonds;
- in the case of lower rates: in the long term, make the return on general funds too low to enable them to honor their capital guarantees.

As a result of asset allocation, the widening of spreads and the decline in the equity markets could also have a significant unfavorable impact on the results of Groupe BPCE's insurance activities, through the decline in the valuation of investments at fair value through profit or loss, as well as the constitution of provisions for impairment .

Moreover, the increase in claims and extreme events, particularly environmental events, could lead to an increase in reinsurance, reducing the overall profitability of the insurance activities.

A mismatch between the level and cost of claims anticipated by insurers, on the one hand, and premiums and provisions on the other, could have a significant adverse impact on the results and financial position of the non-life, personal protection and surety portion of its insurance activities.

The main risk to which Groupe BPCE's insurance subsidiaries are exposed in connection with these latter activities is underwriting risk. This risk arises from the mismatch between, on the one hand, the claims actually incurred and the sums actually paid out as compensation for them and, on the other hand, the assumptions used by subsidiaries to set their product rates and establish technical provisions for potential compensation.

Companies use both their own experience and industry data to establish loss ratio and actuarial estimates, including the pricing of insurance products and the establishment of related technical provisions. However, reality may differ from these estimates, and unforeseen risks such as pandemics or natural disasters could result in higher-than-expected payments to policyholders. In this respect, changes in climate phenomena (known as "physical" climate risks) are subject to particular vigilance.

In the event of claims exceeding the underlying assumptions initially used to establish provisions, or if events or trends lead to changes in the underlying assumptions, companies could be exposed to greater liabilities than anticipated, which could adversely affect their results and financial position. This could be the case in connection with the climatic hazards described above.

The various actions implemented in recent years, particularly in terms of financial coverage, reinsurance, business diversification and investment management, have contributed to the resilience of the solvency of Groupe BPCE's insurance subsidiaries.

Regulatory risks

Groupe BPCE is subject to many regulations in France and in several other countries around the world where it operates; regulatory measures and changes could have a material adverse impact on Groupe BPCE's business and results.

The business and results of Groupe BPCE entities may be materially impacted by the policies and actions of various regulatory authorities in France or the European Union, other governments of the European Union, the United States, foreign governments and international organizations. Such constraints may limit the ability of Groupe BPCE entities to expand their businesses or conduct certain activities. The nature and impact of future changes in such policies and regulatory measures are unpredictable and are beyond Groupe BPCE's control. Moreover, the general political environment has evolved unfavorably for banks and the financial industry, resulting in additional pressure on the part of legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures may have adverse consequences on lending and other financial activities, and on the economy. Because of the uncertainty surrounding the new legislative and regulatory measures, it is not possible to predict what impact they will have on Groupe BPCE; however, this impact may be highly adverse.

Groupe BPCE may have to reduce the size of some of its activities to comply with new requirements. New measures are also liable to increase the cost of compliance with new regulations. This could cause revenues and consolidated profit to decline in the relevant business lines, sales to decline in certain activities and asset portfolios, and asset impairment expenses.

The new banking package (CRR III/CRD VI directive) was published on June 19, 2024 in the Official Journal of the European Union. This banking package implements the last phase of the Basel III regulatory reform in the European Union. Most of the provisions of the CRR III are applicable from January 1, 2025. However, the rules relating to market risks have been postponed for one year to January 1, 2026. The implementation of these reforms may result in higher capital and liquidity requirements, which could impact Groupe BPCE funding costs.

On November 26, 2024, the Financial Stability Board ("FSB"), in consultation with the Basel Committee on Banking Supervision and national authorities, reported the 2024 list of global systemically important banks ("G-SIBs"). Groupe BPCE is classified as a G-SIB by the FSB. Groupe BPCE also appeared on the list of global systemically important financial institutions (G-SIFIs) in 2024.

These regulatory measures, which may apply to various Groupe BPCE entities, and any changes in such measures may have a material adverse impact on Groupe BPCE's business and results.

Legislation and regulations have recently been enacted or proposed in recent years with a view to introducing a number of changes, some permanent, in the global financial environment. These new measures, aimed at avoiding a new global financial crisis, have significantly altered the operating environment of Groupe BPCE and other financial institutions, and may continue to alter this environment in the future. Groupe BPCE is exposed to the risk associated with changes in legislation and regulations. These include the new prudential backstop rules, which measure the difference between the actual provisioning levels of defaulted loans and guidelines including target rates, depending on the age of the default and the presence of guarantees.

In today's evolving legislative and regulatory environment, it is impossible to foresee the impact of these new measures on Groupe BPCE. The development of programs aimed at complying with these new legislative and regulatory measures (and updates to existing programs), and changes to the Group's information systems in response to or in preparation for new measures generates significant costs for the Group, and may continue to do so in the future. Despite its best efforts, Groupe BPCE may also be unable to fully comply with all applicable laws and regulations and may thus be subject to financial or administrative penalties. Furthermore, new legislative and regulatory measures may require the Group to adapt its operations and/or may affect its results and financial position. Lastly, new regulations may require Groupe BPCE to strengthen its capital or increase its total funding costs.

The late publication of regulatory standards could also lead to delays in their implementation in Groupe BPCE's tools.

The risk associated with regulatory measures and subsequent changes to such measures is significant for Groupe BPCE in terms of impact and probability, and is therefore carefully and proactively monitored.

BPCE may have to help entities belonging to the financial solidarity mechanism in the event they experience financial difficulties, including entities in which BPCE holds no economic interest.

As the central institution of Groupe BPCE, BPCE is responsible for ensuring the liquidity and solvency of each regional bank (Banques Populaires and Caisses d'Epargne) and the other members of the group of affiliates. The group of affiliates includes BPCE subsidiaries, such as Natixis, Crédit Foncier de France, Oney and Banque Palatine. In the case of Groupe BPCE, all the institutions affiliated with the central institution of Groupe BPCE benefit from a guarantee and solidarity system whose purpose, in accordance with Articles L. 511-31, L. 512-107-5 and L. 512-107-6 of the French Monetary and Financial Code, is to guarantee the liquidity and solvency of all affiliated institutions and to organize financial solidarity within the Group.

This financial solidarity is based on legislative provisions establishing a legal principle of solidarity, imposing a performance obligation on the central institution to restore the liquidity or solvency of affiliates in difficulty and/or all affiliates of the Group. By virtue of the unlimited nature of the principle of solidarity, BPCE is entitled at any time to ask any one or several or all of the affiliates to contribute to the financial efforts that may be necessary to restore the situation, and may, if necessary, mobilize all the cash and equity capital of the affiliates in the event of difficulty for one or more of them.

The three guarantee funds created to cover Groupe BPCE's liquidity and insolvency risks are described in Note 1.2 "Guarantee mechanism" to the consolidated financial statements of Groupe BPCE included in this Universal Registration Document. At December 31, 2024, the Banque Populaire and Caisse d'Epargne funds each contained €450 million. The Mutual Guarantee Fund holds €197 million in deposits per network. The regional banks are obligated to make additional contributions to the guarantee fund on their future profits. While the guarantee fund represents a substantial source of resources to fund the solidarity mechanism, there is no guarantee these revenues will be sufficient. If the guarantee funds prove insufficient, BPCE, due to its missions as a central institution, will have to do everything necessary to restore the situation and will have the obligation to make up the deficit by implementing the internal solidarity mechanism that it has put in place, by mobilizing its own resources, and may also make unlimited use of the resources of several or all of its affiliates.

As a result of this obligation, if a member of the Group were to encounter major financial difficulties, the event underlying these financial difficulties could have a negative impact on the financial position of BPCE and that of the other affiliates thus called upon to provide support under the legal principle of financial solidarity.

Investors in BPCE's securities could suffer losses if BPCE and all of its affiliates were to be subject to liquidation or resolution procedures.

The EU regulation on the Single Resolution Mechanism No. 806/214 and the EU Directive for the recovery and resolution of banks No. 2014/59, as amended by EU Directive No. 2019/879 (the "BRRD"), as transposed into French law in Book VI of the French Monetary and Financial Code, give the resolution authorities the power to impair BPCE securities or, in the case of debt securities, to convert them to capital.

Resolution authorities may write down or convert capital instruments, such as BPCE's Tier-2 subordinated debt securities, if the issuing institution or the group to which it belongs is failing or likely to fail (and there is no reasonable prospect that another measure would avoid such failure within a reasonable time period), becomes non-viable, or requires extraordinary public support (subject to certain exceptions). They shall write down or convert additional capital instruments before opening a resolution proceeding, or if doing so is necessary to maintain the viability of an institution. Any write-down of capital instruments shall be effected in order of seniority, so that Common Equity Tier-1 instruments are to be written down first, then additional Tier-1 instruments are to be written down, followed by Tier-2 instruments. Additional capital instruments must be converted in order of priority, such that additional Tier-1 instruments are converted first followed by Tier-2 instruments. If the write-down or conversion of capital instruments is not sufficient to restore the financial health of the institution, the bail-in power held by the resolution authorities may be applied to write down or convert eligible liabilities, such as BPCE's senior non-preferred and senior preferred securities.

At December 31, 2024, total Tier-1 capital amounted to €73.8 billion and Tier-2 prudential capital to €12.2 billion. Senior non-preferred debt instruments amounted to €36.4 billion at that date, of which €32.5 billion had a maturity of more than one year and were therefore eligible for TLAC and MREL.

As a result of the complete legal solidarity, and in the extreme case of a liquidation or resolution proceeding, one or more affiliates may not find itself subject to court-ordered liquidation, or be affected by resolution measures within the meaning of the "BRRD", without all affiliates and BPCE also being affected. In accordance with Articles L. 613-29 and L. 613-55-5 of the French Monetary and Financial Code, the judicial liquidation proceedings and resolution measures are therefore brought in a coordinated manner with regard to the central institution and all of its affiliates.

Article L.613-29 also provides that, in the event of court-ordered liquidation proceedings being brought against all affiliates, the external creditors (of the same rank or enjoying identical rights) of all affiliates would be treated equally according to the ranking of the creditors and regardless of whether they are attached to a particular affiliated entity. As a result, investors in AT1 instruments and other securities of the same rank would be more affected than holders of Tier-2 and other securities of the same rank, which in turn would be more affected than investors in external senior non-preferred debt, which in turn would be more affected than investors in external senior preferred debt. Similarly, in the event of resolution, and in accordance with Article L. 613-55-5 of the French Monetary and Financial Code, identical depreciation and/or conversion rates would be applied to debts and receivables of the same rank, regardless of their attachment to a particular affiliated entity in the order of the hierarchy recalled above.

Due to the systemic nature of Groupe BPCE and the assessment currently made by the resolution authorities, resolution measures would be more likely to be taken than the opening of judicial liquidation proceedings. A resolution procedure may be initiated against BPCE and all affiliated entities if (i) the default of BPCE and all affiliated entities is proven or foreseeable, (ii) there is no reasonable expectation that another measure could prevent this failure within a reasonable timeframe, and (iii) a resolution measure is required to achieve the objectives of the resolution: (a) guarantee the continuity of critical functions, (b) avoid material adverse impacts to financial stability, (c) protect State resources by minimizing the use of exceptional public financial support and (d) protect client funds and assets, particularly those of depositors. Failure of an institution means that it does not respect requirements for continuing authorization, it is unable to pay its debts or other liabilities when they fall due, it requires extraordinary public financial support (subject to limited exceptions), or the value of its liabilities exceeds the value of its assets.

In addition to the bail-in power, resolution authorities are provided with broad powers to implement other resolution measures with respect to failing institutions or, under certain circumstances, their groups, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a temporary administrator (*administrateur spécial*) and the issuance of new equity or own funds.

The exercise of the powers described above by resolution authorities could result in the partial or total write-down or conversion to equity of the capital instruments and the debt instruments issued by BPCE, or may substantially affect the amount of resources available to BPCE to make payments on such instruments, potentially causing BPCE investors to incur losses.

Tax legislation and its application in France and in countries where Groupe BPCE operates are likely to have an adverse impact on Groupe BPCE's results.

As a multinational banking Group that carries out large and complex international transactions, Groupe BPCE (particularly Natixis) is subject to tax legislation in a large number of countries throughout the world, and structures its activity in compliance with all applicable tax regulations. Changes in tax schemes by the competent authorities in these countries could materially impact Groupe BPCE's results. Groupe BPCE manages its activities with a view to creating value from the synergies and sales capabilities of its various constituent entities. It also strives to structure the financial products sold to its customers by factoring in their tax consequences and ensuring their full tax compliance. The structure of intra-group transactions and financial products sold by entities of Groupe BPCE are based on its own interpretations of applicable tax regulations and laws, generally based on opinions given by independent tax experts, and, as needed, on decisions or specific interpretations by the competent tax authorities. It is possible that in the future tax authorities may challenge some of these interpretations, as a result of which the tax positions of Groupe BPCE entities may be disputed by the tax authorities, potentially resulting in tax re-assessments, which may in turn have an adverse impact on Groupe BPCE's results. In France, the Barnier government being overthrow meant that the Finance Act for 2025 was not adopted before the end of 2024, which created uncertainty about the taxation levels of activities exercised in France by Groupe BPCE in respect of the 2024 fiscal year. The Finance Act for 2025 was adopted on February 5, 2025, and provides for an exceptional contribution on the profits of large companies that will only apply to the fiscal year ended December 31, 2025 (an exceptional contribution of 41.20%, increasing the effective tax rate to 36.2%). The corporate income tax rate remained at 25.83% for the fiscal year ended December 31, 2024.

Details of ongoing tax disputes are presented in the "Legal risks" section of this Universal Registration Document.

3 RISK MANAGEMENT SYSTEM

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3.1 Adequacy of risk management systems

The Group Risk and Compliance Committee, chaired by the Chairman of the Management Board, met five times in 2024 to review the adequacy of Groupe BPCE's risk management systems, and validated the annual review of the Group's risk policies. These systems cover all risks, as described in the Ministerial Order of November 3, 2014 on internal control as amended by the Order of February 25, 2021.

The coverage of risks was found to be adequate, consistent with the risk appetite framework validated by the BPCE Management Board and Supervisory Board, and related closely to the Group's strategy and budget oversight.

3.2 Risk appetite

All risks are covered by central and local risk management systems, in line with the Group's risk appetite and strategy.

Groupe BPCE's Supervisory Board approved the Group's risk appetite framework: quantitative indicators, resilience threshold for each indicator and associated governance. During its annual review, the Supervisory Board examined and approved the Group's risk appetite on December 12, 2024.

Risk Appetite Guidelines

As a decentralized and united cooperative Group, Groupe BPCE structures its activity around share capital, held predominantly by the regional institutions, and centralized market funding, optimizing the resources allocated to the entities.

Groupe BPCE:

- through its cooperative nature, is firmly committed to generating recurring and resilient income for its cooperative shareholders and investors by offering the best service to its customers;
- must preserve the solvency, liquidity and reputation of each Group entity – a duty assumed by the central institution through the oversight of consolidated risks, a risk policy and shared tools;
- consists of regional banks, which own the Group and its subsidiaries. In addition to normal management operations, in the event of a crisis, solidarity mechanisms between Group entities ensure the circulation of capital and prevent the entities or the central institution from defaulting;
- focuses on the structural risks of its full-service banking model, with a predominant retail banking component in France, while incorporating other business lines necessary to provide quality service to all of its customers;
- diversifies its exposures by developing certain activities in line with its strategic plan:
  - development of the Corporate & Investment Banking, bancassurance and asset management businesses,
  - international expansion (predominantly Corporate & Investment Banking and asset management, with a more targeted approach for retail banking customers).

Groupe BPCE's risk appetite is defined as the level of risk it is willing to accept with the goal of increasing its profitability while maintaining solvency. This risk appetite must be aligned with the institution's operating environment, strategy and business model, while making customer interests the top priority. In determining its risk appetite, Groupe BPCE aims to steer clear of any major pockets of concentration and to optimize capital allocation.

In terms of risk profile, Groupe BPCE incurs risks intrinsically associated with its retail banking and Corporate & Investment Banking activities. Changes to its business model are increasing the Group's exposure to some types of risks, particularly risks related to asset management and international businesses.

The Group does not conduct business unless it has the associated risks sufficiently under control, nor does it exercise proprietary trading activities. Activities with high risk-reward profiles are strictly controlled.

In all activities, entities and regions of operation, the Group undertakes to meet the highest standards of ethics, conduct, best execution and transaction security.

Risk appetite framework and groupwide implementation

The risk appetite framework is based on a master document providing a qualitative and quantitative description of the risks that Groupe BPCE is willing to assume, and describing the governance and operating guidelines in effect.

The implementation of the risk appetite framework is centered on four key components: (i) the definition of groupwide standards, (ii) the existence of a set of limits in line with those defined by regulations, (iii) the distribution of expertise and responsibilities between the entities and the central institution and (iv) the operation of the governance process within the Group and the different entities, enabling the efficient and resilient application of the risk appetite framework.

The Group's risk appetite framework is regularly updated (at least annually) and is centered on a series of successive limits associated with separate respective authorization levels, *i.e.*:

- an observation or tolerance threshold, which if breached, calls for BPCE Management Board members to decide either to require the breach to be corrected or to allow the transaction to go ahead on an exceptional basis;
- a RAF limit (risk appetite framework) or resilience threshold, the breach of which would pose a potential risk to the continuity and/or stability of the business. Any such breach must be reported to the BPCE Supervisory Board and addressed by a specific action plan validated by the Board;
- an extreme limit in conjunction with the Group's resolution and recovery plan which, if breached, could jeopardize the Group's very survival. This extreme limit concerns certain indicators adopted in respect of the Group's risk appetite.

A quarterly dashboard is prepared by the Group's Risk division, for the purpose of regularly and extensively monitoring all risk indicators and reporting to the supervisory body or/and any committee thereof.

The risk appetite framework is adapted by the entities for consistent groupwide implementation.

The Risk division issues an annual compliance notice to the institutions in their annual draft proposal, ensuring a high level of consistency between the risk appetites implemented locally and that of the Group.

Robust financial strength

Groupe BPCE enjoys high liquidity and solvency levels:

- in terms of solvency, the Group is able to absorb, if need be, the occurrence of a risk at entity or Group level;
- in terms of liquidity, the Group has a significant reserve consisting of cash and securities enabling it to meet regulatory requirements, pass stress tests and access central bank unconventional financing mechanisms. It also has a sufficient amount of high-quality liquid assets eligible for market funding mechanisms and those offered by the European Central Bank.

The Group ensures the robustness of this system by implementing global or dedicated stress tests such as those for climate risk management, which are carried out regularly. They are intended to verify the Group's resilience, particularly in the event of a serious crisis.

Summary of the Group's risk profile in 2024

The following risks are incurred by the Group because of its business model:

CREDIT AND COUNTERPARTY RISKS

Credit risk, generated by the Group's predominant business (*i.e.* lending to individual and corporate customers), is governed by risk policies applied to all Group entities, concentration limits defined by counterparty, country and sector, and finally extensive oversight of loan books.

€398 BILLION

Risk-weighted assets (-0.4% *vs.* 2023)

These exposures are predominantly based on the internal model approach (64% of risk-weighted assets)

€1,511 BILLION

Gross exposures (+1.6% *vs.* 2023)

The loan book has a balanced risk profile

€2.1 BILLION

Cost of risk (+19% *vs.* 2023)

24 BPS

Average annual cost of risk (*vs.* 20 bps in 2023)

2.5%

NPL/gross loan outstandings

39.9%

Coverage of NPL by provisions

88%

% OF RWAs

MARKET RISKS

Market risk indicators are monitored and analyzed at various position aggregation levels, giving an overview of total exposure and risk consumption by risk factor.

€15 BILLION

Risk-weighted assets (+13.1% *vs.* 2023)

58%

of outstandings determined using the standardized approach

€7.9 MILLION

VaR

VaR and stress indicators held steady at low levels throughout 2024.

3%

% OF RWAs

NON-FINANCIAL RISKS

Non-financial risks are non-compliance, fraud, information system security, reputational and misconduct risks, as well as other operational risks.

€42 BILLION

Operational risk-weighted assets (-0.6% *vs.* 2023)

The main causes of operating losses are in the **"External fraud" category in Basel at 37%.**

9%

% OF RWAs

STRUCTURAL ALM RISKS

Structural interest rate risk, associated in particular with fixed-rate home loans and regulated liabilities, is governed by groupwide standards and individual entity limits; liquidity risk is steered centrally by allocating budget-defined liquidity to round out customer deposits raised by the entities.

In 2024, liquidity was maintained at a **high level**, providing the Group with significant coverage of **stress scenarios.**

Coverage of short-term funding by liquidity reserve: 177%

149%

12-month average LCR

Emerging risks

Groupe BPCE places great importance on anticipating and managing emerging risks in today’s constantly changing environment. To this end, a prospective analysis identifying the risks that could impact the Group is carried out every six months and presented to the Risk and Compliance Committee, followed by the Board’s Risk Committee.This forward-looking analysis is complemented by an expanded study of emerging and increasingly important risks, covering nascent or rapidly evolving risks whose impact could be significant in the medium or long term.

Since the previous study, the macroeconomic context has changed. **Although inflation seems to be stabilizing, uncertainties remain**, particularly regarding the political situation in France, the impacts of D. Trump's political decisions, and **the overall increase in geopolitical risks** that could affect economic stability in the short term.

Credit risk, cyber risk, interest rate risk and liquidity risk are still the four main risks weighing on business.

Regarding **credit risk, the context remains deteriorated, with the level of corporate defaults continuing.** The outlook for businesses, particularly small ones, and for the commercial real estate sector remains unfavorable, while the claims ratio for individuals could be exacerbated by a rise in unemployment.

Cyber risk also remains significant. As the economy and financial services have grown increasingly digitized, banks have had to remain constantly vigilant against cyber-threats. The sophistication of cyber-attacks and potential vulnerability of their IS systems are both major risks for Groupe BPCE, in conjunction with the expectations of the regulatory authority.

Climate change is an integral part of the risk management policy, with a risk control mechanism currently being strengthened.

Finally, in the face of a more unstable and conflictual world, **banks' vigilance regarding geopolitical risks is increasing**, and this is also accompanied by a strengthening of risk control mechanisms.

3.3 Risk management

Governance of risk management

Risk management is governed by two main bodies at Group level: the Supervisory Board, which is supported by the Board’s Risk Committee, and the Executive Management Committee, of which the Head of Risk Management is a member.

Chaired by the Chairman of the Management Board, the Group Risk and Compliance Committee, an umbrella committee, sets the broad outlines of the risk policy and examines issues related to non-financial risks (specifically those related to banking, insurance and investment service compliance, and to financial security), annually reviews the risk appetite framework, and approves a prospective risk analysis.

Organization of risk management

Groupe BPCE’s Risk division and Corporate Secretary's Office – in charge of compliance and permanent control – measure, monitor and manage risks, pursuant to the Ministerial Order of November 3, 2014 as amended by the Order of February 25, 2021, on internal control.

They ensure that the risk management system is effective, complete and consistent, and that risk-taking is consistent with the guidelines for the business (particularly the targets and resources of the Group and its institutions).

These duties are formalized in Groupe BPCE’s Internal Control Charter, an umbrella charter. It is based on the two charters of the control functions, namely the Internal Audit Charter and the Group Risk, Compliance and Permanent Control Charter.

The various departments of the Group Risk division are involved in all risks (credit, financial, operational, climate and non-banking investments) by acting on:

- the risk policy and the resulting standards;
- permanent monitoring and control;
- coordination.

The departments of the Group’s Risk division operate in three areas (Management, Monitoring and Control):

Management	Monitoring	Control
• present the Management Board and Supervisory Board with a risk appetite framework for the Group and ensure its implementation and roll-out at each major entity; • define the risk policies applicable to the Group’s scope and determine the overall risk ceilings (institutions, customers, business sector), and take part in discussions on the allocation of capital and ensure that portfolio management complies with this system of limits and allocations; • define and implement standards and methods for consolidated risk measurement, risk-taking approval, risk control and reporting, and compliance with risk regulations; • oversee the risk information system, working closely with the IS departments, while defining the standards to be applied for the measurement, control, reporting and management of risks; • are functionally subordinate to the risk and Compliance functions, participating in the work of local Risk Committees or receiving the results of their work, coordinating the departments and approving the appointment or dismissal of all new Heads of Risk Management, Heads of Compliance, or Heads of Risk and Compliance meeting with the relevant managers and/or teams during national or local meetings and during checks on site or at BPCE; • help disseminate risk and compliance awareness and promote the sharing of best practices throughout the Group.	• carry out the macro-level risk mapping exercise, factoring in the overall risk policy, risk appetite and annual permanent control plan, which is part of the internal control system; • conduct permanent monitoring of portfolios and activities, limit breaches and their resolution, centralize risk data and prepare forward-looking risk reports on a consolidated basis; • help the Groupe BPCE Management Board to identify emerging risks, concentration of risk and other various developments, and to devise strategy and adjust risk appetite; • perform stress tests with the goal of identifying areas of risk and the Group’s resilience under various predetermined shock scenarios.	• assess and control the level of risk across the Group; • conduct controls to ensure that the operations and internal procedures of Group companies comply with legal, professional, or internal standards applicable to banking, financial and insurance activities; • implement a permanent second-level Group control system for the risks of the institutions and the sensitive activities of the Group Risk division; • carry out permanent controls to ensure the correct implementation of risk policies or standards in the Group’s institutions.

Specialized committees

Several committees are responsible for defining groupwide methodology standards for measuring, managing, reporting and consolidating all risks throughout the Group.

Group Risk and Compliance Committee	• This committee covers the Group's major risks and prepares issues that are reported to the Supervisory Board's Risk Committee. It examines the Group's main risk areas (all types of risks), including non-compliance, insurance and existing or potentially emerging risks (prospective vision) and validates the associated action plans. It reviews the Group risk dashboard, including the RAF indicators and the revised Ministerial Order of 11/03/2014, potential excesses of the indicators, and alerts on significant incidents under Article 98. • It meets quarterly.
Group Counterparty and Credit Risk Committees	• The Group Credit and Counterparty Committee is a Group decision-making Risk Committee. • This committee covers credit, counterparty, concentration and residual risks. The Committee validates the dashboard for monitoring internal caps, group/individual limits by counterparty, by sector, by country and their breakdown between the entities, where applicable, the sectoral analyses and the analyses of consumer and home loan portfolios. • The Committee meets twice a month, on average.
Group Watch List Committee and IFRS 9 Committee	• The Group Watch List and Provisions Committee is a Group decision-making Risk Committee. • This committee is divided into two parts, with a special Group IFRS 9 Committee, and covers the impairment of loan outstandings (individual loans for significant or shared amounts and statistical provisioning on performing loans) and market outstandings. • It meets quarterly in connection with the closing of accounts.
Group Market Risk Committees	• The Group Market Risk Committee is a Group decision-making and supervisory committee. • This committee covers market, interest rate, securitization, liquidity reserve (investment), liquidity, spread and foreign exchange risks. The committee makes decisions on the review of the ALM risk management system and market risks, action plans and monitoring in the event of overruns, new products authorized for the institutions' own activities and new management activities, and portfolio review (Private Equity, Non-Operating Real Estate and Other Assets). • The Committee meets almost monthly.
Non-Financial Risk Committee	• The Group Non-Financial Risk Committee is a Group decision-making and supervisory committee. • This committee covers risks relating to operational, model, legal, non-compliance, and fraud and the EBCP risk management system, personal and property security as well as Group information systems security. • It also performs consolidated supervision of losses, incidents and alerts, including reports made to the *Autorité de contrôle prudentiel et de résolution* (ACPR), the French prudential supervisory authority for the banking and insurance sector, under Article 98 of Ministerial Order A-2014-11-03 as amended by the Order of February 25, 2021, for non-financial risks, and contributes to risk-mapping and monitoring the action plans for reducing non-financial risks. • It meets quarterly.
ALM Committee	• The Asset and Liability Management Committee is a Group decision-making and supervisory committee for balance sheet management, interest rate risk and liquidity management. • The Committee's main duties are to determine the Group's general policy with regard to liquidity and transformation risks (including interest rate risk), examine the consolidated view of the structural risks of the Group and its various entities as well as changes in the balance sheet, define the limits of the structural risks of the Group and the pools and monitor them (with validation by the Risk Department), validate the allocation to liquidity pools and limits; and monitor liquidity consumption at Group and pool level, validate Groupe BPCE's overall annual MLT and ST refinancing program and carry out overall monitoring, and validate the investment and allocation criteria as well as the desired overall profile of the Group's liquidity reserve. • The Committee meets every two months.
ESG Risk Committee	• The ESG Risk Committee is a decision-making and supervisory committee for ESG risks at the level of Groupe BPCE and its various business lines. • It is responsible for consolidated monitoring of Groupe BPCE's ESG risks and ensuring the implementation of the organizational and operational strategy regarding ESG risk management. It validates the main methodological choices and scenarios used within the Group in the context of ESG risk management. It reviews and validates the assessment of the materiality of ESG risks and decides on the Group's ESG risk appetite. • This Committee meets quarterly.
Model Risk Management Committee	• This committee proposes to the governance a resilient model risk management framework, making it possible to propose risk indicators and any associated thresholds to the bodies, to monitor the evolution of the portfolio of models, to ensure the proper dissemination of the model risk management framework within the Group. • It meets every two months.
Group Internal Control Coordination Committee	• This committee brings together, at a minimum, all periodic and permanent control functions (risk and compliance), the financial function responsible for accounting controls, and the Security function, including Information Systems Security. It addresses all cross-cutting actions aimed at strengthening the coherence and effectiveness of internal control. It is a decision-making committee. • It meets on a quarterly basis.

Organization of permanent control functions in the Group's institutions

The Group's Risk division and Corporate Secretary's Office oversee the Group's risk management, compliance and Permanent Control functions, focusing on the management of credit, financial, operational, climate and non-compliance risks, extended to business continuity, financial control and information system security functions. They ensure that the risk policies of the affiliates and subsidiaries comply with those of Groupe BPCE.

The Risk and/or Compliance divisions of subsidiaries not subject to the banking supervision regulatory framework are functionally subordinate to Groupe BPCE's Risk division and Corporate Secretary's Office.

The strong functional authority is exercised by the Head of Risk Management and by the Secretary General, both members of Groupe BPCE's Executive Management Committee. It enables risk controls to be performed objectively, as each Group entity's operational functions are independent from its risk and Compliance functions. It also promotes a risk management and compliance culture and the application of shared risk management standards, and ensures that managers are given independent, objective and detailed information on the Group's risk exposures and any possible deterioration in its risk profile.

Group institutions are responsible for defining, monitoring and managing their risk levels, as well as producing reports and data for submission to the central institution's Risk division and Corporate Secretary's Office. They ensure the quality, reliability and completeness of the data used to control and monitor risks at the company level and on a consolidated basis, in line with Group risk standards and policies.

In this context, BPCE has launched a program aimed at ensuring that BPCE SA fully exercises its responsibilities as the central body in terms of establishing and deploying common rules, managing the associated performance indicators, and conducting ex-post controls to ensure compliance by all affiliates. The control functions of the central body (risk, compliance, permanent control, and IT risks) have initiated a project to adopt the same principles for monitoring the permanent control framework of the group's consolidated entities (including all affiliated entities).

In the course of their work, the Group's institutions rely on the Group Risk, Compliance and Permanent Control Charter. The charter specifies that each institution's supervisory body and executive management promote the risk management culture at all levels of their organization.

A twofold assessment of a) Risk Management functions and b) Compliance functions is conducted annually by the Risk Committee of the Groupe BPCE Supervisory Board and sent to the management of the Group's main establishments.

Standard risk governance structure at a Group institution

Risk function governance

Organization

The Risk Governance and Control department is responsible for coordinating and leading the risk function and the second level permanent control of the Risk function within Groupe BPCE. The Risk, Compliance and Permanent Control Charter calls for the Group Risk division to participate, at their own initiative, in the annual performance assessment of the Heads of the Permanent Control functions, particularly risk and/or compliance, in consultation with the Chairman of the Management Board or the Chief Executive Officer.

The Risk Governance and Control department deploys the entire system on a daily basis and contributes to the overall supervision of Group risks, primarily through:

- oversight and updates of key risk and Compliance function documents such as charters and standards;
- analysis of the work done by the Executive Committees on the risks incurred by the Banques Populaires, the Caisses d'Epargne, the FSE and the subsidiaries;
- coordination of the risk management function events through a series of national Risk Management Days, including discussions and exchanges on risk- and compliance-related issues, presentations on the work done by the functions, training and sharing of best practices in the credit, financial, operational, compliance, ESG and IT fields between all Group institutions. Risk Management and Compliance Days also provide opportunities to strengthen groupwide solidarity in the risk management professions in today's ever-changing regulatory environment. These events are supplemented by bimonthly audio conferences and regional platforms or regional meetings of the Heads of Risk Management and Compliance of networks and subsidiaries, to address current topics and projects;
- second-level permanent control of Groupe BPCE's Risk function, as well as the sensitive activities of the Group's Risk division, *via* a dedicated department;
- a document library dedicated to the functions;
- measuring the level of risk culture in the Group's institutions *via* a dedicated self-assessment;
- the performance of operational efficiency work (effective benchmark standards), work related to the risk-based approach (half-yearly risk and compliance reporting, risk appetite framework, macro-mapping of risks, *etc.*);
- the follow-up of all recommendations issued by supervisors and by the General internal audit in the area of risk management and permanent control;
- an assessment of the Risk Management functions is conducted every year and presented to the Risk Committee of the Groupe BPCE Supervisory Board;
- managing the institutions' risk appetite framework: definition in line with the Group framework, consolidation and reporting to the bodies;
- support for new Heads of Institutional Risk Management and/or Compliance as well as risk managers, *via* a dedicated program and the annual training plan for the risk functions;
- frequent on-site meetings with the Heads of Risk Management and teams of the Banques Populaires, Caisses d'Epargne, FSE and subsidiaries;
- in addition to the operational committees attended by the Risk division, dedicated global meetings with BPCE's main subsidiaries: Global Financial Services (Natixis), Crédit Foncier, Banque Palatine, BPCE International (run-off management), the subsidiaries of the Solutions & Financial Expertise (SEF) division, Natixis Algérie and Oney for a complete review with the Head of Risk and/or Compliance, as well as Fransabank with participation in the Audit and Risk Committee as part of the internal control monitoring requested by the ACPR;
- distribution of a newsletter ("Mag R&C") to the heads of Group institutions, the heads of the various functions, including sales, and the employees of the risk, compliance and Permanent Control functions as well as all Group employees and the management of digital tools.

For coordination purposes, the Risk Governance and Control department relies on a half-yearly report drawn up by the institutions, aimed at ensuring that the various components of the local systems are properly implemented and operate under satisfactory conditions, particularly with respect to banking regulations and Group charters. The findings of this report improve operational efficiency and optimize best practices throughout the Group.

Activities specifically focused on the Lagarde report are being monitored in conjunction with the Group's institutions. There is also a system in place to monitor anomalies observed at Group institutions, aimed at ensuring that business is conducted properly and the rules of ethics are applied.

HIGHLIGHTS

- Contribution to the Risk division's transformation projects.
- Implementation of permanent level 2.2 controls on credit files by the permanent risk control division.
- Control of the proper implementation of the Group's credit risk policies in the local policies of the institutions.
- Implementation of monthly monitoring of affiliates' risk appetite indicators.
- Review of the specific headcount benchmark standard for a few institutions.
- Implementation of an induction day for new employees in the Risk function.

Risk and compliance culture

To promote and strengthen the risk and compliance culture at all levels, the Risk function and culture of the Group Risk Governance and Control department is focused on developing risk training and awareness programs at all Group levels, establishing regular communication on risk issues throughout the Group and disseminating and measuring the risk and compliance cultures.

Training	• Risk Academy	A set of certifications (internal control and permanent control at Paris Dauphine) and training courses, the new features of which for 2024 are: • Leveraged Finance e-learning module available to account managers and risk employees to identify an LF transaction/counterparty, to understand the Group's standards on these LF files, calculate a leverage and analyze redemption. • Basel IV video learning providing benchmarks and general impacts to help you understand the impacts of this new regulation. • 2-day classroom training on banking regulations on prudential rules to familiarize yourself with banking regulations and prudential rules. • Training on the fundamentals of Asset and Liability Management pooled by the Risk and Internal Audit functions to offer more sessions and promote interactions between the internal control business lines. • Training of the Finance department dedicated to solvency and leverage ratios open to risk employees taking into account the solvency issues, allowing them to better understand the principles of solvency calculation. • Capital adequacy ratio training course with an addition on the denominator (also offered by the Finance division), liquidity ratio and resolution mechanism in order to deepen the denominator of the capital adequacy and leverage ratios on the subjects of asset risk weighting, make the link with the liquidity ratios and explain the resolution. • Development of an e-learning module dedicated to the fundamentals and understanding of the Group's model risk management system as well as an advanced module for MRM stakeholders to assess potential models and integration arrangements. • Update to the Climate Risk Pursuit awareness-raising program and launch of training courses on green offers to increase awareness of ESG issues and the green financing offers developed by BPCE. • Group Operational Risks tutorial presenting the monthly OR dashboard in all its dimensions and richness.
	• Compliance Academy	In addition to the Mandatory Regulatory Training, Group Compliance and the BPCE Campus provided various training modules on: • Core Compliance: training on the fundamentals of banking compliance and the regulatory risk and compliance framework as well as certifications offered on internal control and risk management of financial institutions, and an Executive Master at Paris Dauphine; • Conduct and Ethics training; • financial security training including certification on AML-CFT operational expertise; • professional training courses on banking inclusion, prevention and over-indebtedness of vulnerable customers, the fundamentals of ADE borrower insurance, financial instruments, *etc*.
	• Permanent control Academy	• A national certification validated by France Competence "Exercising permanent control in the banking and insurance sector" is made available to the Group's institutions in person over a five-day course with a one-day review and a written test before a jury. This training covers the fundamentals of permanent control, its regulatory environment and the risk-based approach; • A 1.5-day national remote training course offered to permanent level-1 controllers in an intra- or inter-company training course; • The banking workshop dedicated to permanent control (Dauphine) over three days.
	• Members of the supervisory bodies and risk committees of the BPs and CEs	• Annual training on risks, compliance and security provided for Fédération Nationale des Banques Populaires and Fédération Nationale des Caisses d'Epargne.
	• Member of the Board of BPCE SA	• Training on risks/compliance/IT security/model risk training.
	• Chief Risk and Compliance Officers and managers	• Support *via* a dedicated course in two sessions for new Risk and Compliance Directors and one session for new risk managers.

<table>
<tr><td rowspan="5">Communication</td><td>• KIOSK</td><td>• The Kiosk constitutes the frame of reference for the Risk function by centralizing normative and regulatory documentation.
• The Kiosk also contributes to the Risk Culture.</td></tr>
<tr><td>• The professional social network Viva Engage GRP - Risk, Compliance and Permanent Control functions</td><td>• Corporate social network intended, in particular, for Risk functions within all Group institutions, making it possible to regularly disseminate news items.</td></tr>
<tr><td>• The risk regulatory Hour</td><td>• For the Risk divisions of the Group's institutions and BPCE SA employees (live + replay) on the 2024 topics of: international banking issues for 2023, including the bankruptcies of American regional banks and economic news.</td></tr>
<tr><td>• "Mag R&C"</td><td>• Published twice a year in French and in English to all Groupe BPCE employees, with the core target being members of the risk and compliance functions, decoding topics such as risk, compliance, permanent control, regulatory and non-regulatory, economic and digital security.
• With a focus on: the strategic plan, Riqueti including the new New Products and New Activities process, monitoring of subsidiaries, the loss database, emerging risks, strengthening the GFS business continuity system, raising awareness of Global customers to fraud, regulatory monitoring, feedback on ECB missions, the ESG METAMORPH'OSE program, crisis management by the Group, permanent control training, IT and cyber risk, and the Group's Generative AI work.</td></tr>
<tr><td>• Regulatory communication</td><td>• Coordination of the risk and compliance Chapters of the regulatory reports (Universal Registration Document, Pillar III, annual report on internal control, ICAAP).</td></tr>
<tr><td rowspan="3">Sharing of best practices</td><td rowspan="3">• Sharing of best practices and cross-analyses between operational entities and control functions</td><td>• Coordination of Commitment managers of the BPs, CEs and subsidiaries.</td></tr>
<tr><td>• Risk assessment of sales functions at Group institutions (New Product Committee, implementation and updating of sales processes).</td></tr>
<tr><td>• Sharing best practices with the risk management function, in particular the chief risk and/or compliance officers, by pooling local risk management systems in the scopes of BP, CE, FSE and subsidiaries, as well as sharing best practices during national days and/or bi-monthly audios identified during discussions.</td></tr>
<tr><td>Measurement of the risk and compliance culture</td><td>• Eval'CultuRisk system, self-assessment of the level of risk culture</td><td>• The Eval'CultuRisk aims to assess the level of risk culture of Groupe BPCE institutions via a questionnaire based on Group standards in accordance with regulatory requirements and best practices in terms of risk culture, particularly as described by the EBA in its internal governance document.
• Answering the 86 questions across five topics enables a self-assessment and the implementation of action plans.</td></tr>
</table>

Macro-level risk mapping of institutions

The macro-level risk map, based on the Group's internal risk framework, plays a central role in an institution's overall risk management system: by identifying and rating its risks, in particular, through the evaluation of its risk management system, each institution in the Group has its own risk profile and priority risks. This risk-based approach serves to update the risk appetite and the permanent/periodic control plans of Group institutions on a yearly basis.

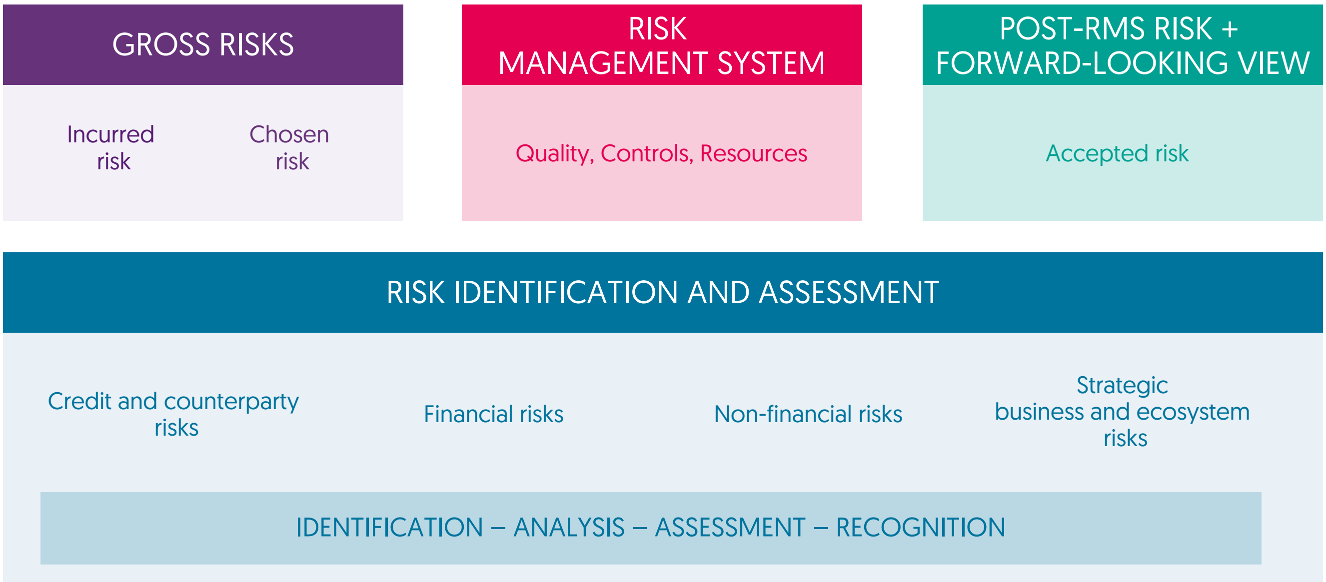
Action plans targeting high-priority risks are defined with the goal of reducing and/or managing risks.

The results of the macro-level risk mapping process contribute to the Group's Supervisory Review and Evaluation Process (SREP), by identifying the main risks under the risk management and prudential approach, included in the annual report on internal control, the ICAAP report and the Universal Registration Document (risk factors chapter).

In 2024, as in previous years, a consolidation of the macro-level risk mapping was carried out for each network. Each institution is able to compare the results of its own macro-level risk mapping with those of its network. Action plans set up by the institutions to address their priority risks were also consolidated.

The macro-risk mapping is integrated into the PRISCOP permanent control management tool, which makes it possible to automate the risk-control links in the risk management system.

The macro-level risk mapping was performed at Group level in 2024 as in previous years, by consolidating the macro-level risk maps of the parent company institutions and subsidiaries.



Consolidated risk oversight

Organization

In addition to the risk supervision conducted both individually and by type of risk, Groupe BPCE's Risk division also performs consolidated monitoring of the Group's risks. A Group risk dashboard is produced quarterly. It contains a quarterly Group risk dashboard, which is used to monitor the risk appetite defined by the Group as well as for comprehensive monitoring of risks based on an analysis of the Group's risk profile in each area (mapping of risk-weighted assets, credit risks and counterparty risks – by customer segment –, market risks, structural ALM risks, non-financial risks and risks related to insurance businesses). In addition to the dashboard, a monthly flash report provides the Group with a more responsive and updated overview of Group risks.

The Group Risk division also conducts or coordinates cross-business risk analyses and specific stress tests on the Group's main portfolios or activities and, if needed, for the entities. It has also developed half-year forward-looking risk analyses aimed at identifying economic risk factors (known and emerging; international, national and regional), circumstantial threats (regulations, *etc.*) and their potential impact on the Group. These forward-looking analyses are presented at meetings of the Group Supervisory Board's Risk Committee.

In addition, it carries out risk measurements on a portfolio basis. It reviews and validates risk models developed internally. Lastly, it contributes to efforts to define internal capital requirements as well as internal and external solvency stress tests aimed at measuring the Group's sensitivity to a series of risk factors and its resilience in the event of a severe shock, by determining impacts in terms of cost of risk and RWA.

Stress testing framework

Groupe BPCE has been developing stress tests since 2011 that can be performed using the risk modules for Group strategic analysis purposes and regulatory purposes.

There are two types of stress tests:

- internal stress tests (including reverse stress tests);
- regulatory stress test (including EBA stress test, ECB climate stress test).

The governance of the Group's stress testing system is based on a comprehensive approach covering all Group entities, taking into consideration their specific characteristics, and covering the following risks:

- credit risks: change in cost of risk and risk-weighted assets;
- securitization portfolio and counterparty risk: change in impairment and risk-weighted assets;
- market risks: market shocks, change in securities portfolios and risk-weighted assets;
- revenue risks (including net interest margin and fees and commissions);
- operational risks;
- climate risks;
- insurance risk.

Risks associated with sovereign exposures are addressed according to their accounting classification in market risk or credit risk.

Models are used for each risk category to determine the impacts of scenarios on the various income statement items and capital requirements.

The methodologies used to determine the projections are based on:

- the methodology stipulated by the ECB and the EBA for regulatory stress tests;
- internal methodologies adapted to the Group's business model, as part of the budget exercise and risk management.

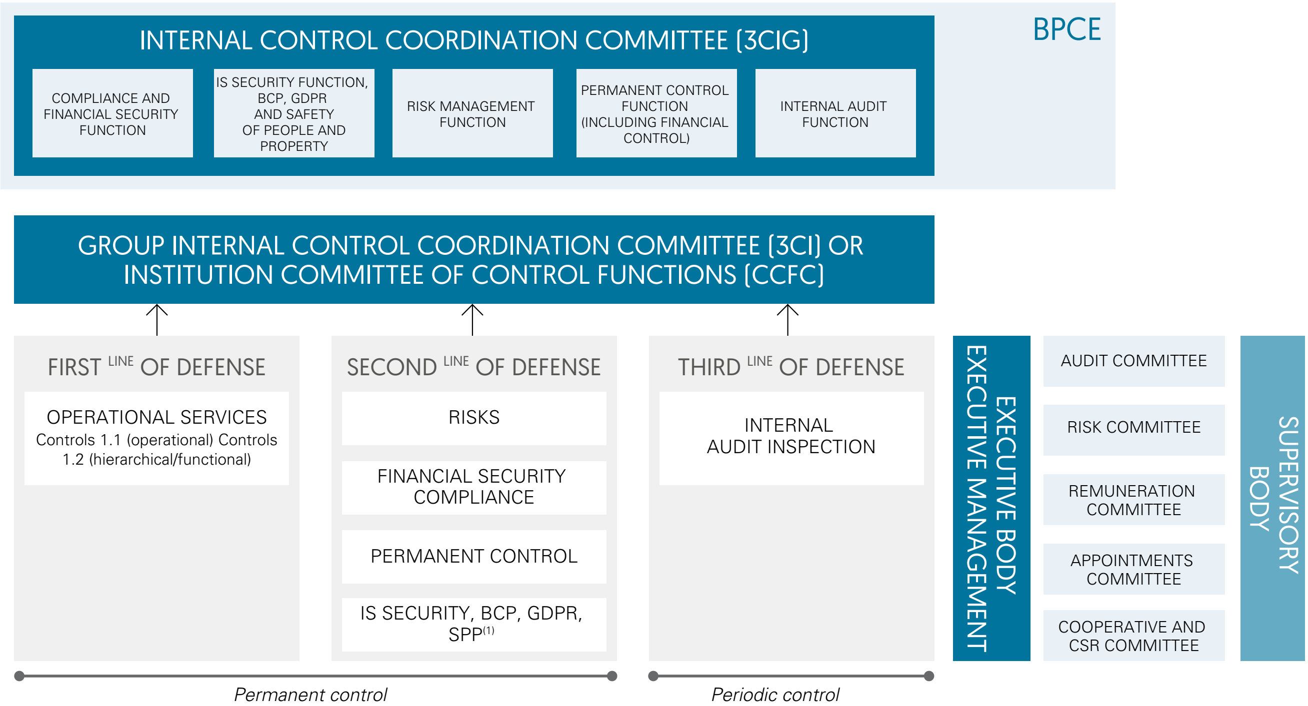
Several scenarios are tested in order to assess all impacts:

Baseline scenario	Baseline scenario comprising the budget scenario.
ICAAP adverse scenarios	Scenarios that are both severe and plausible to provide relevant information on risk and resilience under the ICAAP.
Adverse Preventive Recovery Plan scenarios	Scenarios used as part of the Preventive Recovery Plan to assess the Group's ability to recover. These scenarios are linked to those of the ICAAP (in terms of solvency) and the ILAAP (in liquidity) with possible adjustments in terms of severity.
Reverse scenarios	Unlike stress tests, reverse analyses aim to determine the plausibility of negative events for the Group's financial trajectory. They improve the Group's knowledge of its risks and ensure that stress scenarios are well suited to testing the Group's vulnerabilities.

3.4 Internal control

The Group control system relies on three levels of controls, in accordance with banking regulations and sound management practices (two levels of permanent controls and one level of periodic control), as well as the establishment of consolidated control processes in accordance with provisions approved by BPCE's Management Board.

Structure of Groupe BPCE's internal control system



(1) SPP: Safety of People and Property.

Permanent control system

The organization of permanent control in the Group is specified in the Internal Control Charter (updated on July 23, 2020) in paragraph 3 and in the DRCCP Charter (updated on December 9, 2021) in paragraphs 2 and 5 in accordance with the Ministerial Order of November 3, 2014 (revised on February 25, 2021), in particular in Article 12.

In terms of governance, the assessment of the permanent control system is the responsibility of the Group Internal Control Coordination Committee (or 3CI or CCFC in its local implementation).

The permanent control system is based on the taxonomy of controls, which includes definitions of control methods.

The system comprises two types of level 1 controls (first line of defense LOD1) carried out by employees carrying out operational activities. These employees identify the risks associated with their activity and comply with the procedures and limits set:

- level 1.1 consists of production controls (detection of production anomalies, compliance with internal rules and procedures) usually carried out on an ongoing basis;
- level 1.2 consists of controls aimed at identifying risks/ compliance with rules/procedures carried out by line managers (a line manager control implies a control distinct from the person who carried it out) or by a separate team dedicated to level 1 control. The formalization of procedures and operating modes describing the controlled operational activities are the responsibility of the first line of defense.

The system also includes two types of level 2 controls (second line of defense LOD2) performed by agents at the central and local levels:

- level 2.1 consists of controls aimed at verifying that the risks have been identified and managed by the first level of control in accordance with the rules and procedures provided for. They are carried out by employees of departments dedicated exclusively to risk management, compliance, security, permanent control or specialized functions that do not perform level 1 controls: these controls are formalized and assessed;
- level 2.2 concerns overall system controls or quality controls performed by each business line of an institution as the head of the Group or of BPCE as the central institution. These controls are formalized and assessed.

Coordination of permanent controls in institutions

In accordance with the Group's Risk, Compliance and Permanent Control Charter, it is recommended that a permanent control coordination function be set up in each institution or Group head office covering the entire Risk/Compliance/Security area. The person(s) responsible for permanent control in the institutions is/are the Chief Risk and/or Compliance Officer, it being understood that the designated effective manager remains responsible for the consistency and effectiveness of the internal control system, within the meaning of the Order of November 3, 2014, amended by the Order of February 25, 2021.

Coordination of permanent central controls

In the Corporate Secretary's Office the main role of the Group Coordination of Permanent Controls department is to coordinate the Group's level 1 and 2 permanent control system. In this context, it:

- proposes standards and methodological guides for the exercise of permanent control in Groupe BPCE;
- ensures that the institutions comply with the permanent control standards defined by BPCE, namely the Permanent Control Framework document - operational implementation of the Internal Control Charter - and the control sampling standard and other standards;
- analyzes all the annual control plans of the institutions within its scope of supervision in connection with the central risk management, compliance and security functions;
- performs controls to assess the permanent control system of each entity within its scope of supervision;
- assists the business lines in the review of controls and to ensure their risk coverage is complete. The various permanent control standards are overseen and constantly updated and expanded in the tool;
- performs consolidated reporting of the results of controls carried out by the institutions for the Group Internal Control Committee;
- ensures the transverse management of the system.

Permanent control culture

The control culture has been strengthened by the implementation of a certification in permanent control of the banking and insurance business lines validated by the external body France Compétences. This certification is intended for the level 1 and level 2 Permanent Control functions but also for the LOD2 functions.

HIGHLIGHTS

- Optimization and completeness of the supervision system for BPCE's control functions over its affiliates (strengthening of the role of the central institution), with definition of the monitoring scopes and supervision requirements based on materiality criteria for each of BPCE's LoD2 channels;
- Extension of the scope of the Group control system and integration into the tool new entities by application of the new supervision system (examples: GFS, Banque du Léman, BPCE Vietnam);
- Work on optimizing first-level control systems, in particular on the "real estate loan" and "checks" processes.
- Identification of the owners of level 1 controls at BPCE;
- Review of the Reliability Standard (validated by the Standards and Methods Committee on April 17, 2024);
- Deployment in BPCE subsidiaries (FSE, Insurance, Payments) of a SharePoint to assess, *via* a rating, the quality of an institution's permanent control system in relation to its priority risks, and previously deployed for net cash and bank balances;
- Enhancement of the control framework, in particular on ESG Risks and External Fraud, the convergence between levels 1 and 2 for permanent controls on credit risks and the updating of the controls of BPCE SA subsidiaries (FSE, Insurance, Payments) in order to complete the coverage of their priority risks;
- In terms of permanent control training, the launch of the "essential CPN1," training dedicated to 1st level controllers and the renewal of the Permanent Control certification;
- The ramp-up of the work of the division set up by the Group Risk division dedicated to permanent controls of the risk functions (credit, financial, operational, model, ESG, *etc.*) with controls carried out by the control team.

Structure of integrated control functions

The Group Risk division and the Group Corporate Secretary's Office are responsible for permanent controls at Group level, and the General internal audit for periodic control.

The permanent and periodic control functions of affiliates and subsidiaries, subject to banking supervision, are functionally subordinate, as Consolidated Control departments, to BPCE's corresponding Central Control divisions and report to their entity's executive body.

In 2024, the functional link between the internal control functions of BPCE's direct subsidiaries was strengthened, particularly with regard to the risk function.

These ties have been formally defined in charters for each function, covering:

- a standardized opinion on the appointments and dismissals of Heads of permanent/periodic control functions at direct affiliates and subsidiaries;
- reporting, information and whistleblowing obligations;
- drafting of standard practices by the central institution set out in Group standards, definition or approval of control plans.

The entire system was approved by the Management Board on December 7, 2009, and presented to the Audit Committee on December 16, 2009 and to the BPCE Supervision Board. The Risk, Compliance and Permanent Control Charter was reviewed in December 2021 and the body of standards consists of three Group charters covering all activities.

The Group's Internal Control Charter is the umbrella charter. It is based on two specific charters:

- the Internal Audit Charter; and
- the Risk, Compliance and Permanent Control Charter.

Internal Control Coordination Committee

The Chairman of the BPCE Management Board is responsible for ensuring the consistency and effectiveness of the internal control system. A Group Internal Control Coordination Committee, chaired by the Chairman of the Management Board, meets periodically.

This committee is responsible for dealing with all issues relating to the consistency and effectiveness of the Group internal control system, as well as the results of risk management and internal control work and follow-up work.

The committee's main responsibilities include:

- validating the Group Internal Control Charter, the Group Risk, Compliance and Permanent Control Charter and the Group Internal Audit Charter;
- reviewing dashboards and reports on Group control results, and presenting permanent control coordination initiatives and results;
- validating action plans to be implemented in order to achieve a consistent and efficient Group permanent control system, and assessing progress made on corrective measures adopted subsequent to recommendations issued by the General internal audit, the national or European supervisory authorities, and the Permanent Control functions;
- reviewing the Group's internal control system, identifying any shortcomings, and suggesting appropriate solutions to further secure the institutions and the Group;
- presenting the results of institution controls or benchmarks;
- deciding on any cross-business initiatives or measures aimed at strengthening the Group's internal control system;
- ensuring consistency between measures taken to strengthen permanent control and risk areas identified during the consolidated macro-level risk mapping exercise.

The members of the Executive Management Committee in charge of Risk Management (Group Risk division) and of Compliance and Permanent Controls (Corporate Secretary's Office) as well as the Head of the General internal audit, are members of this committee. Where applicable, the Internal Control Coordination Committee may hear reports from operational managers about measures they have taken to apply recommendations made by internal and external control bodies.

Periodic control (level 3)

Organization and role of the Group Internal Audit

DUTIES

In accordance with the duties incumbent on the central institution, and pursuant to the rules of collective solidarity, the General internal audit is responsible for periodically verifying the operation of all Group institutions and providing their executive managers with reasonable assurance of their financial strength.

In that role, it ensures the quality, effectiveness, consistency and efficiency of their control system as well as their risk management. The scope of the Internal Audit covers all risks, all institutions, and all activities (included in the scope of accounting and prudential consolidation) including those that are outsourced.

Its top priorities are to assess and to report to the executive and decision-making and supervisory bodies of the entities and the Group as a whole on:

- the adequacy of the entities' governance framework;
- the compliance with laws, regulations and rules by entities;
- the adequacy and compliance of policies and procedures with regard to the risk appetite of the entities;
- the effectiveness of the organization, particularly that of the first and second lines of defense;
- the quality of its financial position;
- the reliability and integrity of accounting and management information;
- the consistency, adequacy and operation of risk assessment and management systems;
- the integrity of the processes guaranteeing the reliability of the entities' methods and techniques, as well as the assumptions and information sources used for its internal models;
- the quality and use of risk detection and assessment tools and the measures taken to mitigate them;
- the security of information systems and their adequacy with regard to regulatory requirements;
- the control of essential critical or important services;
- the level of risks actually incurred;
- the quality of the business continuity system;
- the effective implementation of the recommendations made.

Reporting to the Chairman of the Management Board, the Internal Audit performs its duties independently of the Operational and Permanent Control divisions.

REPRESENTATION ON GROUP GOVERNANCE BODIES AND RISK COMMITTEES

In the interest of exercising its duties and contributing effectively to the promotion of an auditing culture, the Head of the Internal Audit takes part, without voting rights, in the central institution's key Risk Management Committees.

As indicated above, the Head of the General internal audit is a member of the Group Internal Control Coordination Committee and has a standing invitation to participate in the Supervisory Board's Risk Committee and the Audit Committee of BPCE, the Risk Committee and Audit Committee of Natixis, and the Risk Committee and Audit Committee of the Group's main subsidiaries (Natixis, FSE division entities, Banque Palatine, Oney, Crédit Foncier de France, BPCE International).

SCOPE OF AUTHORITY

To fulfill its duties, the Group Internal Audit establishes and maintains an inventory of the Group's auditing scope, which is defined in coordination with the Internal Audit departments of the Group institutions.

It makes sure that all institutions, activities and corresponding risks are covered by comprehensive audits, performed at frequencies defined according to the overall risk level of each institution or activity, which must not exceed five years for banking activities.

In doing so, the Group Internal Audit takes into account not only its own audits but also those conducted by the supervisory authorities and the local internal audit by applying the principle of subsidiarity.

The annual audit plan is defined after approval by the Chairman of the Management Board of BPCE and the Management Board of BPCE. It is then presented for discussion to the Group Internal Control Coordination Committee, for an advisory opinion to the Supervisory Board's Risk Committee and for approval by BPCE's Supervisory Board. It is also transmitted to the national and European supervisors.

REPORTING

Group Internal Audit audits contain recommendations prioritized by order of importance, which are regularly monitored (at least once every six months).

The Group Internal Audit reports the findings of its work to the executive directives of the audited companies and to their supervisory body. It also reports to the Chairman of the Management Board, the Supervisory Board's Risk Committee and the Supervisory Board of BPCE. It provides them with a report on the implementation of its major recommendations, as well as those of the *Autorité de contrôle prudentiel et de résolution* (ACPR), the French prudential supervisory authority for the banking and insurance sector, and the Single Supervisory Mechanism (SSM). It sees to the expedient execution of any corrective measures to the internal control system, in accordance with Article 26 of the amended Ministerial Order of November 3, 2014 on internal control, and may call on the Supervisory Board's Risk Committee to address any measures that have not been executed.

RELATIONS WITH THE PERMANENT CONTROL DIVISIONS OF THE CENTRAL INSTITUTION

In the central institution, the Head of the Internal Audit maintains regular relations and shares information with the heads of the units within the scope of inspection, specifically with the divisions in charge of level 2 controls.

The heads of these divisions are responsible for notifying the Head of the General internal audit in a timely manner of any disruption or major incident that comes to their attention. The Head of the Internal Audit and the Heads of Group Risk Management and Group Compliance and Security notify each other in a timely manner of any inspection or disciplinary procedure initiated by the supervisory authorities and in general of any external audits brought to their attention.

Audit work carried out in 2024

The 2024 audit plan was built by integrating the assessment of the financial impacts of the rise in interest rates for the Group and its entities (profitability, liquidity, solvency and cost of risk), the analysis of the Group's structural risks (*e.g.* IT security, GDPR) as well as emerging risks or risks impacting customer activity, while meeting the expectations of Supervisors, particularly in terms of risk management.

With 79 missions carried out, the 2024 plan marks a return to normal after several years of international missions as well as missions within the networks related to the health crisis of 2021. In 2024, it returned to a volume similar to 2022, *i.e.* 75 planned missions, 8 missions added, 3 missions postponed and 1 mission canceled, deployed in 3 waves. This plan included 23 internal audit assignments, ISO 2023, carried out by the Group Internal Audit on behalf of certain BPCE business lines (payments division, FSE division, Technology & Operations division, Crédit Foncier de France).

The work of reviewing auditable units, improving the process for closing recommendations, changing the audit methodology of retail banks or industrializing the risk assessment and internal audit missions were the priorities of the year.

Audit function

STRUCTURE OF THE AUDIT FUNCTION

The Group Internal Audit department carries out its duties within the framework of business line operations. Its operating procedures – for the purposes of consolidated supervision and optimal use of resources – are set out in a charter approved by BPCE's Management Board on December 7, 2009; the latter was redesigned and approved on December 12, 2022.

The aim of this structure is to cover all of the Group's operational or functional units over a reasonable number of fiscal years, according to the associated risk, and to achieve efficiency between the various complementary audits conducted by the Internal Audits teams of entities.

The Local internal audit departments of the Banques Populaires, the Caisses d'Epargne, and certain direct subsidiaries of BPCE SA, are functionally subordinate to the Group Internal Audit and report to the executive branch of their entity. Some subsidiaries and businesses have chosen to outsource their internal audit directly to the Group Internal Audit, which defines the annual audit plans and work programs and determines and assesses the allocated resources.

These links are duplicated in entities that have subsidiaries or regulated affiliates with their own internal audit department.

The strong functional subordination is also based on operating rules and the Group Internal Audit Standards applicable by the entire function. It is reflected as follows:

- the existence of a single groupwide Audit Charter. It defines the purpose, powers, responsibilities and general organization of the Internal Audit function in the overall internal control system and applies to all Group companies monitored on a consolidated basis; it also sets out the principles and values that prevail in the sector such as independence, integrity, ethics, objectivity, confidentiality, professionalism but also consideration of environmental, social and good governance issues in the organization of its activity; this charter is broken down into thematic standards (audit resources, missions, recommendations, risk assessment, *etc.*);
- the appointment and dismissal of the Heads of Internal Audit of Banques Populaires, Caisses d'Epargne and direct subsidiaries of BPCE SA are subject to the prior approval of the Head of the Groupe BPCE General internal audit;
- the annual evaluations of the Heads of internal audit are transmitted to the Head of the Groupe BPCE General internal audit;
- The Group Internal Audit ensures that each entity's Local Internal Audit department has the necessary resources to perform its duties and adequately cover the multi-year audit plan;
- the multi-year and annual audit programs carried out by the Local internal Audit departments of the Group's institutions are approved in conjunction with the Internal Audit, which is kept regularly informed of their completion or of any change in scope;
- Group Internal Audit issues a formal opinion in a letter and may issue reservations on the multi-year audit plan as well as on the resources allocated, both in terms of number and skills;
- the Local internal audit applies the standards and methods defined and distributed by BPCE's Group Internal Audit, and refers to the audit guides which are, as a matter of principle, common to all Internal Audit function auditors;
- in the course of conducting on-site audits, BPCE's Group Internal Audit periodically verifies that Group companies comply with the Group's Internal Audit standards.

The following items are transmitted to the General internal audit:

- the Internal Audit reports of the Group institutions, as they are produced;
- copies of the annual reports of the entities prepared in accordance with Articles 258 to 264 of the amended Ministerial Order A-2014-11-03 on internal control;
- the presentations made by the Heads of Internal Audit to the Risk Committees, and the minutes of these meetings;
- the presentations made to the supervisory body on internal control activities and findings, and extracts of the minutes of the meetings where they were examined.

The rules governing oversight of the inspection function between Natixis-Global Finance Services and the central institution fall within the framework of the Group's Internal Audit function.

Activities in 2024

The Methods team updated the documentary corpus and finalized the upgrade to the Group audit function’s SharePoint in connection with the launch of the IGG Hub. In addition to reviewing and updating audit guides, it updated the Auditable Units of the Group Internal Audit and those intended for the Banques Populaires and Caisses d’Epargne networks (notably by creating a tax audit unit). Work was carried out on identifying regulatory and cross-functional audit units as part of a qualitative measurement of the SREP 2023 (ECB supervisory review and assessment processes). In parallel with improving reporting and using the Risk Assessment Retail, the team continued its work on the Risk Assessment according to expert opinion for scopes other than retail banking and Natixis CIB. Lastly, work was carried out that led to the evolution of the Recommendations standard, particularly as part of an SREP 2023 measure. This work was included in the *Riqueti* project aimed at strengthening the sovereign prerogatives of the central institution. The new standard aims to strengthen the quality of the monitoring and closure of recommendations by the various audit bodies, thus ensuring the sustainability and robustness of the remedial actions undertaken.

The data division of Group Internal Audit continued its structuring and tooling work with the aim of strengthening the place of data within the audit. During the year, the data team set up a robust data infrastructure, integrating a dedicated Alteryx server to streamline and optimize data analyses. The server is expected to open to users at the end of the year.

On this platform, ten standard analyses intended for “retail” banking missions were deployed. In addition, the division has industrialized accounting analyses for ledgers, which makes audit work more efficient and accurate. In an effort to modernize, the hub has also begun deploying a cloud infrastructure on the Google Cloud Platform (GCP). This new environment will host contract analyses and a question-answer tool in natural language, using generative artificial intelligence technologies, particularly the GPT-4o model. Therefore, at the end of the year, the division is working on making data analyses available to auditors for autonomous use *via* the implementation of a robust infrastructure. Finally, the exploration of Generative AI capabilities for auditing continues, with a particular focus on advanced large language models (LLM).

The activity of the Business Projects team was mainly focused on the upgrade of the application base version of the OMEGA tool (application for the management of audit activities). This project required a diagnostic, contractual negotiation and an operational implementation phase. The team was heavily involved in the business support phase, stabilizing the tool, and updating the related documentation. The upgraded database version further enhances the tool's security, in accordance with the recommendations of the Group RSSI. The widespread use of OMEGA by the Group’s institutions has now been finalized since the consolidation of the Asset and Wealth Management division, then Banco Primus.

In addition, the support teams managed maintenance under operational conditions (MOC) as well as change support throughout the year.

3.5 Recovery Plan

The Supervisory Board of BPCE approved the Group's Recovery Plan for 2025.

The plan is in line with European regulatory measures on the recovery and resolution of banks and investment firms, and with the provisions of the French Monetary and Financial Code.

The objective of the Recovery Plan is to identify measures to restore the Group's financial solidity in the event it deteriorates significantly.

The plan presents the options available to the Group to launch a crisis management system. It assesses the relevance of the different options in various crisis scenarios and the methods and resources available for their implementation.

The Recovery Plan is mainly based on the:

- Group's organizational structure and the specific implications of its cooperative status;
- identification of the Group's critical responsibilities;
- capital and liquidity management systems;
- analysis of financial crisis scenarios;
- identification of options impacting the restoration of the Group's financial position and their impacts on the Group's business model;
- preventative oversight of leading indicators on financial and economic conditions;
- establishment of the organizational structures needed to implement the recovery.

This system is monitored and coordinated by a permanent office at BPCE.

The Recovery Plan is kept up to date and approved by the Supervisory Board, aided by its Risk Committee for these purposes.

The Recovery Plan is updated annually on these various components (description of the Group, analysis of scenarios, analysis of the options available).

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4.1 Regulatory framework

Credit institutions' capital is regularly monitored in accordance with regulations defined by the Basel Committee.

These regulations were reinforced following the introduction of Basel III, with an increase in the level of regulatory capital requirements and the introduction of new risk categories.

The Basel III recommendations were incorporated in EU directive 2013/36/EU (Capital Requirements Directive – CRD IV) and Regulation No. 575/2013 (Capital Requirements Regulation – CRR) of *the European* Parliament and of the Council, as amended by Regulation (EU) No. 2019/876 (the "CRR2"). As of January 1, 2014, all EU credit institutions are subject to compliance with the prudential requirements set out in these texts.

Credit institutions subject to CRD and CRR are thus required to continuously observe:

- the Common Equity Tier-1 (CET1) ratio;
- the Tier-1 ratio, *i.e.* CET1 plus Additional Tier-1 (AT1) capital;
- the total capital ratio, *i.e.* Tier-1 plus Tier-2 capital; and
- as of January 1, 2016, the capital buffers which can be used to absorb losses in the event of tensions.

  These buffers include:

  - a capital conservation buffer, comprised of Common Equity Tier-1, aimed at absorbing losses in times of serious economic stress,
  - a countercyclical buffer, aimed at protecting the banking sector from periods of excess aggregate credit growth. This Common Equity Tier-1 surcharge is supposed to be adjusted over time in order to increase capital requirements during periods in which credit growth exceeds its normal trend and to relax them during slowdown phases,
  - a systemic risk buffer for each Member State aimed at preventing and mitigating the systemic risks that are not covered by regulations (low for Groupe BPCE),
  - the different systemic risk buffers aimed at reducing the risk of failure of systemically important financial institutions. These buffers are specific to each bank. Groupe BPCE is on the list of other systemically important institutions (O-SIIs) and global systemically important institutions (G-SIIs). As these buffers are not cumulative, the highest buffer applies.

The capital ratios are equal in terms of the relationship between capital and the sum of:

- credit and dilution risk-weighted assets;
- capital requirements for the prudential supervision of market risk and operational risk, multiplied by 12.5.

In 2024, Groupe BPCE is required to observe a minimum Common Equity Tier-1 ratio of 4.5% under Pillar I, a minimum Tier-1 capital ratio of 6% and, lastly, a minimum total capital ratio of 8%.

Alongside Pillar I minimum capital requirements, Groupe BPCE is subject to additional Tier-1 capital requirements:

- as of January 1, 2019, the Tier-1 capital conservation buffer is 2.5% of the total amount of risk exposures;
- Groupe BPCE's countercyclical buffer equals the EAD-weighted average of the buffers defined for each of the Group's countries of operation. Groupe BPCE's maximum countercyclical buffer as from January 1, 2019 is 2.5%;
- the G-SII buffer has been set at 1% for the Group;
- the systemic risk buffer is applied to all exposures located in the Member State setting this buffer and/or to sectoral exposures located in the same Member State. As most of Groupe BPCE's exposures are located in countries whose systemic risk buffer has been set at 0%, the Group considers that this rate will be very close to 0%.

Credit institutions must comply with the prudential requirements, which are based on three pillars that form an indivisible whole:

Pillar I

Pillar I sets minimum requirements for capital. It aims to ensure that banking institutions hold sufficient capital to provide a minimum level of coverage for their credit risk, market risk and operational risk. The bank can use standardized or advanced methods to calculate its capital requirement.

Review of minimum capital requirements under Pillar 1

	2023	2024
Minimum regulatory capital requirements		
Common Equity Tier-1 (CET1) capital	4.5%	4.5%
Total Tier-1 capital (T1 = CET1 + AT1)	6.0%	6.0%
Regulatory capital (T1 + T2)	8.0%	8.0%
Additional requirements		
Capital conservation buffer	2.5%	2.5%
G-SII buffer applicable to Groupe BPCE [1]	1.0%	1.0%
Maximum countercyclical buffer applicable to Groupe BPCE [2]	2.5%	2.5%
Maximum total capital requirements for Groupe BPCE		
Common Equity Tier-1 (CET1) capital	10.5%	10.5%
Total Tier-1 capital (T1 = CET1 + AT1)	12.0%	12.0%
Regulatory capital (T1 + T2)	14.0%	14.0%

[1] G-SII buffer: global systemic buffer.

[2] The countercyclical buffer requirement is calculated quarterly.

Pillar II

Pillar II establishes a process of prudential supervision that complements and strengthens Pillar I.

It consists of:

- an analysis by the bank of all of its risks, including those already covered by Pillar I;
- an estimate by the bank of the capital requirement for these risks;
- a comparison by the banking supervisor of its own analysis of the bank's risk profile with the analysis conducted by the bank, in order to adapt its choice of prudential measures where applicable, which may take the form of capital requirements exceeding the minimum requirements or any other appropriate technique.

For 2024, the total capital ratio in force for Groupe BPCE under Pillar II (P2R) is 10.10%, plus a 2.50% capital conservation buffer, a 1% global systemic buffer and a 0.90% countercyclical buffer.

Pillar III

The purpose of Pillar III is to establish market discipline through a series of reporting requirements. These requirements – both qualitative and quantitative – are intended to improve financial transparency in the assessment of exposure to risks, risk assessment procedures and capital adequacy.

4.2 Scope of application

Regulatory scope

Groupe BPCE is required to submit consolidated regulatory reports to the European Central Bank (ECB), the supervisory authority for Eurozone banks. Pillar III is therefore prepared on a consolidated basis.

The regulatory scope of consolidation is established based on the statutory scope of consolidation. The main difference between these two scopes lies in the consolidation method for insurance companies, which are accounted for by the equity method within the regulatory scope, regardless of the statutory consolidation method.

The following insurance companies are accounted for by the equity method within the prudential scope of consolidation:

- Surassur;
- BPCE Assurances (formerly Natixis Assurances);
- Compagnie Européenne de Garanties et de Cautions;
- Prépar-Vie;
- Prépar-IARD;
- Oney Insurance;
- Oney Life.

The following insurance companies are accounted for by the equity method within both the statutory and regulatory scopes of consolidation:

- Caisse de Garantie Immobilière du Bâtiment;
- Parnasse Garanties.

In addition, since the second quarter of 2020, the Versailles entity is consolidated using the equity method. This change, which concerns only the regulatory scope, since the entity is still considered to be under control within the meaning of IFRS, follows a detailed analysis of the regulatory texts. The latter stipulate that non-financial entities that do not constitute ancillary services within the meaning of the standard are accounted for using the equity method for the purposes of reporting ratios. This decision, approved by the Group's bodies, allows for an alignment of the scopes used to calculate liquidity and solvency.

EU CC2 – Transition from accounting balance sheet to prudential balance sheet

The table below shows the transition from an accounting balance sheet to a prudential balance sheet for Groupe BPCE at December 31, 2024.

The differences between the data in the statutory scope and those of the prudential scope result from the restatement of subsidiaries excluded from the prudential scope (see description of the prudential scope below) and the reintegration of intra-group transactions related to these subsidiaries.

		12/31/2024		
		a	b	c
		Balance sheet in the published financial statements	According to the regulatory scope of consolidation	
	in millions of euros	At end of period	At end of period	Reference[(1)]
	ASSETS - BREAKDOWN BY ASSET CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS			
1	Cash and amounts due from central banks	133,186	133,225	
2	Financial assets at fair value through profit or loss	230,521	230,546	
3	– o/w debt securities	26,900	26,750	
4	– o/w equity instruments	48,114	48,114	
5	– o/w loans (excluding repurchase agreements)	8,861	8,861	
6	– o/w repurchase agreements	81,693	81,693	
7	– o/w trading derivatives	53,616	53,767	
8	– o/w security deposits paid	11,337	11,361	
9	Hedging derivatives	7,624	7,624	
10	Financial assets at fair value through other comprehensive income	57,166	57,281	
11	Securities at amortized cost	27,021	27,298	
12	Loans and advances to banks at amortized cost	115,862	115,696	
13	Loans and advances to customers at amortized cost	851,843	850,416	
14	Revaluation differences on interest rate risk-hedged portfolios, assets	(856)	(856)	
15	Insurance activities financial investments	115,631		
16	Insurance contracts issued - Assets	1,134	654	

		12/31/2024		
		a	b	c
		Balance sheet in the published financial statements	According to the regulatory scope of consolidation	
in millions of euros		At end of period	At end of period	Reference[(1)]
17	Reinsurance contracts held - Assets	9,320	60	
18	Current tax assets	640	647	
19	Deferred tax assets	4,160	3,885	1
20	Accrued income and other assets	16,444	16,317	
21	Non-current assets held for sale	438	438	
22	Investments accounted for using equity method	2,146	5,912	
23	Investment property	733	733	
24	Property, plant and equipment	6,085	6,074	
25	Intangible assets	1,147	1,027	2
26	Goodwill	4,312	4,262	2
	TOTAL ASSETS	**1,584,558**	**1,461,241**	
	LIABILITIES - BREAKDOWN BY LIABILITY CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS			
1	Central banks	1	1	
2	Financial liabilities at fair value through profit or loss	218,963	215,130	3
3	– o/w securities sold short	21,576	21,577	
4	– o/w other liabilities issued for trading purposes	100,130	100,130	
5	– o/w trading derivatives	43,557	43,626	
6	– o/w security deposits received	10,073	10,093	
7	– o/w financial liabilities designated at fair value through profit or loss - under option	43,627	39,704	
8	Hedging derivatives	14,260	14,253	
9	Debt securities	304,957	301,351	
10	Amounts due to banks	69,953	67,268	
11	Amounts due to customers	723,090	728,230	
12	Revaluation differences on interest rate risk-hedged portfolios, liabilities	14	14	
13	Insurance contracts issued - Liabilities	117,551		
14	Reinsurance contracts held - Liabilities	119		
15	Current tax liabilities	2,206	2,212	
16	Deferred tax liabilities	1,323	1,109	1
17	Accrued expenses and other liabilities	20,892	20,483	
18	Liabilities associated with non-current assets held for sale	312	312	
19	Provisions	4,748	4,702	
20	Subordinated debt	18,401	18,186	3
	TOTAL LIABILITIES	**1,496,790**	**1,373,251**	
1	Shareholders' equity			
2	Equity attributable to equity holders of the parent	87,137	87,129	4
3	*Share capital and additional paid-in capital*	29,349	29,349	
4	*Consolidated reserves*	53,427	53,419	
5	*Gains and losses recognized directly in other comprehensive income*	842	842	
6	*Net income for the period*	3,520	3,520	
7	Non-controlling interests	630	861	5
8	**TOTAL SHAREHOLDERS' EQUITY**	**87,768**	**87,990**	

(1) References refer to those in table EU CC1 in column b.

		12/31/2023		
		a	b	c
		Balance sheet in the published financial statements[1]	According to the regulatory scope of consolidation	
in millions of euros		At end of period	At end of period	Reference[2]
	ASSETS – BREAKDOWN BY ASSET CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS			
1	Cash and amounts due from central banks	152,669	152,768	
2	Financial assets at fair value through profit or loss	214,582	214,763	
3	- o/w debt securities	24,901	24,655	
4	- o/w equity instruments	45,063	45,063	
5	- o/w loans (excluding repurchase agreements)	6,911	6,912	
6	- o/w repurchase agreements	80,400	80,414	
7	- o/w trading derivatives	42,909	43,275	
8	- o/w security deposits paid	14,398	14,444	
9	Hedging derivatives	8,855	8,855	
10	Financial assets at fair value through other comprehensive income	48,073	48,294	
11	Securities at amortized cost	26,373	26,413	
12	Loans and advances to banks at amortized cost	108,631	108,207	
13	Loans and advances to customers at amortized cost	839,457	839,636	
14	Revaluation differences on interest rate risk-hedged portfolios, assets	(2,626)	(2,626)	
	Insurance activities financial investments	103,615	0	
16	Insurance contracts issued – Assets	1,124	646	
17	Reinsurance contracts held – Assets	9,564	65	
18	Current tax assets	829	832	
19	Deferred tax assets	4,575	4,250	1
20	Accrued income and other assets	14,611	14,562	
21	Non-current assets held for sale	0	0	
22	Investments accounted for using equity method	1,616	5,134	
23	Investment property	717	717	
24	Property, plant and equipment	6,023	6,011	
25	Intangible assets	1,110	980	2
26	Goodwill	4,224	4,173	2
	TOTAL ASSETS	**1,544,022**	**1,433,680**	

		12/31/2023		
		a	b	c
		Balance sheet in the published financial statements[1]	According to the regulatory scope of consolidation	
in millions of euros		At end of period	At end of period	Reference[2]
	LIABILITIES - BREAKDOWN BY LIABILITY CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS			
1	Central banks	2	2	
2	Financial liabilities at fair value through profit or loss	204,023	199,083	3
3	- o/w securities sold short	22,565	22,564	
4	- o/w other liabilities issued for trading purposes	102,782	102,784	
5	- o/w trading derivatives	35,009	35,210	
6	- o/w security deposits received	9,798	9,806	
7	- o/w financial liabilities designated at fair value through profit or loss – under option	33,869	28,718	
8	Hedging derivatives	14,973	14,923	
9	Debt securities	292,598	292,616	
10	Amounts due to banks	79,634	76,833	
11	Amounts due to customers	711,658	716,017	
12	Revaluation differences on interest rate risk-hedged portfolios, liabilities	159	159	
13	Insurance contracts issued – Liabilities	106,137	0	
14	Reinsurance contracts held – Liabilities	149	0	
15	Current tax liabilities	2,026	2,028	
16	Deferred tax liabilities	1,640	1,423	1
17	Accrued expenses and other liabilities	22,492	21,962	
18	Liabilities associated with non-current assets held for sale	0	0	
19	Provisions	4,825	4,779	
20	Subordinated debt	18,801	18,605	3
	TOTAL LIABILITIES	**1,459,117**	**1,348,431**	
1	Shareholders' equity			
2	Equity attributable to equity holders of the parent	84,351	84,403	4
3	Share capital and additional paid-in capital	29,031	29,031	
4	Consolidated reserves	51,820	51,870	
5	Gains and losses recognized directly in other comprehensive income	698	699	
6	Net income for the period	2,804	2,804	
7	Non-controlling interests	553	845	5
8	**TOTAL SHAREHOLDERS' EQUITY**	**84,905**	**85,249**	

(1) Restated figures for 2023 (see 6.1.4 Statement of changes in equity).
(2) References refer to those in table EU CC1 in column b

4.3 Composition of regulatory capital

Regulatory capital

Regulatory capital is determined in accordance with Regulation No. 575/2013 of the European Parliament of June 26, 2013, on capital ("CRR") amended by Regulation (EU) No. 2019/876 ("CRR2").

It is divided into three categories: Common Equity Tier-1 capital, Additional Tier-1 capital and Tier-2 capital. Deductions are made from these categories.

These categories are broken down according to decreasing degrees of solidity and stability, duration and degree of subordination.

BPCE01 – Regulatory capital

in millions of euros	12/31/2024 Basel III	12/31/2023 Basel III
Share capital and additional paid-in capital	29,349	29,031
Consolidated reserves	53,419	51,870
Net income for the period	3,520	2,804
Gains and losses recognized directly in other comprehensive income	842	699
Consolidated equity attributable to equity holders of the parent	**87,130**	**84,404**
Perpetual deeply subordinated notes classified as other comprehensive income	-	-
Consolidated equity attributable to equity holders of the parent excluding perpetual deeply subordinated notes classified as other comprehensive income	**87,130**	**84,404**
Non-controlling interests	219	205
– o/w prudential filters	-	-
Deductions	(6,352)	(6,126)
– o/w goodwill[1]	(4,255)	(4,104)
– o/w intangible assets[1]	(852)	(807)
– o/w irrevocable payment commitments	(1,147)	(1,136)
Prudential restatements	(7,150)	(7,237)
– o/w shortfall of credit risk adjustments to expected losses	(210)	(204)
– o/w prudent valuation	(1,088)	(970)
– o/w insufficient coverage for non-performing exposures – Pillar II	(1,122)	(1,098)
Common Equity Tier-1 capital[2]	**73,847**	**71,246**
Additional Tier-1 capital	-	-
Tier-1 capital	**73,847**	**71,246**
Tier-2 capital	12,210	12,165
TOTAL REGULATORY CAPITAL	**86,057**	**83,411**

(1) Including non-current assets and entities classified as held for sale.

(2) The Common Equity Tier-1 included €29,581 million in cooperative shares (after taking allowances into account) on December 31, 2024, and €29,314 million at December 31, 2023.

Details of debt instruments recognized as additional Tier-1 and Tier-2 capital, other instruments eligible for TLAC, as well as their characteristics, as required by Implementing Regulation No. 1423/2013 are published at https://groupebpce.com/en/investors/results-and-publications/pillar-iii.

Common Equity Tier-1 (CET1) capital

Core capital and deductions

Common Equity Tier-1 consists of:

- share capital;
- additional paid-in capital or merger premiums;
- reserves, including revaluation differences and gains or losses recognized directly in other comprehensive income;
- retained earnings;
- net income attributable to equity holders of the parent;
- non-controlling interests in banking or related subsidiaries for the share after CET1 eligibility caps.

The following deductions are made:

- treasury shares held and measured at their carrying amount;
- intangible assets (excluding the amount of prudently valued software, exempt from deduction) including start-up costs and goodwill;
- deferred tax assets and liabilities that rely on future profitability;
- prudential filters resulting from CRR Articles 32, 33, 34 and 35: gains or losses on cash flow hedges, gains on transactions in securitized assets, own credit risk;
- negative amounts arising from the comparison between provisions and expected losses (in this calculation, performing loans are clearly separated from loans in default);
- equity interests in eligible banking, financial and insurance institutions, according to the rules on allowances for these holding companies and the phase-in period;
- value adjustments arising from the prudent valuation of assets and liabilities measured at fair value according to a prudential method, deducting any value adjustments;
- defined benefit pension fund assets net of related deferred tax liabilities;
- insufficient hedging of non-performing exposures under Pillar I and Pillar II.

These deductions are supplemented by capital items that are not covered by CRR2.

BPCE02 – Changes in CET1 capital

in millions of euros	**CET1 capital**
12/31/2023	**71,246**
Cooperative share issues	90
Income net of proposed dividend payout	2,761
Other items	(250)
12/31/2024	**73,847**

BPCE03 – Breakdown of non-controlling interests (minority interests)

in millions of euros	**Non-controlling interests**
CARRYING AMOUNT (REGULATORY SCOPE) – 12/31/2024	**861**
Perpetual deeply subordinated notes classified as non-controlling interests	-
Ineligible non-controlling interests	(594)
Proposed dividend payout	-
Caps on eligible non-controlling interests	(49)
Non-controlling interests (excluding other items)	**0**
Other items	-
PRUDENTIAL AMOUNT – 12/31/2024	**219**

Additional Tier-1 (AT1) capital

Additional Tier-1 capital includes:

- subordinated instruments issued in compliance with the restrictive eligibility criteria set forth by CRR Article 52;
- additional paid-in capital related to these instruments.

Deductions comprise equity interests in eligible banking, financial and insurance institutions, according to the rules on allowances for these holding companies.

As of December 31, 2024, the Group had no additional Tier-1 capital.

BPCE04 – Change in AT1 capital

in millions of euros	AT1 capital
12/31/2023	**-**
Redemptions	-
Issues	-
Foreign exchange effect	-
Other adjustments	-
12/31/2024	**-**

Tier-2 capital

Tier-2 capital consists of:

- subordinated instruments issued in compliance with the restrictive eligibility criteria set forth by CRR Article 63;
- additional paid-in capital related to Tier-2 items;
- the amount arising from provisions in excess of expected losses (in this calculation, performing loans are clearly separated from loans in default).

Deductions comprise equity interests in eligible banking, financial and insurance institutions, according to the rules on allowances for these holding companies.

BPCE05 – Changes in Tier-2 capital

in millions of euros	Tier-2 capital
12/31/2023	**12,165**
Redemption of subordinated notes	(41)
Prudential haircut	(1,668)
New subordinated note issues	1,609
Phase-in deductions and adjustments	(304)
Foreign exchange effect	449
12/31/2024	**12,210**

4.4 Regulatory capital requirements and risk-weighted assets

In accordance with Regulation No. 575/2013 (CRR) of the European Parliament as amended by Regulation (EU) No. 2019/876 (the "CRR2"), credit risk exposures can be measured using two approaches:

- the "standardized" approach, based on external credit ratings and specific risk weightings according to Basel exposure classes;
- the "internal ratings based" (IRB) approach, based on the financial institution's internal ratings system, broken down into two categories:
  - the Foundation IRB approach – banks use only their probability of default estimates for this approach,
  - the Advanced IRB approach – banks use all their internal component estimates for this approach, *i.e.* probability of default, loss given default, exposure at default and maturity.

The methodology applied for IRB approaches is described in greater detail in Section 5 "Credit risk."

In addition to the requirements related to counterparty risk in market transactions, the regulation of June 26, 2013 provides for the calculation of an additional charge to hedge against the risk of loss associated with counterparty credit risk (CCR). Capital requirements for the Credit Valuation Adjustment (CVA) are determined using the Standardized Approach.

EU OV1 – Overview of risk-weighted assets

The table below complies with the CRR format, presenting capital requirements for credit and counterparty risks, before the CVA and after the application of risk mitigation techniques.

		Risk-Weighted Assets		Total capital requirements
		a	b	c
in millions of euros		12/31/2024	12/31/2023	12/31/2024
1	**Credit risk (excluding CCR)**	**381,359**	**384,292**	**30,509**
2	o/w standardized approach	137,502	155,110	11,000
3	o/w foundation IRB approach (F-IRB)	55,365	68,506	4,429
4	o/w referencing approach	62	74	5
EU 4a	o/w equities under the simple risk-weighted approach	37,521	36,276	3,002
5	o/w advanced IRB approach (A-IRB)	144,104	117,756	11,528
6	**Counterparty credit risk – CCR**	**13,126**	**12,867**	**1,050**
7	o/w standardized approach	2,805	3,103	224
8	o/w internal model method (IMM)	5,982	4,068	479
	o/w mark-to-market	(0)	(0)	(0)
EU 8a	o/w exposures on a CCP	1,100	580	88
EU 8b	o/w credit valuation adjustment – CVA	1,652	2,556	132
9	o/w other CCRs	1,587	2,560	127
15	**Settlement risk**	**0**	**4**	**0**
16	**Securitization exposures in the banking book (after cap)**	**4,694**	**4,529**	**376**
17	o/w SEC-IRBA approach	321	454	26
18	o/w SEC-ERBA approach (including IAA)	1,584	1,457	127
19	o/w SEC-SA approach	2,300	2,046	184
EU 19a	o/w 1.250%/deduction	488	573	39
20	**Market risk**	**15,200**	**13,436**	**1,216**
21	o/w standardized approach	8,849	7,712	708
22	o/w internal models approach	6,351	5,724	508
EU 22a	**Large exposures**	**(0)**	**(0)**	**(0)**
23	**Operational risk**	**42,212**	**42,479**	**3,377**
EU 23a	o/w basic indicator approach	(0)	(0)	(0)
EU 23b	o/w standardized approach	42,212	42,479	3,377
EU 23c	o/w advanced measurement approach	(0)	(0)	(0)
24	**Amounts below the deduction thresholds (before weighting of 250% risk)**	**5,361**	**5,076**	**429**
29	**OVERALL**	**456,591**	**457,606**	**36,527**

BPCE06 – Risk-weighted assets by type of risk and business line

in millions of euros		Basel III				
		Credit risk[1]	CVA	Market risk	Operational risk	Overall
Retail banking	12/31/2023	303,154	83	1,390	25,984	330,611
	12/31/2024	**296,680**	**207**	**1,611**	**25,177**	**323,675**
Global Financial Services	12/31/2023	64,994	1,998	9,344	12,350	88,686
	12/31/2024	**71,996**	**1,158**	**10,586**	**12,329**	**96,070**
Other	12/31/2023	30,988	474	2,702	4,144	38,308
	12/31/2024	**28,851**	**287**	**3,003**	**4,706**	**36,846**
TOTAL RISK-WEIGHTED ASSETS	**12/31/2023**	**399,136**	**2,556**	**13,436**	**42,479**	**457,606**
	12/31/2024	**397,527**	**1,652**	**15,200**	**42,212**	**456,591**

(1) Including settlement-delivery risk and other risk exposure amounts.

EU INS1 – Non-deducted participations in insurance undertakings

	12/31/2024	
	a	b
in millions of euros	Value at Risk	Risk-weighted exposure
Equity instruments held in insurance or reinsurance companies or insurance holding companies not deducted from capital	3,093	11,443

	12/31/2023	
	a	b
in millions of euros	Value at Risk	Risk-weighted exposure
Equity instruments held in insurance or reinsurance companies or insurance holding companies not deducted from capital	2,871	10,624

4.5 Management of Group capital adequacy

The methods used by Groupe BPCE to calculate risk-weighted assets are described in Section 4.4 "Regulatory capital requirements and risk-weighted assets".

Regulatory capital and capital ratios

BPCE07 – Regulatory capital and Basel III phased-in capital ratios

in millions of euros	12/31/2024 Basel III	12/31/2023 Basel III
Common Equity Tier-1 (CET1) capital	73,847	71,246
Additional Tier-1 (AT1) capital	-	-
TOTAL TIER-1 (T1) CAPITAL	**73,847**	**71,246**
Tier-2 (T2) capital	12,210	12,165
TOTAL REGULATORY CAPITAL	**86,057**	**83,411**
Credit risk exposure	397,526	399,132
Settlement/delivery risk exposure	0	4
CVA risk exposure	1,652	2,555
Market risk exposure	15,200	13,436
Operational risk exposure	42,212	42,479
TOTAL RISK EXPOSURE	**456,591**	**457,606**
Capital adequacy ratios		
Common Equity Tier-1 ratio	16.2%	15.6%
Tier-1 ratio	16.2%	15.6%
Total capital adequacy ratio	18.8%	18.2%

Changes in Groupe BPCE's capital adequacy in 2024

The Common Equity Tier-1 ratio was 16.2% on December 31, 2024, compared to 15.6% on December 31, 2023.

The change in the Common Equity Tier-1 ratio in 2024 was mainly due to:

- growth in Common Equity Tier 1-capital, driven by retained earnings (+60 basis points) and to a lesser extent by the collection of cooperative shares (+6 basis points), but mitigated notably by the increase in the deduction for insufficient provisioning of non-performing loans (-3 basis points), the prudent valuation (-3 basis points) and other impacts on equity (-3 basis points);
- the control of risk-weighted assets (+3 basis points), favored by the change in the weighting of local authorities to 0% and the transition to corporate IRBA for the high-end segment of the Banques Populaires and the Caisses d'Epargne.

At December 31, 2024, the Tier-1 ratio stood at 16.2% and the total capital ratio at 18.8% compared to 15.6% and 18.2%, respectively, at December 31, 2023. These ratio levels remain well above the regulatory requirements defined by the European Central Bank (ECB) during the Supervisory Review and Evaluation Process (SREP) in 2025.

Groupe BPCE capital adequacy management policy

Capital and total loss absorbing capacity (TLAC) targets are determined according to Groupe BPCE's target ratings, in line with prudential constraints.

Capital adequacy management is therefore subject to a high management buffer which not only greatly exceeds prudential constraints on capital adequacy ratios, but is also well above the trigger for the Maximum Distributable Amount.

Capital and TLAC management goes beyond integrating prudential changes (*e.g.* G-SIB classification). As such, the Group predominantly builds its total loss absorbing capacity from CET1 and additionally from subordinated MREL-eligible and TLAC-eligible debt (mainly eligible Tier-2 capital and senior non-preferred debt). The issues of these eligible debts are carried out by BPCE.

Lastly, in addition to this capacity to absorb losses, Groupe BPCE has an MREL. The MREL capacity consists of instruments eligible for loss absorption, as well as senior preferred debt with residual maturity of more than one year.

The Group's current MREL requirement was received in March 2024 by the *Autorité de contrôle prudentiel et de résolution* (ACPR), the French prudential supervisory authority for the banking and insurance sector It amounts to 27.30% of the Group's risk-weighted assets (RWA) and is respected with a margin. It does not require the Group to modify or increase its issuance program.

With regard to the subordination constraint, Groupe BPCE complies with Articles 92a 1(a) and 494 of CRR Regulation No. 575/2013 which, since 2022, provides for a requirement of 18% of RWA plus solvency buffers, *i.e.* 22.4% of RWA. The subordination requirement in the leverage base has been set at 6.75% since 2022 pursuant to Article 92a 1(b) of the CRR. This is also respected with a margin.

Capital allocation equity and solvency management

The Group implemented action plans over the course of 2024 aimed specifically at ensuring the capital adequacy of its networks and its subsidiaries. BPCE SA thus subscribed for €475 million to a Tier 1 issue by Natixis, replacing a Tier 1 issue of $500 million repaid by the subsidiary. BPCE SA also set up a repayable Tier 2 subordinated loan of €60 million for the benefit of its subsidiary Banque Palatine and a second loan of €100 million granted to Natixis.

Leverage ratio

The entry into force of the Capital Requirements Regulation, known as CRR2, makes the leverage ratio a binding requirement as from June 28, 2021. The minimum requirement for this ratio is 3%, plus a buffer for global systemic banks of 0.5% in 2024.

The leverage ratio is not sensitive to risk factors and as such, it is considered as a measure that complements the solvency and liquidity management system, which already limits the size of the balance sheet. The leverage ratio is projected and managed at the same time as Groupe BPCE's solvency trajectory. The risk of excessive leverage is also measured in the internal stress test *via* the projection of the regulatory leverage ratio.

Groupe BPCE's leverage ratio, calculated according to the capital requirements regulation, known as CRR2, was 5.1% at December 31, 2024, based on phased-in Tier-1 capital.

EU LR1 – Lrsum – Transition from balance sheet to leverage exposure

	Montant applicable	
	31/12/2024	31/12/2023
TOTAL ASSETS AS PER PUBLISHED FINANCIAL STATEMENTS [(1)]	**1,584,558**	**1,544,022**
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(123,317)	(110,342)
(Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference)	-	-
(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-
(Adjustment for fiduciary assets recognized on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with paragraph 1 of point (i) of Article 429a of the CRR)	-	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
Adjustment for eligible cash pooling transactions	-	-
Adjustments for derivative financial instruments	(18,996)	(18,076)
Adjustment for securities financing transactions (SFTs)	8,396	8,396
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	99,730	96,661
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier-1 capital)	-	-
(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with paragraph 1 of point (c) of Article 429a of the CRR)	(4,028)	(4,028)
(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with paragraph 1 of point (j) of Article 429a of the CRR)	(103,067)	(95,726)
Other adjustments	(7,430)	(7,446)
TOTAL EXPOSURE MEASURE	**1,435,845**	**1,413,461**

(1) 2023 restated figures (see 5.1.4 Table of changes in equity)

Financial conglomerate ratio

As an institution exercising banking and insurance activities, Groupe BPCE is also required to comply with a financial conglomerate ratio. This ratio is determined by comparing the financial conglomerate's total capital against all the regulatory capital requirements for its banking and insurance activities.

The financial conglomerate ratio demonstrates that the institution's prudential capital sufficiently covers the total regulatory capital requirements for its banking activities (in accordance with CRR2) and insurance sector activities, in accordance with the Solvency 2 regulation.

The calculation of surplus capital is based on the statutory scope. Insurance company capital requirements, determined for the banking capital adequacy ratio by weighting the equity-method value, are replaced with capital requirements based on the solvency margin. The capital requirements within the banking scope are determined by multiplying the risk-weighted assets by the applicable rate under Pillar II, *i.e.* 15.75% at December 31, 2024, compared to 15.22% at December 31, 2023.

At December 31, 2024, Groupe BPCE's surplus capital amounted to €16.2 billion.

Supervisory Review and Evaluation Process

SREP – ICAAP process

As the supervisory authority under Pillar II, the ECB conducts an annual assessment of banking institutions. This assessment, referred to as the Supervisory Review and Evaluation Process (SREP), is primarily based on:

- an evaluation based on information taken from prudential reports;
- documentation established by each banking institution, including in particular the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP);
- an assessment of governance & risks, the business model, share capital and liquidity.

Based on the conclusions of the SREP carried out by the ECB in 2024, Groupe BPCE shall maintain a consolidated Common Equity Tier-1 ratio of 10.59% on January 2, 2025, including:

- 1.69% in respect of Pillar II requirements (excluding Pillar II guidance);
- 2.50% in respect of the capital conservation buffer;
- 1.00% in respect of the buffer for global systemically important banks (G-SIB buffer);
- 0.90% in respect of the countercyclical buffer.

The corresponding total capital requirement is 14.65% (excluding Pillar II guidance).

With a Common Equity Tier-1 ratio of 16.2% at the end of 2024, Groupe BPCE has exceeded the specific capital requirements set by the ECB.

As regards the internal capital adequacy assessment under Pillar II, the principles defined in the ICAAP/ILAAP guidelines published by the ECB in February 2018 were applied in Groupe BPCE's ICAAP. The assessment is thus carried out using two different approaches:

- a "normative" approach aimed at measuring the impact of internal stress tests within three years of the initial Pillar I regulatory position;
- an "economic" approach aimed at identifying, quantifying, and hedging risks using internal capital over the short term (one year) and using internal methodologies. The methodologies developed by Groupe BPCE provide a better assessment of risks that are already covered under Pillar I, and also an additional assessment of risks that are not covered by Pillar I.

The results obtained using these two approaches confirmed the Group's financial soundness and no capital buffer is necessary in addition to the existing regulatory buffers.

Outlook

The objectives of the "VISION 2030" strategic plan were, with regard to the Common Equity Tier-1 ratio, to exceed 15.5%, and with regard to the subordinated MREL ratio (*i.e.* TLAC) to exceed 25.5%.

The Group remained on the list of G-SIBs (Global Systemically Important Banks) in November 2023, with a systemic buffer to be respected on the MREL and TLAC ratios of 1%.

MREL – TLAC

In addition to capital adequacy ratios, ratios aiming at verifying the Group's capacity to carry out a bail-in in the event of default are implemented via the Minimum Requirement for own funds and Eligible Liabilities (MREL) and Total Loss Absorbing Capacity. This second ratio is known as TLAC, according to the terminology of the Financial Stability Board, and in Europe it is defined in the BRRD directive and the CRR regulation as subordinated MREL. Groupe BPCE has established internal monitoring of these indicators.

The senior unsecured debt at more than one year and the Group's equity make up the numerator of the MREL ratio. The Group's current MREL requirement was received in March 2024.

The updated total MREL requirement was set at 27.30% of the Group's risk-weighted assets. The total MREL ratio reached 34.6% at December 31, 2024, compared with 33.4% at December 31, 2023.

For subordinated MREL, the numerator only includes junior liabilities through senior non-preferred debt because BPCE has renounced for the time being to use of a senior preferred debt allowance.

The TLAC ratio serves the same purpose as subordinated MREL and only applies to G-SIBs. CRR2, published at the same time as BRRD2, transcribed TLAC into positive law in the form of a minimum subordinated MREL requirement applicable to G-SIBs. As indicated above, the Group has set its own TLAC target above the regulatory requirement, which at December 31, 2024 was 22.40% of risk-weighted assets, *i.e.* 18% plus the 4.40% solvency buffers.

The SRB expects that Groupe BPCE's subordinated MREL requirement will be set at 24.7% in 2025 compared to 22.4% in 2024. This change would result from the application, as part of the calculation of the subordinated MREL, of the threshold set by default in the regulations (*i.e.* 8% of total liabilities) without application of the reductions granted in previous years to Groupe BPCE by the SRB.

TLAC (Total Loss Absorbing Capacity) rose to €122.07 billion at the end of December 2024. The subordinated MREL ratio was 26.73% on December 31, 2024, compared to 25.39% on December 31, 2023.

4.6 Detailed quantitative information

The detailed quantitative information relating to capital management and capital requirements in the following tables enhances the information in the previous section under Pillar III.

EU LI3 – Explanation of differences between the statutory and prudential scope of consolidation

All companies consolidated by the equity method are associates.

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
I) CONSOLIDATING ENTITY							
I-1 Banques Populaires							
BANQUE POPULAIRE ALSACE LORRAINE CHAMPAGNE	FC	X					Credit institution
BANQUE POPULAIRE ALSACE LORRAINE CHAMPAGNE, LUXEMBOURG BRANCH	FC	X					Credit institution
BANQUE POPULAIRE AQUITAINE CENTRE ATLANTIQUE	FC	X					Credit institution
BANQUE POPULAIRE AUVERGNE RHÔNE ALPES	FC	X					Credit institution
BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTÉ	FC	X					Credit institution
BANQUE POPULAIRE DU NORD	FC	X					Credit institution
BANQUE POPULAIRE DU SUD	FC	X					Credit institution
BANQUE POPULAIRE GRAND OUEST	FC	X					Credit institution
BANQUE POPULAIRE MÉDITERRANÉE	FC	X					Credit institution
BANQUE POPULAIRE MÉDITERRANÉE, MONACO BRANCH	FC	X					Credit institution
BANQUE POPULAIRE OCCITANE	FC	X					Credit institution
BANQUE POPULAIRE RIVES DE PARIS	FC	X					Credit institution
BANQUE POPULAIRE VAL DE France	FC	X					Credit institution
BRED – BANQUE POPULAIRE	FC	X					Credit institution
CASDEN – BANQUE POPULAIRE	FC	X					Credit institution
CRÉDIT COOPÉRATIF	FC	X					Credit institution
I-2 Caisses d'Epargne							
CAISSE D'EPARGNE AQUITAINE POITOU-CHARENTES	FC	X					Credit institution
CAISSE D'EPARGNE BRETAGNE PAYS DE LOIRE	FC	X					Credit institution
CAISSE D'EPARGNE CÔTE D'AZUR	FC	X					Credit institution
CAISSE D'EPARGNE CÔTE D'AZUR, MONACO BRANCH	FC	X					Credit institution
CAISSE D'EPARGNE D'AUVERGNE ET DU LIMOUSIN	FC	X					Credit institution
CAISSE D'EPARGNE DE BOURGOGNE FRANCHE-COMTÉ	FC	X					Credit institution
CAISSE D'EPARGNE DE MIDI-PYRÉNÉES	FC	X					Credit institution
CAISSE D'EPARGNE HAUTS DE FRANCE	FC	X					Credit institution
CAISSE D'EPARGNE HAUTS DE FRANCE, BELGIUM BRANCH	FC	X					Credit institution

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
CAISSE D'EPARGNE HAUTS DE FRANCE, DUTCH BRANCH	FC	X					Credit institution
CAISSE D'EPARGNE ÎLE-DE-FRANCE	FC	X					Credit institution
CAISSE D'EPARGNE LANGUEDOC-ROUSSILLON	FC	X					Credit institution
CAISSE D'EPARGNE LOIRE-CENTRE	FC	X					Credit institution
CAISSE D'EPARGNE LOIRE DRÔME ARDÈCHE	FC	X					Credit institution
CAISSE D'EPARGNE GRAND EST EUROPE	FC	X					Credit institution
CAISSE D'EPARGNE NORMANDIE	FC	X					Credit institution
CAISSE D'EPARGNE PROVENCE-ALPES-CORSE	FC	X					Credit institution
CAISSE D'EPARGNE RHÔNE ALPES	FC	X					Credit institution
I-3 BPCE SA							
BPCE SA	FC	X					Credit institution
I-4 Mutual Guarantee Companies							
31 MUTUAL GUARANTEE COMPANIES	FC	X					Guarantee companies
II) "AFFILIATED" INSTITUTIONS							
CMGM	NI	X					Financial company
GEDEX DISTRIBUTION	NI	X					Financial company
SOCOREC	NI	X					Financial company
SOFISCOP SUD EST	NI	X					Financial company
SOMUDIMEC	NI	X					Financial company
EDEL	EQ	X					Credit institution
III) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES							
III-1 - Subsidiaries of the Banques Populaires							
ACLEDA	EQ			X			Credit institution
ADAXTRA CAPITAL	FC	X					Private equity
BANQUE CALÉDONIENNE D'INVESTISSEMENT	EQ			X			Credit institution
BANQUE DE SAVOIE	FC	X					Credit institution
BANQUE DE TRANSITION ÉNERGETIQUE	FC	X					Financial investment advisory services
BANQUE FRANCO LAO	FC	X					Credit institution
BCEL	EQ			X			Credit institution
BCI MER ROUGE	FC	X					Credit institution
BIC BRED	FC	X					Credit institution
BIC BRED (Suisse) SA	FC	X					Credit institution
BP DÉVELOPPEMENT	FC	X					Private equity
FPCI BP DEVELOPPEMENT	FC	X					Private equity
BPD FINANCEMENT	FC	X					Private equity
BPA ATOUTS PARTICIPATIONS	FC	X					Private equity
BRED BANK CAMBODIA PLC	FC	X					Credit institution
BRED BANK FIJI LTD	FC	X					Credit institution
BRED COFILEASE	FC	X					Equipment leasing
BRED GESTION	FC	X					Credit institution
BRED IT	FC	X					IT services

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
BRED MADAGASIKARA BANQUE POPULAIRE	FC	X					Credit institution
BRED SOLOMON ISLANDS	FC	X					Credit institution
BRED VANUATU	FC	X					Credit institution
BTP BANQUE	FC	X					Credit institution
BTP CAPITAL CONSEIL	FC	X					Financial investment advisory services
BTP CAPITAL INVESTISSEMENT	EQ			X			Private equity
CADEC	EQ			X			Private equity
COFEG	FC	X					Consulting
COFIBRED	FC	X					Holding
COOPMED	EQ			X			Private equity
CREPONORD	FC	X					Equipment and real estate leasing
ECOFI INVESTISSEMENT	FC	X					Portfolio management
EPBF	FC	X					Credit institution
ESFIN	EQ			X			Private equity
ESFIN GESTION	FC	X					Portfolio management
EURO CAPITAL	FC	X					Private equity
FCC ELIDE	FC	X					French securitization fund (FCT)
FINANCIÈRE DE LA BP OCCITANE	FC	X					Investment company
FINANCIÈRE IMMOBILIÈRE DERUELLE	FC	X					Real estate investment
FONCIÈRE BFCA	FC	X					Real estate development/ management, real estate investment
FONCIÈRE DU VANUATU	FC	X					Real estate investment
FONCIÈRE VICTOR HUGO	FC	X					Investment company
GARIBALDI CAPITAL DÉVELOPPEMENT	FC	X					Private equity
GESSINORD	FC	X					Real estate operations
BP Nord Développement	FC	X					Portfolio management
GROUPEMENT DE FAIT	FC	X					Services company
I-BP INVESTISSEMENT	FC	X					Real estate operations
IMMOCARSO SNC	FC	X					Investment property
INGEPAR	FC	X					Financial investment advisory services
IRR INVEST	FC	X					Private equity
MULTICROISSANCE SAS	FC	X					Portfolio management
NAXICAP RENDEMENT 2018	FC	X					Private equity
NAXICAP RENDEMENT 2022	FC	X					Private equity
NAXICAP RENDEMENT 2024	FC	X					Private equity
NJR INVEST	FC	X					Private equity
OUEST CROISSANCE SCR	FC	X					Private equity
PARNASSE GARANTIES	EQ			X			Insurance
PERSPECTIVES ENTREPRISES	FC	X					Holding
PLUSEXPANSION	FC	X					Holding
PRÉPAR COURTAGE	FC	X					Insurance brokerage
PRÉPAR-IARD	FC			X			Non-life insurance
PRÉPAR-VIE	FC			X			Life insurance and endowment

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
PROMEPAR ASSET MANAGEMENT	FC	X					Portfolio management
RIVES CROISSANCE	FC	X					Investment company
SAS BP IMMO NOUVELLE AQUITAINE	FC	X					Holding
SAS GARIBALDI PARTICIPATIONS	FC	X					Real estate operations
SAS SOCIÉTÉ IMMOBILIÈRE DE LA RÉGION RHÔNE ALPES	FC	X					Real estate operations
SAS SUD CROISSANCE	FC	X					Private equity
SAS TASTA	FC	X					Services company
SASU BFC CROISSANCE	FC	X					Private equity
SAVOISIENNE	FC	X					Holding
SBE	FC	X					Credit institution
SCI BPSO	FC	X					Real estate operations
SCI BPSO BASTIDE	FC	X					Real estate operations
SCI BPSO MÉRIGNAC 4 CHEMINS	FC	X					Real estate operations
SCI BPSO TALENCE	FC	X					Real estate operations
SCI CREDITMAR IMMOBILIER	FC	X					Real estate operations
SCI DU CRÉDIT COOPÉRATIF DE SAINT-DENIS	FC	X					Real estate operations
SCI FAIDHERBE	FC	X					Real estate operations
SCI POLARIS	FC	X					Real estate operations
SCI PYTHÉAS PRADO 1	FC	X					Real estate operations
SCI PYTHÉAS PRADO 2	FC	X					Real estate operations
SCI SAINT-DENIS	FC	X					Real estate operations
SEGIMLOR	FC	X					Real estate operations
SI ÉQUINOXE	FC	X					Real estate operations
SIPMÉA	FC	X					Real estate development/ management, real estate investment
SOCIÉTÉ CENTRALE DU CRÉDIT MARITIME MUTUEL	FC	X					Services company
SOCIÉTÉ D'EXPANSION BOURGOGNE FRANCHE-COMTÉ	FC	X					Private equity
SOCIÉTÉ IMMOBILIÈRE PROVENÇALE ET CORSE	FC	X					Real estate operations
SOCREDO	EQ			X			Credit institution
SOFIAG	FC	X					Financial company
SOFIDER	FC	X					Financial company
SPIG	FC	X					Property leasing
SUD PARTICIPATIONS IMMOBILIÈRES (formerly SAS FINANCIÈRE IMMOBILIÈRE 15)	FC	X					Housing real estate development
TRANSIMMO	FC	X					Real estate agent
UNION DES SOCIÉTÉS DU CRÉDIT COOPÉRATIF (EIG)	FC	X					Services company
VAL DE FRANCE IMMO	FC	X					Investments in real estate development
VAL DE FRANCE TRANSACTIONS	FC	X					Services company

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
III-2 - Caisses d'Epargne subsidiaries							
SCI 339 ETATS UNIS	FC	X					Real estate operations
4 CHENE GERMAIN	EQ			X			Real estate operations
SCI ADOUR SERVICES COMMUNS	FC	X					Real estate operations
SCI L APOUTICAYRE LOGEMENT	FC	X					Real estate operations
BANQUE BCP S.A.S	FC	X					Credit institution
BANQUE DE NOUVELLE-CALÉDONIE	FC	X					Credit institution
BANQUE DE TAHITI	FC	X					Credit institution
BANQUE DU LÉMAN	FC	X					Credit institution
BATIMAP	FC	X					Real estate leasing
BATIMUR	FC	X					Equipment leasing
BATIROC BRETAGNE PAYS DE LOIRE	FC	X					Equipment and real estate leasing
BDR IMMO 1	FC	X					Real estate operations
BEAULIEU IMMO	FC	X					Real estate operations
SCI BLEU RESIDENCE LORMONT	FC	X					Real estate operations
BRETAGNE PARTICIPATIONS	FC	X					Private equity
CAPITOLE FINANCE	FC	X					Equipment leasing
CE CAPITAL	FC	X					Holding
CE DÉVELOPPEMENT III	FC	X					Private equity
CEBIM	FC	X					Real estate agent
CEPAC FONCIÈRE	FC	X					Real estate operations and investment
CEPAC INVESTISSEMENT ET DÉVELOPPEMENT	FC	X					Private equity
CEPRAL	FC	X					Investments in real estate development
CHENE GERMAIN PARTICIPATIONS	FC	X					Fund management
COZYNERGY HOLDING	FC	X					Fund management
COZYNERGY SAS	FC	X					Engineering and Technical Studies
ENR-CE	FC	X					French securitization fund (FCT)
FERIA PAULMY	FC	X					Real estate operations
FONCEA	FC	X					Real estate operations
GIE CE SYNDICATION RISQUES	FC	X					Guarantee company
HABITAT EN RÉGION SERVICES	FC	X					Holding
IMMOCEAL	FC	X					Investment property
IMMOBILIERE THOYNARD IDF	FC	X					Investment property
INCITY	FC	X					Real estate operations
SA CEPAIM	FC	X					Real estate operations
SCI EUROTERTIA IMMO	FC	X					Real estate operations
SCI G IMMO	FC	X					Real estate operations
SCI G 102	FC	X					Real estate operations
SCI JEAN JAURES 24	FC	X					Real estate operations
SCI LABEGE LAKE H1	FC	X					Real estate operations
SCI LANGLADE SERVICES COMMUNS	FC	X					Real estate operations
SCI LEVISEO	FC	X					Real estate operations
SCI MIDI – COMMERCES	FC	X					Real estate operations
MIDI FONCIERE	FC	X					Real estate operations

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
SCI MIDI MIXT	FC	X					Real estate operations
SCI MONTAUDRAN PLS	FC	X					Real estate operations
SCI MURET ACTIVITES	FC	X					Real estate operations
PHILAE SAS	FC	X					Real estate operations
SCI ROISSY COLONNADIA	FC	X					Real estate operations
S.A.S 42 DERUELLE	FC	X					Real estate operations
SAS FONCIÈRE DES CAISSES D'EPARGNE	FC	X					Investment property
SAS FONCIÈRE ECUREUIL II	FC	X					Investment property
SAS LOIRE CENTRE IMMO	FC	X					Real estate investment
SAS NSAVADE	FC	X					Real estate operations
SC RESIDENCE LES AILES D'ICARE	EQ			X			Real estate operations
SC RESIDENCE LE CARRE DES PIONNIERS	EQ			X			Real estate operations
SC RESIDENCE ILOT J	EQ			X			Real estate operations
SC RESIDENCE LATECOERE	EQ			X			Real estate operations
SC RESIDENCE JEAN MERMOZ	EQ			X			Real estate operations
SC RESIDENCE SAINT EXUPERY	EQ			X			Real estate operations
SCI AVENUE WILLY BRANDT	FC	X					Investment property
SCI DANS LA VILLE	FC	X					Real estate operations
SCI FONCIÈRE 1	FC	X					Investment property
SCI GARIBALDI OFFICE	FC	X					Real estate operations
SCI LA FAYETTE BUREAUX	FC	X					Investment property
SCI LE CIEL	FC	X					Real estate operations
SCI LE RELAIS	FC	X					Real estate operations
SCI LOIRE CENTRE MONTESPAN	FC	X					Real estate operations
SCI SHAKE HDF	FC	X					Real estate operations
SCI TOURNON	FC	X					Real estate operations
SNC ECUREUIL 5 RUE MASSERAN	FC	X					Investment property
SOCIÉTÉ HAVRAISE CALÉDONIENNE	FC	X					Real estate operations
SODERO PARTICIPATIONS	FC	X					Private equity
SPPICAV AEW FONCIÈRE ECUREUIL	FC	X					Real estate operations
SCI TETRIS	FC	X					Real estate operations
URBAN CLAY TLS	FC	X					Real estate operations
III-3 - BPCE subsidiaries							
ALBIANT-IT	FC	X					IT systems and software consulting
AVAL MASTER FCT	FC	X					French securitization fund (FCT)
BANCO PRIMUS	FC	X					Credit institution
BANCO PRMUS Spain	FC	X					Credit institution
BATILEASE	FC	X					Real estate leasing
BPCE ACHATS & SERVICES	FC	X					Holding companies activities
BPCE BAIL	FC	X					Real estate leasing
BPCE CAR LEASE	FC	X					Long-term vehicle leasing
BPCE DEMETER TETRA FCT	FC	X					French securitization fund (FCT)
BPCE ENERGECO	FC	X					Real estate and equipment leasing

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
BPCE EOLIOS FCT	FC	X					French securitization fund (FCT)
BPCE EXPERTISES IMMOBILIÈRES (formerly CRÉDIT FONCIER EXPERTISE)	FC	X					Real estate valuation
BPCE FACTOR	FC	X					Factoring
BPCE FINANCEMENT	FC	X					Consumer credit
BPCE INFOGÉRANCE ET TECHNOLOGIE	FC	X					IT services
BPCE LEASE	FC	X					Equipment leasing
BPCE LEASE IMMO	FC	X					Real estate leasing
BPCE LEASE, MADRID BRANCH	FC	X					Equipment and real estate leasing
BPCE LEASE, MILAN BRANCH	FC	X					Equipment and real estate leasing
BPCE LEASE NOUMÉA	FC	X					Equipment leasing
BPCE LEASE RÉUNION	FC	X					Equipment leasing
BPCE LEASE TAHITI	FC	X					Equipment leasing
FCT HOME LOANS	FC	X					French securitization fund (FCT)
FCT CONSUMER LOANS	FC	X					French securitization fund (FCT)
FCT MASTER HOME LOANS	FC	X					French securitization fund (FCT)
BPCE PERSONAL CAR LEASE	FC	X					Long-term vehicle leasing
BPCE SERVICES FINANCIERS (formerly CSF-GCE)	FC	X					Services company
BPCE SFH	FC	X					Refinancing
BPCE SME FCT (MERCURE)	FC	X					French securitization fund (FCT)
BPCE SOLUTIONS CLIENTS (formerly BPCE SOLUTIONS CRÉDIT)	FC	X					Services company
BPCE SOLUTIONS INFORMATIQUES	FC	X					IT systems and software consulting
BPCE SOLUTIONS IMMOBILIÈRES (formerly CRÉDIT FONCIER IMMOBILIER)	FC	X					Real estate operations
CAPITOLE MASTER FCT	FC	X					French securitization fund (FCT)
CICOBAIL SA	FC	X					Real estate leasing
CO ASSUR CONSEIL ASSURANCE SA (BROKERAGE)	FC	X					Insurance brokerage advisory
COMPAGNIE EUROPÉENNE DE GARANTIES ET DE CAUTIONS	FC			X			Insurance
EUROLOCATIQUE	FC	X					Vendor and leasing activities
FCT PUMACC	FC	X					French securitization fund (FCT)
FONDS DE GARANTIE ET DE SOLIDARITE BPCE - FONDS DELESSERT	FC	X					Mutual guarantee fund
FIDOR BANK AG	FC	X					Digital loan institution
GCE PARTICIPATIONS	FC	X					Holding
INTER-COOP SA	FC	X					Real estate leasing
LEASE EXPANSION SA	FC	X					IT operational leasing

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
MAISON FRANCE CONFORT PROU INVESTISSEMENTS	EQ			X			Real estate development
MEDIDAN	FC	X					Other service activities
MIDT FACTORING A/S	FC	X					Factoring
OPHELIA MASTER SME FCT	FC	X					French securitization fund (FCT)
PRAMEX INTERNATIONAL	FC	X					International development and consulting services
PRAMEX INTERNATIONAL AP LTD – HONG KONG	FC	X					International development and consulting services
PRAMEX INTERNATIONAL AU CASABLANCA	FC	X					International development and consulting services
PRAMEX INTERNATIONAL CO LTD – SHANGHAI	FC	X					International development and consulting services
PRAMEX INTERNATIONAL CONSULTING PRIVATE LTD – MUMBAI	FC	X					International development and consulting services
PRAMEX INTERNATIONAL CORP – NEW YORK	FC	X					International development and consulting services
PRAMEX INTERNATIONAL DO BRAZIL CONSULTARIA LTDA – SAO PAULO	FC	X					International development and consulting services
PRAMEX INTERNATIONAL GMBH – FRANKFURT	FC	X					International development and consulting services
PRAMEX INTERNATIONAL LTD – LONDON	FC	X					International development and consulting services
PRAMEX INTERNATIONAL PTE LTD – SINGAPORE	FC	X					International development and consulting services
PRAMEX INTERNATIONAL SRL – MILAN	FC	X					International development and consulting services
PRAMEX INTERNATIONAL SA – MADRID	FC	X					International development and consulting services
PRAMEX INTERNATIONAL SARL – TUNIS	FC	X					International development and consulting services
PRAMEX INTERNATIONAL SP. ZOO – WARSAW	FC	X					International development and consulting services
SOCFIM	FC	X					Credit institution
SOCFIM PARTICIPATIONS IMMOBILIÈRES	FC	X					Holding
SOCRAM BANQUE	EQ			X			Credit institution
SPORTS & IMAGINE	FC	X					Services company
SUD-OUEST BAIL	FC	X					Real estate leasing
SURASSUR	FC			X			Reinsurance
ONEY group							
ONEY BANK SA	FC	X					Credit institution

	12/31/2024						
	a	b	c	d	e	f	g
			Prudential consolidation method[1]				
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
ONEY SERVICIOS FINANCIEROS EFC SAU	FC	X					Financial institution
BA FINANS	FC	X					Brokerage
ONEY MAGYARORSZAG ZRT	FC	X					Brokerage
GEFIRUS SAS	FC	X					Holding
IN CONFIDENCE INSURANCE SAS	FC	X					Insurance agent
ONEY HOLDING LIMITED	FC	X					Holding
ONEY LIFE (PCC) LIMITED	FC			X			Insurance
ONEY INSURANCE (PCC) LIMITED	FC			X			Insurance
ONEY SERVICES SP ZOO	FC	X					Brokerage
ONEY FINANCES SRL	FC	X					Brokerage
ONEY BANK SA, Portugal Branch	FC	X					Financial institution
ONEYTRUST SAS	FC	X					New technologies
ONEY UKRAINE	FC	X					Brokerage
SMARTNEY GRUPA ONEY	FC	X					Brokerage, financial institution
Groupe BPCE International							
BPCE INTERNATIONAL	FC	X					Specialized credit institution
BPCE INTERNATIONAL HO CHI MINH CITY, Vietnam Branch	FC	X					Specialized credit institution
BPCE MAROC	FC	X					Real estate development
FRANSA BANK	EQ			X			Credit institution
Crédit Foncier group							
CFG COMPTOIR FINANCIER DE GARANTIE	FC	X					Guarantee company
COFIMAB	FC	X					Real estate agent
COMPAGNIE DE FINANCEMENT FONCIER	FC	X					Financial company
CRÉDIT FONCIER DE FRANCE	FC	X					Credit institution
CRÉDIT FONCIER DE FRANCE, BELGIUM BRANCH	FC	X					Credit institution
Banque Palatine group							
ARIES ASSURANCES	FC	X					Insurance brokerage
BANQUE PALATINE	FC	X					Credit institution
CONSERVATEUR FINANCE	EQ			X			Fund management
PALATINE ASSET MANAGEMENT	FC	X					Asset Management
Global Financial Services division							
1818 IMMOBILIER	FC	X					Real estate operations
AEW – Dutch Branch	FC	X					Real estate management
AEW (formerly AEW CILOGER)	FC	X					Real estate management
AEW APREF GP SARL	FC	X					Asset Management
AEW APREF Investors, LP	FC	X					Asset Management
AEW ASIA LIMITED	FC	X					Asset Management
AEW ASIA PTE LTD	FC	X					Asset Management
AEW AUSTRALIA PTY LTD	FC	X					Asset Management
AEW CAPITAL MANAGEMENT, INC.	FC	X					Asset Management
AEW CAPITAL MANAGEMENT, LP	FC	X					Asset Management
AEW CENTRAL EUROPE	FC	X					Asset Management
AEW CENTRAL EUROPE CZECH	FC	X					Dividend payments

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
AEW COLD OPS MM, LLC	FC	X					Asset Management
AEW EHF GP, LLC	FC	X					Asset Management
AEW EUROPEAN PROPERTY SECURITIES ABSOLUTE RETURN GP, LLC	FC	X					Real estate management
AEW EUROPE GLOBAL LUX	FC	X					Asset Management
AEW EUROPE HOLDING Ltd	FC	X					Asset Management
AEW EUROPE INVESTMENT LTD	FC	X					Asset Management
AEW EUROPE LLP	FC	X					Asset Management
AEW Europe LLP, SPAIN BRANCH	FC	X					Dividend payments
AEW Europe SA (formerly AEW SA)	FC	X					Asset Management
AEW EUROPE SARL	FC	X					Asset Management
AEW EVP GP LLP	FC	X					Asset Management
AEW GLOBAL ADVISORS (EUROPE) LTD	FC	X					Asset Management
AEW GLOBAL INVESTMENT FUND GP, LLC	FC	X					Real estate management
AEW GLOBAL LTD	FC	X					Asset Management
AEW GLOBAL PROPERTY GP, LLC	FC	X					Real estate management
AEW GLOBAL UK LTD	FC	X					Asset Management
AEW INVEST GMBH	FC	X					Dividend payments
AEW ITALIAN BRANCH (formerly AEW CILOGER ITALIAN BRANCH)	FC	X					Dividend payments
AEW JAPAN CORPORATION	FC	X					Asset Management
AEW KOREA LLC	FC	X					Asset Management
AEW PARTNERS REAL ESTATE FUND IX, LLC	FC	X					Asset Management
AEW PARTNERS REAL ESTATE FUND VIII, LLC	FC	X					Asset Management
AEW PARTNERS V, INC.	FC	X					Asset Management
AEW PARTNERS VI, INC.	FC	X					Asset Management
AEW PARTNERS VII, INC.	FC	X					Asset Management
AEW PARTNERS X GP, LLC	FC	X					Asset Management
AEW PRIVATE DEBT HONG KONG LIMITED (formerly NIMI HONG KONG LTD)	FC	X					Asset Management
AEW PROMOTE LP LTD	FC	X					Asset Management
AEW RED FUND GP, LLC	FC	X					Real estate management
AEW SENIOR HOUSING INVESTORS II INC.	FC	X					Asset Management
AEW SENIOR HOUSING INVESTORS III LLC	FC	X					Asset Management
AEW SENIOR HOUSING INVESTORS IV LLC	FC	X					Asset Management
AEW SHI V GP, LLC	FC	X					Real estate management
AEW UK INVESTMENT MANAGEMENT LLP	FC	X					Asset Management
AEW UK INVESTMENT MANAGEMENT LLP, SPAIN BRANCH	FC	X					Dividend payments
AEW VALUE INVESTORS ASIA III GP LIMITED	FC	X					Asset Management
AEW VALUE INVESTORS U.S. GP, LLC	FC	X					Real estate management
AEW VIA IV GP PARTNERS SARL	FC	X					Asset Management
AEW VIA V GP PARTNERS SARL	FC	X					Asset Management
ASAHI NATIXIS INVESTMENT MANAGERS CO. LTD	EQ			X			Dividend payments

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
AUDERE PARTNERS	EQ			X			M&A advisory services
AURORA INVESTMENT MANAGEMENT LLC	FC	X					Asset Management
AZURE CAPITAL HOLDINGS PTY LTD	FC	X					M&A advisory services
AZURE CAPITAL LIMITED	FC	X					Holding
BLEACHERS FINANCE	FC	X					Securitization vehicle
CLIPPERTON HOLDING	EQ			X			M&A advisory services
CM REO HOLDINGS TRUST	FC	X					Secondary markets finance
CM REO TRUST	FC	X					Secondary markets finance
DARIUS CAPITAL CONSEIL	FC	X					Financial investment advisory services
DF EFG3 LIMITED	FC	X					Holding
DNCA FINANCE	FC	X					Asset Management
DNCA FINANCE, LUXEMBOURG BRANCH	FC	X					Asset Management
DNCA FINANCE, MILAN BRANCH	FC	X					Asset Management
DORVAL ASSET MANAGEMENT	FC	X					Asset Management
EDF INVESTISSEMENT GROUPE	EQ			X			Investment company
EPI SO SLP LLC	FC	X					Asset Management
FENCHURCH PARTNERS LLP	FC	X					M&A advisory services
FLEXSTONE PARTNERS LLC	FC	X					Asset Management
FLEXSTONE PARTNERS SARL	FC	X					Asset Management
FLEXSTONE PARTNERS SAS	FC	X					Asset Management
FLEXSTONE PARTNERS PTE LTD	FC	X					Asset Management
GATEWAY INVESTMENT ADVISERS, LLC	FC	X					Asset Management
HARRIS ASSOCIATES LP	FC	X					Asset Management
HARRIS ASSOCIATES SECURITIES, LP	FC	X					Dividend payments
HARRIS ASSOCIATES, INC.	FC	X					Asset Management
HSBC EPARGNE ENTREPRISE	FC	X					Employee savings plan management
INVESTIMA 77	FC	X					Holding
INVESTORS MUTUAL LIMITED	FC	X					Asset Management
KENNEDY FINANCEMENT LUXEMBOURG	FC	X					Investment company – Asset management
KENNEDY FINANCEMENT LUXEMBOURG 2	FC	X					Central corporate treasury – Asset management
LOOMIS SAYLES & COMPANY, INC.	FC	X					Asset Management
LOOMIS SAYLES & COMPANY, LP	FC	X					Asset Management
LOOMIS SAYLES (NETHERLANDS) BV	FC	X					Dividend payments
LOOMIS SAYLES (NETHERLANDS) B.V. FRENCH BRANCH	FC	X					Dividend payments
LOOMIS SAYLES ALPHA LUXEMBOURG, LLC	FC	X					Asset Management
LOOMIS SAYLES ALPHA, LLC.	FC	X					Asset Management
CAPRE (formerly LOOMIS SAYLES CAPITAL RE)*	FC	X					Asset Management
LOOMIS SAYLES DISTRIBUTORS, INC.	FC	X					Dividend payments
LOOMIS SAYLES DISTRIBUTORS, LP	FC	X					Dividend payments
LOOMIS SAYLES GLOBAL ALLOCATION	FC	X					Asset Management
LOOMIS SAYLES INVESTMENTS ASIA Pte Ltd	FC	X					Asset Management
LOOMIS SAYLES INVESTMENTS Ltd (UK)	FC	X					Asset Management

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
LOOMIS SAYLES SAKORUM LONG SHORT GROWTH EQUITY	FC	X					Asset Management
LOOMIS SAYLES TRUST COMPANY, LLC	FC	X					Asset Management
MASSENA CONSEIL S.A.S.	FC	X					Asset manager and investment advisory firm
MASSENA PARTNERS – BRANCH	FC	X					Asset manager and investment advisory firm
MASSENA PARTNERS SA	FC	X					Asset manager and investment advisory firm
MASSENA WEALTH MANAGEMENT SARL	FC	X					Asset manager and investment advisory firm
MIROVA	FC	X					Management of venture capital mutual funds
MIROVA SWEDEN SUBSIDIARY	FC	X					Asset Management
MIROVA UK LIMITED (formerly MIROVA NATURAL CAPITAL LIMITED)	FC	X					Asset Management
MIROVA US Holdings LLC	FC	X					Holding
Mirova US LLC	FC	X					Asset Management
MSR TRUST	FC	X					Real estate finance
MV CREDIT EURO CLO III[2]	FC	X					Securitization vehicle
MV CREDIT CLO EQUITY SARL[2]	FC	X					Asset Management
MV CREDIT LIMITED[2]	FC	X					Asset Management
MV CREDIT LLP[2]	FC	X					Asset Management
MV CREDIT SARL[2]	FC	X					Asset Management
MV CREDIT SARL, FRANCE BRANCH[2]	FC	X					Asset Management
NATIXIS ALGÉRIE	FC	X					Banking
NATIXIS ALTERNATIVE ASSETS	FC	X					Issuing vehicle
NATIXIS ALTERNATIVE HOLDING LIMITED	FC	X					Holding
NATIXIS ASIA LTD	FC	X					Other financial company
NATIXIS AUSTRALIA PTY Ltd	FC	X					Financial institution
NATIXIS BEIJING	FC	X					Financial institution
NATIXIS BELGIQUE INVESTISSEMENTS	FC	X					Investment company
NATIXIS CANADA	FC	X					Financial institution
NATIXIS COFICINE	FC	X					Finance company (audiovisual)
NATIXIS DISTRIBUTION, LLC (FORMERLY NATIXIS DISTRIBUTION, LP)	FC	X					Dividend payments
NATIXIS DUBAI	FC	X					Financial institution
NATIXIS FINANCIAL PRODUCTS LLC	FC	X					Derivatives transactions
NATIXIS FONCIERE SA	FC	X					Real estate investment
NATIXIS FUNDING CORP	FC	X					Other financial company
NATIXIS GLOBAL SERVICES (INDIA) PRIVATE LIMITED	FC	X					Operational support
NATIXIS HOLDINGS (HONG KONG) LIMITED	FC	X					Holding

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
NATIXIS HONG KONG	FC	X					Financial institution
NATIXIS IM INNOVATION	FC	X					Asset Management
NATIXIS IM KOREA LIMITED (NIMKL)	FC	X					Dividend payments
NATIXIS IM MEXICO, S DE RL DE CV	FC	X					Asset Management
NATIXIS IMMO DEVELOPPEMENT	FC	X					Housing real estate development
NATIXIS INVESTMENT MANAGERS OPERATING SERVICES (formerly NIM P6)	FC	X					Holding
NATIXIS INTERÉPARGNE	FC	X					Employee savings plan management
NATIXIS INVESTMENT MANAGERS	FC	X					Holding
NATIXIS INVESTMENT MANAGERS AUSTRALIA PTY LIMITED	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS HONG KONG LIMITED	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS INTERNATIONAL	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS HONG KONG LIMITED	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, ITALY BRANCH	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, LLC	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, BELGIAN BRANCH	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, LUXEMBOURG BRANCH	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, NETHERLANDS	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, SPAIN BRANCH	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS INTERNATIONAL, ZWEIGNIEDERLASSUNG DEUTSCHLAND	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS JAPAN CO. LTD	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS MIDDLE EAST	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 1	FC	X					Holding
NATIXIS INVESTMENT MANAGERS PARTICIPATIONS 3	FC	X					Holding
NATIXIS INVESTMENT MANAGERS SECURITIES INVESTMENT CONSULTING Co. LTD	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS SINGAPORE LIMITED	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS SWITZERLAND SARL	FC	X					Asset Management
NATIXIS INVESTMENT MANAGERS LLC (FORMERLY NIMUSH)*	FC	X					Holding
NATIXIS INVESTMENT MANAGERS UK LTD	FC	X					Dividend payments
NATIXIS INVESTMENT MANAGERS URUGUAY S.A.	FC	X					Dividend payments
NATIXIS JAPAN SECURITIES CO, LTD	FC	X					Financial institution

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
NATIXIS LABUAN	FC	X					Financial institution
NATIXIS LONDON	FC	X					Financial institution
NATIXIS MADRID	FC	X					Financial institution
NATIXIS MARCO	FC	X					Investment company (extension of activity)
NATIXIS MILAN	FC	X					Financial institution
NATIXIS NEW YORK	FC	X					Financial institution
NATIXIS NORTH AMERICA LLC	FC	X					Holding
NATIXIS PARTNERS	FC	X					M&A advisory services
NATIXIS PARTNERS IBERIA, S.A.	FC	X					M&A advisory services
NATIXIS PFANDBRIEFBANK AG	FC	X					Credit institution
NATIXIS PORTO	FC	X					Financial institution
NATIXIS PRIVATE EQUITY	FC	X					Private equity
NATIXIS REAL ESTATE CAPITAL LLC	FC	X					Real estate finance
NATIXIS REAL ESTATE FEEDER SARL	FC	X					Issuing vehicle
NATIXIS REAL ESTATE HOLDINGS LLC	FC	X					Real estate finance
NATIXIS SA	FC	X					Credit institution
NATIXIS SECURITIES AMERICAS LLC	FC	X					Brokerage
NATIXIS SEOUL	FC	X					Financial institution
NATIXIS SHANGHAI	FC	X					Financial institution
NATIXIS SINGAPORE	FC	X					Financial institution
NATIXIS STRUCTURED ISSUANCE	FC	X					Issuing vehicle
NATIXIS STRUCTURED PRODUCTS LTD	FC	X					Issuing vehicle
NATIXIS TAIWAN	FC	X					Financial institution
NATIXIS TOKYO	FC	X					Financial institution
NATIXIS TRADEX SOLUTIONS	FC	X					Credit institution
NATIXIS TRUST	FC	X					Issuing vehicle
NATIXIS US MTN PROGRAM LLC	FC	X					Issuing vehicle
NATIXIS WEALTH MANAGEMENT	FC	X					Credit institution
NATIXIS CORPORATE AND INVESTMENT BANKING LUXEMBOURG	FC	X					Issuing vehicle
NATIXIS ZWEIGNIEDERLASSUNG DEUTSCHLAND	FC	X					Financial institution
NAXICAP PARTNERS	FC	X					Management of venture capital mutual funds
NIM-OS TECHNOLOGIES INC.	FC	X					Media and digital
NIM-OS, LLC	FC	X					Media and digital
OSSIAM	FC	X					Asset Management
OSTRUM AM (NEW)	FC	X					Asset Management
OSTRUM AM US LLC	FC	X					Asset Management
OSTRUM ASSET MANAGEMENT ITALIA	FC	X					Asset Management
PURPLE FINANCE CLO 1	FC	X					Securitization vehicle
PURPLE FINANCE CLO 2	FC	X					Securitization vehicle
SAUDI ARABIA INVESTMENT COMPANY	FC	X					Financial institution
SEAPORT STRATEGIC PROPERTY PROGRAM I CO-INVESTORS, LLC	FC	X					Asset Management
SEVENTURE PARTNERS	FC	X					Asset Management
SOLOMON PARTNERS SECURITIES COMPANY LLC (formerly PETER J. SOLOMON SECURITIES COMPANY LLC)	FC	X					Brokerage

	12/31/2024						
	a	b	c	d	e	f	g
		Prudential consolidation method[1]					
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
SOLOMON PARTNERS, LP (formerly PETER J. SOLOMON COMPANY LP)	FC	X					M&A advisory services
SPG	FC	X					mutual fund
MIROVA AFRICA (formerly SUNFUNDER INC.)	FC	X					Private debt management company
MIROVA KENYA LIMITED (formerly SUNFUNDER EAST AFRICA LTD)	FC	X					Private debt management company
TEORA	FC	X					Insurance brokerage company
THE AZURE CAPITAL TRUST	FC	X					Holding
THEMATICS ASSET MANAGEMENT	FC	X					Asset Management
VAUBAN INFRASTRUCTURE PARTNERS	FC	X					Asset Management
VAUBAN INFRASTRUCTURE PARTNERS, GERMAN BRANCH	FC	X					Asset Management
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC.	FC	X					Asset Management
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	FC	X					Asset Management
VEGA INVESTMENT MANAGERS	FC	X					Mutual fund holding company
VERMILION (BEIJING) ADVISORY COMPANY LIMITED	FC	X					M&A advisory services
VERMILION PARTNERS (HOLDINGS) LIMITED	FC	X					Holding
VERMILION PARTNERS (UK) LIMITED	FC	X					Holding
VERMILION PARTNERS LIMITED	FC	X					Holding
VERSAILLES	FC			X			Securitization vehicle
Insurance division							
Thematics Europe Selection	FC			X			Insurance investment mutual fund
ADIR	EQ			X			Insurance
ALLOCATION PILOTEE EQUILIBRE C	FC			X			Insurance investment mutual fund
ALLOCATION PILOTE OFFENSIVE	FC			X			Insurance investment mutual fund
BPCE IARD (formerly ASSURANCES BANQUE POPULAIRE IARD)	EQ			X			Property damage Insurance
BPCE ASSURANCES	FC			X			Holding
BPCE ASSURANCES IARD (FORMERLY BPCE ASSURANCES)	FC			X			Property damage Insurance
BPCE ASSURANCES PRODUCTION SERVICES	FC			X			Service providers
BPCE LIFE	FC			X			Life insurance
BPCE LIFE, FRANCE BRANCH	FC			X			Life insurance
BPCE Vie	FC			X			Life insurance
DNCA INVEST NORDEN	FC			X			Insurance investment mutual fund
ECUREUIL VIE DEVELOPPEMENT	EQ			X			Insurance brokerage
FONDS TULIP	FC			X			Insurance investments (Securitization funds)
FONDS VEGA EUROPE CONVICTIONS	FC			X			Insurance investment mutual fund
FRUCTIFONCIER	FC			X			Insurance real estate investments
MIROVA EUROPE ENVIRONNEMENT C	FC			X			

	12/31/2024						
	a	b	c	d	e	f	g
	Prudential consolidation method[1]						
	Accounting consolidation method	Full consolidation	Proportionate consolidation	Equity method	Not consolidated Nor deducted	Deducted	Description of the entity
							Insurance investment mutual fund
NA	FC			X			Holding
NAMI INVESTMENT	FC			X			Insurance real estate investments
NATIXIS ESG CONSERVATIVE FUND	FC			X			Insurance investment mutual fund
NATIXIS ESG DYNAMIC FUND	FC			X			Insurance investment mutual fund
REAUMUR ACTIONS	FC			X			Insurance investment mutual fund
SCI DUO PARIS	EQ			X			Real estate management
SCPI IMMOB EVOLUTIF	FC			X			Insurance real estate investments
SELECTIZ	FC			X			Insurance investment mutual fund
SELECTIZ PLUS FCP 4DEC	FC			X			Insurance investment mutual fund
SCPI ATLANTIQUE MUR RÉGIONS	FC			X			Insurance investment mutual fund
THEMATICS AI AND ROBOTICS	FC			X			Insurance investment mutual fund
VEGA EURO RENDEMENT FCP RC	FC			X			Insurance investment mutual fund
VEGA FRANCE OPPORTUNITÉ (ELITE 1818)	FC			X			Insurance investment mutual fund
VEGA OBLIGATION EURO	FC			X			Insurance investment mutual fund
Payments division							
BPCE PAYMENT SERVICES (formerly NATIXIS PAYMENTS SOLUTION)	FC	X					Banking services
BPCE Payments (formerly Shiva)	FC	X					Holding
BPH (formerly NATIXIS PAYMENT HOLDING)	FC	X					Holding
XPOLLENS (formerly S-MONEY)	FC	X					Payment services
PAYPLUG ENTERPRISE	FC	X					Payment services
SWILE	EQ			X			Payment services, Service vouchers and Online services for employees
Other							
BPCE IMMO EXPLOITATION (formerly NATIXIS IMMO EXPLOITATION)	FC	X					Real estate operations
III-5 Local savings companies							
175 local savings companies (LSCs)	FC	X					Cooperative shareholders

(1) Prudential consolidation method

FC global integration
EQ Equity method

(2) Entity treated as a “discontinued operation” at December 31, 2024.

LI1 - Differences between the accounting scope of consolidation and the prudential consolidation scope and mapping of financial statement categories to regulatory risk categories

The following table presents the assets and liabilities recognized in Groupe BPCE's prudential balance sheet, broken down by type of regulatory risk. The sum of the amounts broken down is not necessarily equal to the net book values of the prudential scope, as some items may be subject to capital requirements for several types of risk.

		12/31/2024						
		a	b	c	d	e	f	g
				Carrying amounts of items				
	in millions of euros	Carrying amounts as reported in the published financial statements	Carrying amounts according to the prudential consolidation scope	Subject to the credit risk framework	Subject to the counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deductions from capital
	BREAKDOWN BY ASSET CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS							
1	Amounts due to central banks	133,186	133,225	133,225	-	-	-	-
2	Financial assets at fair value through profit or loss	230,521	230,546	26,221	137,159	4,243	199,965	-
3	Financial assets at fair value through other comprehensive income	57,166	57,281	57,281	-	574	-	-
4	Debt securities at amortized cost	27,021	27,298	27,298	-	2,271	-	-
5	Loans and advances on EC	115,862	115,696	114,764	931	-	-	-
6	Loans and Advances to Customers	851,843	850,416	847,891	2,525	2,376	22	-
7	Hedging derivatives - Positive JV	7,624	7,624	-	7,624	-	-	-
8	Revaluation differences on interest rate risk-hedged portfolios, assets	(856)	(856)	-	-	-	-	(856)
9	Insurance business investments	126,085	714	714	-	-	-	-
10	Investments accounted for using equity method	2,146	5,912	5,624	-	-	-	288
11	Investment property	733	733	733	-	-	-	-
12	Property, plant and equipment	6,085	6,074	6,074	-	-	-	-
13	Intangible assets	1,147	1,027	185	-	-	-	842
14	Goodwill	4,312	4,262	-	-	-	-	4,262
15	Current tax assets	640	647	647	-	-	-	-
16	Deferred tax assets	4,160	3,885	2,726	-	-	-	1,159
17	Accrued income and other assets	16,444	16,317	16,317	-	-	-	-
18	Non-current assets held for sale	438	438	356	-	-	-	82
19	**TOTAL ASSETS**	**1,584,558**	**1,461,241**	**1,240,059**	**148,240**	**9,464**	**199,987**	**5,777**
	BREAKDOWN BY LIABILITY CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS							
1	Amounts due to central banks	1	1	-	-	-	-	1
2	Financial liabilities at fair value through profit or loss	218,963	215,130	679	144,585	684	166,166	48,290
3	Debt securities	304,957	301,351	-	-	-	-	301,351
4	Amounts due to banks	69,953	67,268	-	11,602	-	-	55,665
5	Amounts due to customers	723,090	728,230	-	3,173	-	1	725,057
6	Hedging derivatives – Negative FV	14,260	14,253	-	14,253	-	-	-
7	Revaluation differences on interest rate risk-hedged portfolios, liabilities	14	14	-	-	-	-	14
8	Provisions	4,748	4,702	945	-	-	-	3,758
9	Liabilities related to insurance contracts	117,670	-	-	-	-	-	-

		12/31/2024						
		a	b	c	d	e	f	g
				Carrying amounts of items				
in millions of euros		Carrying amounts as reported in the published financial statements	Carrying amounts according to the prudential consolidation scope	Subject to the credit risk framework	Subject to the counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deductions from capital
10	Current tax liabilities	2,206	2,212	-	-	-	-	2,212
11	Deferred tax liabilities	1,323	1,109	-	-	-	-	1,109
12	Accrued expenses and other liabilities	20,892	20,483	1,117	-	-	-	19,365
13	Liabilities associated with non-current assets held for sale	312	312	-	-	-	-	312
14	Subordinated debt	18,401	18,186	-	-	-	-	18,186
15	**Equity attributable to equity holders of the parent**	**87,137**	**87,129**	-	-	-	-	**87,129**
16	Capital and associated reserves	29,349	29,349	-	-	-	-	29,349
17	Consolidated reserves	53,427	53,419	-	-	-	-	53,419
18	Gains and losses recognized directly in other comprehensive income	842	842	-	-	-	-	842
19	Net income for the period	3,520	3,520	-	-	-	-	3,520
20	Non-controlling interests	630	861	-	-	-	-	861
21	**TOTAL LIABILITIES**	**1,584,558**	**1,461,241**	**2,741**	**173,613**	**684**	**166,166**	**1,263,310**

		12/31/2023						
		a	b	c	d	e	f	g
				Carrying amounts of items				
in millions of euros		Carrying amounts as reported in the published financial statements	Carrying amounts according to the prudential consolidation scope	Subject to the credit risk framework	Subject to the counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deductions from capital
	BREAKDOWN BY ASSET CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS							
1	Amounts due to central banks	152,669	152,768	152,768	-	-	-	-
2	Financial assets at fair value through profit or loss	214,782	214,763	25,620	125,642	4,836	183,683	-
3	Financial assets at fair value through other comprehensive income	48,073	48,294	48,294	-	592	-	-
4	Debt securities at amortized cost	26,373	26,413	26,413	-	2,016	-	-
5	Loans and advances on EC	108,631	108,207	106,982	1,225	-	-	-
6	Loans and Advances to Customers	839,457	839,636	837,492	2,145	1,578	22	-
7	Hedging derivatives - Positive JV	8,855	8,855	-	8,855	-	-	-
8	Revaluation differences on interest rate risk-hedged portfolios, assets	(2,626)	(2,626)	-	-	-	-	(2,626)
9	Insurance business investments	114,303	711	711	-	-	-	-
10	Investments accounted for using equity method	1,616	5,134	4,862	-	-	-	272

		12/31/2023						
		a	b	c	d	e	f	g
				Carrying amounts of items				
in millions of euros		Carrying amounts as reported in the published financial statements	Carrying amounts according to the prudential consolidation scope	Subject to the credit risk framework	Subject to the counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deductions from capital
11	Investment property	717	717	717	-	-	-	-
12	Property, plant and equipment	6,023	6,011	6,011	-	-	-	-
13	Intangible assets	1,110	980	173	-	-	-	807
14	Goodwill	4,224	4,173	-	-	-	-	4,173
15	Current tax assets	829	832	832	-	-	-	-
16	Deferred tax assets	4,575	4,250	2,636	-	-	-	1,614
17	Accrued income and other assets	14,529	14,562	14,562	-	-	-	-
18	**TOTAL ASSETS**	**1,544,139**	**1,433,680**	**1,228,072**	**137,866**	**9,023**	**183,705**	**4,240**
	BREAKDOWN BY LIABILITY CLASSES ACCORDING TO THE BALANCE SHEET IN THE PUBLISHED FINANCIAL STATEMENTS							
1	Amounts due to central banks	2	2	-	-	-	-	2
2	Financial liabilities at fair value through profit or loss	204,064	199,083	642	139,141	642	161,705	36,736
3	Debt securities	292,598	292,616	-	-	-	-	292,612
4	Amounts due to banks	79,634	76,833	-	8,647	-	-	68,186
5	Amounts due to customers	711,658	716,017	-	1,217	-	44	714,800
6	Hedging derivatives – Negative FV	14,973	14,923	-	-	-	-	14,923
7	Revaluation differences on interest rate risk-hedged portfolios, liabilities	159	159	-	-	-	-	159
8	Provisions	4,825	4,779	892	-	-	-	3,887
9	Liabilities related to insurance contracts	106,286	-	-	-	-	-	-
10	Current tax liabilities	2,026	2,028	-	-	-	-	2,028
11	Deferred tax liabilities	1,660	1,423	-	-	-	-	1,423
12	Accrued expenses and other liabilities	22,493	21,962	1,474	-	-	-	20,488
13	Liabilities associated with non-current assets held for sale	-	-	-	-	-	-	-
14	Subordinated debt	18,801	18,605	-	-	-	-	18,605
15	**Equity attributable to equity holders of the parent**	**84,407**	**84,403**	**-**	**-**	**-**	**-**	**84,403**
16	Capital and associated reserves	29,031	29,031	-	-	-	-	29,031
17	Consolidated reserves	51,876	51,870	-	-	-	-	51,870
18	Gains and losses recognized directly in other comprehensive income	698	699	-	-	-	-	699
19	Net income for the period	2,804	2,804	-	-	-	-	2,804
20	Non-controlling interests	553	845	-	-	-	-	845
21	**TOTAL LIABILITIES**	**1,544,139**	**1,433,680**	**3,009**	**149,006**	**642**	**161,749**	**1,259,097**

EU LI2 - Main sources of differences between the regulatory exposure amounts and the carrying amounts in the financial statements

The following table shows the transition from the carrying amounts of the prudential scope presented by type of regulatory risk to the amount of exposure taken into account for regulatory purposes.

		12/31/2024				
		a	b	c	d	e
			Items subject to			
in millions of euros		Overall	Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
1	**Carrying amount of assets according to the prudential scope of consolidation (according to the EU LI1 model)**	**1,455,464**	**1,240,059**	**9,464**	**148,240**	**199,987**
2	**Carrying amount of liabilities according to the prudential scope of consolidation (according to the EU LI1 model)**	**(197,931)**	**(2,741)**	**(684)**	**(173,613)**	**(166,166)**
3	**Total net amount according to the prudential scope of consolidation**	**1,257,533**	**1,237,318**	**8,781**	**(25,373)**	**33,820**
4	**Off-balance sheet amounts**	**222,431**	**208,829**	**13,602**		
5	Differences in valuation	(1,088)	(539)		(549)	
6	*Differences due to different netting rules other than those already included in row 2*	65,340	-		99,160	
7	*Differences due to the recognition of provisions*	11,115	11,115			
8	*Differences due to the use of credit risk mitigation (CRM) techniques*	(8,603)	(8,603)			
9	*Differences due to credit conversion factors*	(86,989)	(86,989)			
10	*Differences due to securitization with risk transfer*	(126)	-	(126)		
11	*Other differences*	(28,521)	(24,940)	(594)		
12	**Exposure amounts taken into account for regulatory purposes**	**1,431,091**	**1,336,190**	**21,663**	**73,238**	

		31/12/2023				
		a	b	c	d	e
			Items subject to			
in millions of euros		Overall	Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
1	**Carrying amount of assets according to the prudential scope of consolidation (according to the EU LI1 model)**	**1,429,440**	**1,228,072**	**9,023**	**137,866**	**183,705**
2	**Carrying amount of liabilities according to the prudential scope of consolidation (according to the EU LI1 model)**	**(174,583)**	**(3,009)**	**(642)**	**(149,006)**	**(161,749)**
3	**Total net amount according to the prudential scope of consolidation**	**1,254,857**	**1,225,064**	**8,381**	**(11,140)**	**21,956**
4	**Off-balance sheet amounts**	**215,065**	**202,770**	**12,295**		
5	Differences in valuation	(970)	(466)		(504)	
6	Differences due to different netting rules other than those already included in row 2	56,377			78,333	
7	Differences due to the recognition of provisions	10,669	10,669			
8	Differences due to the use of credit risk mitigation (CRM) techniques	(7,584)	(7,584)			
9	Differences due to credit conversion factors	(80,814)	(80,814)			
10	Differences due to securitization with risk transfer	(192)		(192)		
11	Other differences	(32,865)	(22,527)	258	-	
12	**Exposure amounts taken into account for regulatory purposes**	**1,414,544**	**1,327,112**	**20,742**	**66,689**	

EU CC1 – Composition of regulatory capital by category

The following table is presented in the format of Appendix VI, Commission Implementing Regulation (EU) No. 1423/2013 of December 20, 2013. For simplicity, the descriptions presented below are those of Appendix VI, *i.e.* phased-in terms.

		12/31/2024		12/31/2023	
		a	b	a	b
in millions of euros		Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation	Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation
COMMON EQUITY TIER-1 (CET1) CAPITAL: INSTRUMENTS AND RESERVES					
1	Capital instruments and the related share premium accounts	29,349	4	29,031	4
	– o/w instrument type 1				
	– o/w instrument type 2				
	– o/w instrument type 3				
2	Retained earnings	3,140	4	3,127	4
3	Accumulated other comprehensive income (and other reserves)	49,757	4	47,903	4
EU-3a	Fund for general banking risks	-		-	
4	Amount of qualifying items referred to in Article 484(3) CRR and the related share premium accounts subject to phase out from CET1	-		-	
5	Minority interests (amount allowed in consolidated CET1)	219	5	205	5
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	2,747	4	1,956	4
6	**Common Equity Tier-1 (CET1) capital before regulatory adjustments**	**85,212**		**82,221**	
COMMON EQUITY TIER-1 (CET1) CAPITAL: REGULATORY ADJUSTMENTS					
7	Additional value adjustments (negative amount)	(1,088)		(970)	
8	Intangible assets (net of related tax liabilities) (negative amount)	(5,106)	2	(4,911)	2
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	(644)	1	(799)	1
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(202)		(294)	
12	Negative amounts resulting from the calculation of expected loss amounts	(210)		(204)	
13	Any increase in equity that results from securitized assets (negative amount)	-		-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(234)		(246)	
15	Defined-benefit pension fund assets (negative amount)	(98)		(79)	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-		(0)	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		-	

in millions of euros		12/31/2024 a Amount	12/31/2024 b Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation	12/31/2023 a Amount	12/31/2023 b Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation
20	Not applicable				
EU-20a	Exposure amount of the following items which qualify for a RW of 1,250%, where the institution opts for the deduction alternative	-		-	
EU-20b	– of which: qualifying holdings outside the financial sector (negative amount)	-		-	
EU-20c	– of which: securitization positions (negative amount)	-		-	
EU-20d	– of which: free deliveries (negative amount)	-		-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) of the CRR are met) (negative amount)	-		-	
22	Amount exceeding the 17.65% threshold (negative amount)	-		-	
23	– of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-		-	
25	– of which: deferred tax assets arising from temporary differences	-		-	
EU-25a	Losses for the current fiscal year (negative amount)	-		-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-		-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	(22)		(22)	
27a	Other regulatory adjustments	(3,760)		(3,449)	
28	**Total regulatory adjustments to Common Equity Tier-1 (CET1) capital**	**(11,365)**		**(10,975)**	
29	**Common Equity Tier-1 (CET1) capital**	**73,847**		**71,246**	
ADDITIONAL TIER-1 (AT1) CAPITAL: INSTRUMENTS					
30	Capital instruments and the related share premium accounts				
31	– o/w classified as equity according to the applicable accounting standards				
32	– o/w classified as liabilities according to the applicable accounting framework				
33	Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1				
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1				
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1				
34	Qualifying Tier-1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties				
35	– of which: instruments issued by subsidiaries subject to phase out				
36	**Additional Tier-1 (AT1) capital before regulatory adjustments**				
ADDITIONAL TIER-1 (AT1) CAPITAL: REGULATORY ADJUSTMENTS					
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-			

		12/31/2024		12/31/2023	
		a	b	a	b
in millions of euros		Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation	Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-			
39	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-			
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(22)		(22)	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-		-	
43	**Total regulatory adjustments to Additional Tier-1 (AT1) capital**	**(22)**		**(22)**	
44	**Additional Tier-1 (AT1) capital**	**-**		**-**	
45	**Tier-1 capital (T1 = CET1 + AT1)**	**73,847**		**71,246**	
TIER-2 (T2) CAPITAL: INSTRUMENTS					
46	Capital instruments and the related share premium accounts	13,617	3	13,269	3
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-		-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-		-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	87	3	96	3
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-		-	
49	• of which: instruments issued by subsidiaries subject to phase out	-		-	
50	Credit risk adjustments	306		611	
51	**Tier-2 (T2) capital before regulatory adjustments**	**14,009**		**13,976**	
TIER-2 (T2) CAPITAL: REGULATORY ADJUSTMENTS					
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	(25)		(25)	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(1,775)		(1,786)	
EU-56b	Other regulatory adjustments to T2 capital	-		-	
57	**Total regulatory adjustments to Tier-2 (T2) capital**	**(1,800)**		**(1,811)**	
58	**Tier-2 (T2) capital**	**12,210**		**12,165**	
59	**Total capital (TC = T1 + T2)**	**86,057**		**83,411**	
60	**Total risk exposure amount**	**456,591**		**457,606**	
CAPITAL RATIOS AND REQUIREMENTS, INCLUDING BUFFERS					
61	Common Equity Tier-1 (CET1) capital	16.17%		15.57%	

		12/31/2024		12/31/2023	
		a	b	a	b
in millions of euros		Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation	Amount	Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation
62	Tier-1 capital	16.17%		15.57%	
63	Total equity	18.85%		18.23%	
64	Total CET1 capital requirements of the institution	10.08%		9.60%	
65	– of which: capital conservation buffer requirement	2.50%		*2.50%*	
66	– of which: countercyclical buffer requirement	0.90%		0.47%	
67	– of which: systemic risk buffer requirement	0.00%		*0.00%*	
EU-67a	– *of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	1.00%		*1.00%*	
68	**Common Equity Tier-1 capital** ***(as a percentage of risk exposure amount)*** **available after compliance with minimum capital requirements)**	**8.60%**		**8.07%**	
NATIONAL MINIMA (IF DIFFERENT FROM BASEL III)					
Amounts below the thresholds for deduction (before risk weighting)					
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	1,010		947	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below the 17.65% threshold and net of eligible short positions)	2,635		2,441	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38(3) of the CRR are met)	2,726		2,636	
APPLICABLE CAPS ON THE INCLUSION OF PROVISIONS IN TIER-2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	-		-	
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	1,741		1,954	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	306		611	
79	Cap on inclusion of credit risk adjustments in T2 under internal ratings-based approach	1,194		1,115	
CAPITAL INSTRUMENTS SUBJECT TO PHASE-OUT ARRANGEMENTS (ONLY APPLICABLE BETWEEN JANUARY 1, 2014 AND JANUARY 1, 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	-		-	

in millions of euros		12/31/2024 a Amount	12/31/2024 b Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation	12/31/2023 a Amount	12/31/2023 b Source based on balance sheet reference numbers/letters according to the regulatory scope of consolidation
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		-	
82	Current cap applicable on AT1 instruments subject to phase out	-		-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		-	
84	Current cap applicable on T2 instruments subject to phase out	-		-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	10		10	

BPCE08 – Additional Tier-1 capital

in millions of euros	12/31/2024 Basel III	12/31/2023 Basel III
AT1 capital instruments ineligible but benefiting from a grandfathering clause	-	-
Holdings of AT1 instruments of financial sector entities more than 10%-owned	-	-
Transitional adjustments applicable to AT1 capital	-	-
ADDITIONAL TIER-1 (AT1) CAPITAL	**-**	**-**

BPCE09 – Issues of deeply subordinated notes

Issuer	Issue date	Currency	Accounting classification	Amount in original currency *(in millions)*	Net outstandings *(in millions of euros)*	Prudential net outstandings *(in millions of euros)*
TOTAL						

BPCE10 – Tier-2 capital

in millions of euros	12/31/2024 Basel III	12/31/2023 Basel III
Eligible Tier-2 capital instruments	13,617	13,269
Own Tier-2 instruments	(25)	(25)
Tier-2 capital instruments ineligible but benefiting from a grandfathering clause	87	96
Holdings of Tier-2 instruments of financial sector entities more than 10%-owned	(1,775)	(1,786)
Transitional adjustments applicable to Tier-2 capital	-	-
Excess provision over expected losses	306	611
TIER-2 CAPITAL	**12,210**	**12,165**

BPCE11 – Issues of subordinated notes

Issuer	Issue date	Maturity date	Currency	Amount in original currency *(in millions)*	Outstandings *(in millions of euros)*	Prudential net outstandings *(in millions of euros)*
BPCE	04/16/2014	04/16/2029	GBP	750	907	779
BPCE	07/25/2014	06/25/2026	EUR	701	350	104
BPCE	07/25/2014	06/25/2026	EUR	1,050	525	156
BPCE	09/15/2014	03/15/2025	USD	1,250	1,207	49
BPCE	01/30/2015	01/30/2025	JPY	27,200	167	3
BPCE	01/30/2015	01/30/2025	JPY	13,200	81	1
BPCE	02/17/2015	02/17/2027	EUR	480	240	101
BPCE	02/17/2015	02/17/2027	EUR	371	371	158
BPCE	03/24/2015	03/12/2025	EUR	375	375	15
BPCE	04/17/2015	04/17/2035	USD	270	261	261
BPCE	04/29/2015	04/17/2035	USD	100	97	97
BPCE	04/29/2015	04/17/2035	USD	30	29	29
BPCE	06/01/2015	06/01/2045	USD	130	126	126
BPCE	09/29/2015	09/29/2025	CHF	100	53	8
BPCE	12/11/2015	12/11/2025	JPY	25,100	154	29
BPCE	12/11/2015	12/11/2025	JPY	500	3	1
BPCE	03/17/2016	03/17/2031	EUR	60	60	60
BPCE	03/17/2016	03/17/2036	USD	150	145	145
BPCE	04/01/2016	04/01/2026	USD	750	724	181
BPCE	04/22/2016	04/22/2026	EUR	750	750	196
BPCE	05/03/2016	05/03/2046	USD	200	193	193
BPCE	07/19/2016	07/19/2026	EUR	696	696	215
BPCE	07/13/2016	07/13/2026	JPY	17,300	106	33
BPCE	10/13/2021	01/13/2042	EUR	900	900	900
BPCE	10/13/2021	10/13/2046	EUR	850	850	850
BPCE	10/19/2021	10/19/2042	USD	750	724	724
BPCE	10/19/2021	10/19/2032	USD	1,000	966	966
BPCE	12/01/2021	11/30/2032	GBP	500	605	605
BPCE	12/16/2021	12/16/2031	JPY	74,600	458	458
BPCE	12/16/2021	12/16/2036	JPY	5,800	36	36
BPCE	01/14/2022	01/14/2037	USD	800	773	773
BPCE	02/02/2022	02/02/2034	EUR	1,000	1,000	1,000
BPCE	03/02/2022	03/02/2032	EUR	500	500	500
BPCE	07/07/2022	07/07/2032	JPY	26,600	163	163
BPCE	12/15/2022	12/15/2032	JPY	8,400	52	52
BPCE	01/25/2023	01/25/2035	EUR	1,500	1,500	1,500
BPCE	06/01/2023	06/01/2033	EUR	500	500	500
BPCE	01/18/2024	01/18/2035	USD	900	869	869
BPCE	02/26/2024	02/26/2036	EUR	500	500	500
BPCE	03/08/2024	03/08/2034	SGD	400	283	283
TOTAL					**18,300**	**13,617**

Details of debt instruments recognized as Tier-2 capital, as well as their characteristics, as required by Implementing Regulation No. 1423/2013 are published at the following address: https://groupebpce.com/en/investors/results-and-publications/pillar-iii.

EU CCyb1 – Geographic distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

		12/31/2024												
		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk				Capital requirements						
in millions of euros		Exposure value under the standardized approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitization exposures Value at Risk for the banking book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitization positions in the non-trading book	Overall	Risk-Weighted Assets	Capital requirement weights (%)	Counter cyclical buffer rate (%)
010	BREAKDOWN BY COUNTRY													
	Armenia	-	1	-	-	-	1	0	-	-	0	0	0.00%	1.50%
	Australia	35	2,599	32	1	732	3,399	96	1	10	106	1,327	0.35%	1.00%
	Belgium	1,692	2,650	79	1,628	-	6,048	208	8	-	217	2,706	0.72%	1.00%
	Bulgaria	0	2	-	-	-	2	0	-	-	0	0	0.00%	2.00%
	Chile	-	1,838	0	-	-	1,838	53	0	-	53	661	0.18%	0.50%
	Cyprus	0	10	-	-	-	10	0	-	-	0	1	0.00%	1.00%
	Czech Republic	12	15	1	5	-	33	1	0	-	1	15	0.00%	1.25%
	Germany	906	2,471	268	2,463	898	7,007	141	18	11	170	2,130	0.57%	0.75%
	Denmark	241	293	38	126	-	697	33	1	-	33	418	0.11%	2.50%
	Estonia	1	0	3	-	-	4	0	-	-	0	1	0.00%	1.50%
	France	140,823	675,495	7,402	5,548	5,011	834,279	24,412	76	102	24,591	307,385	82.02%	1.00%
	United Kingdom	1,345	9,198	312	110	1,097	12,063	310	13	17	341	4,267	1.14%	2.00%
	Hong Kong	33	3,408	12	-	254	3,707	106	0	4	110	1,375	0.37%	1.00%
	Croatia	3	1	-	-	-	3	0	-	-	0	2	0.00%	1.50%
	Hungary	9	103	5	-	-	117	3	0	-	3	43	0.01%	0.50%
	Ireland	298	3,156	201	0	632	4,286	88	8	9	104	1,306	0.35%	1.50%
	Iceland	-	1	-	-	-	1	0	-	-	0	0	0.00%	2.50%
	Korea, Republic of	18	152	485	124	-	779	12	1	-	13	159	0.04%	1.00%
	Lithuania	0	1	2	-	-	2	0	-	-	0	0	0.00%	1.00%
	Luxembourg	1,296	10,830	103,105	688	830	116,750	505	9	8	521	6,515	1.74%	0.50%
	Latvia	0	1	1	-	-	2	0	-	-	0	0	0.00%	0.50%
	Netherlands	1,602	4,389	193	643	983	7,810	185	11	34	231	2,883	0.77%	2.00%
	Norway	100	501	13	27	-	641	15	0	-	16	196	0.05%	2.50%
	Romania	10	10	-	-	-	19	1	-	-	1	10	0.00%	1.00%
	Sweden	77	264	9	40	-	389	12	1	-	13	163	0.04%	2.00%
	Slovenia	2	0	-	-	-	2	0	-	-	0	2	0.00%	0.50%
	Slovakia	22	1	1	0	-	24	1	0	-	1	13	0.00%	1.50%
	Other countries weighted at 0%	19,309	66,920	5,772	2,534	11,143	105,678	3,178	97	181	3,456	43,194	11.53%	0.00%
020	**OVERALL**	**167,832**	**784,308**	**117,933**	**13,938**	**21,581**	**1,105,593**	**29,362**	**245**	**376**	**29,982**	**374,771**	**100.00%**	

		12/31/2023												
		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk				Capital requirements						
in millions of euros		Exposure value under the standardized approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitization exposures Value at Risk for the non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitization positions in the non-trading book	Overall	Weighted - exposure amount	Capital requirement weights (%)	Countercyclical buffer rate (%)
010	**BREAKDOWN BY COUNTRY**													
	Australia	67	2,060	26	0	582	2,735	77	0	8	85	1,064	0.29%	1.00%
	Bulgaria	0	2	0	0	0	2	0	0	0	0	0	0.00%	2.00%
	Cyprus	0	12	0	0	0	12	0	0	0	0	2	0.00%	0.50%
	Czech Republic	6	10	0	0	0	17	1	0	0	1	8	0.00%	2.00%
	Germany	1,018	2,110	351	2,306	919	6,703	142	19	16	178	2,221	0.60%	0.75%
	Denmark	251	165	16	74	0	506	24	1	0	25	313	0.08%	2.50%
	Estonia	4	0	25	0	0	29	0	0	0	0	4	0.00%	1.50%
	France	155,187	655,152	4,119	6,384	5,724	826,565	24,315	48	117	24,480	305,998	83.11%	0.50%
	United Kingdom	812	8,096	215	79	891	10,093	285	7	11	303	3,792	1.03%	2.00%
	Hong Kong	37	3,257	32	0	177	3,503	85	1	4	90	1,121	0.30%	1.00%
	Croatia	3	18	3	0	0	23	1	0	0	1	10	0.00%	1.00%
	Ireland	349	3,853	186	3	695	5,086	91	12	10	113	1,407	0.38%	1.00%
	Iceland	0	50	0	0	0	50	1	0	0	1	14	0.00%	2.00%
	Lithuania	0	1	6	0	0	7	0	0	0	0	0	0.00%	1.00%
	Luxembourg	1,550	8,462	81,294	686	793	92,785	491	6	7	505	6,307	1.71%	0.50%
	Netherlands	1,830	4,032	222	506	1,209	7,799	189	14	39	241	3,018	0.82%	1.00%
	NORWAY	119	447	17	1	0	584	17	1	0	18	222	0.06%	2.50%
	Romania	10	10	0	0	0	20	1	0	0	1	11	0.00%	1.00%
	Sweden	86	350	17	23	0	477	23	1	0	24	301	0.08%	2.00%
	Slovakia	18	75	1	0	0	94	3	0	0	3	43	0.01%	1.50%
	Slovenia	2	0	0	0	0	3	0	0	0	0	2	0.00%	0.50%
	Other countries weighted at 0%	21,075	61,175	4,890	2,686	9,712	99,537	3,176	61	150	3,387	42,341	11.50%	0.00%
020	**Overall**	**182,424**	**749,338**	**91,418**	**12,748**	**20,701**	**1,056,629**	**28,924**	**170**	**362**	**29,456**	**368,199**	**100.00%**	

EU CCyB2 – Amount of countercyclical capital buffer

		a	
in millions of euros		**12/31/2024**	**12/31/2023**
1	Total risk exposure amount	456,591	457,606
2	Institution-specific countercyclical capital buffer rate	0.90%	0.47%
3	Institution-specific countercyclical capital buffer requirement	4,098	2,164

EU PV1 – Prudent valuation adjustment (PVA)

	a	b	c	d	e	EU e1	EU e2	f	g	h
	12/31/2024									
	Risk category					Category level AVA – Valuation uncertainty				
Category AVA *in millions of euros*	Equities	Interest rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA	Total AVA category post-diversification	o/w total core approach in the trading book	o/w total core approach in the banking book
Market price uncertainty	636	52	3	52	2	13	50	404	70	333
Close-out costs	218	68	5	89	1	15	2,515	199	127	72
Concentrated positions	79	7	999	42	-			129	72	57
Early termination	-	-	-	-	-			-	-	-
Model risk	138	36	30	27	318	60	12,370	159	139	20
Operational risk	43	8	0	8	0			60	19	41
Future administrative costs	39	48	7	33	10			138	122	16
TOTAL ADDITIONAL VALUATION ADJUSTMENTS (AVAS)								**1,088**	**549**	**539**

	a	b	c	d	e	EU e1	EU e2	f	g	h
	12/31/2023									
	Risk category					Category level AVA – Valuation uncertainty				
Category AVA *in millions of euros*	Equities	Interest rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA	Total AVA category post-diversification	o/w total core approach in the trading book	o/w total core approach in the banking book
Market price uncertainty	564	42	4	81	2	44	55	397	108	289
Close-out costs	112	36	4	113	1	35	-	150	83	67
Concentrated positions	78	5	2,169	43	-			129	71	59
Early termination	-	-	-	-	-			-	-	-
Model risk	89	7	28	35	-	57	-	108	99	9
Operational risk	34	5	0	15	0			54	13	42
Future administrative costs	28	44	17	39	3			131	130	1
TOTAL ADDITIONAL VALUATION ADJUSTMENTS (AVAS)								**970**	**504**	**466**

EU LR2 – LRCOM – Leverage ratio

The leverage ratio compares Tier-1 capital to an exposure calculated quarterly on the basis of the balance sheet and off-balance sheet assets assessed using a prudential approach. Derivatives and repurchase agreements are subject to specific restatements. The commitments given are allocated a conversion factor in accordance with Article 429 (7) of the CRR2.

		Exposures for leverage ratio purposes under the CRR	
		a	b
in millions of euros		12/31/2024	12/31/2023
ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	1,315,096	1,298,113
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(8,833)	(9,958)
4	(Adjustment for securities received under securities financing transactions that are recognized as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier-1 capital)	(7,430)	(7,446)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**1,298,833**	**1,280,710**
DERIVATIVE EXPOSURES			
8	Replacement cost associated with SA-CCR derivatives transactions (*i.e.* net of eligible cash variation margin)	16,680	15,321
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardized approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	30,904	25,986
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardized approach	-	-
EU-9b	Exposure determined under original exposure method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardized approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	31,115	45,199
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(27,473)	(42,495)
13	**Total derivative exposures**	**51,227**	**44,011**
SECURITIES FINANCING TRANSACTION (SFT) EXPOSURES			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	84,754	83,437
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	8,396	8,396
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**93,150**	**91,833**
OTHER OFF-BALANCE SHEET EXPOSURES			
19	Off-balance sheet exposures at gross notional amount	223,361	214,747
20	(Adjustments for conversion to credit equivalent amounts)	(123,631)	(118,086)
21	(General provisions associated with off-balance sheet exposures deducted in determining Tier-1 capital)	-	-
22	**Off-balance sheet exposures**	**99,730**	**96,661**
EXCLUDED EXPOSURES			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	(4,028)	(4,028)

		Exposures for leverage ratio purposes under the CRR	
		a	b
in millions of euros		12/31/2024	12/31/2023
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on and off balance sheet))	(103,067)	(95,726)
EU-22c	(Excluded exposures of public development banks (or units) – Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) – Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) of the CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) of the CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**(107,095)**	**(99,754)**
CAPITAL AND TOTAL EXPOSURE MEASURE			
23	**Tier-1 capital**	**73,847**	**71,246**
24	**Total exposure measure**	**1,435,845**	**1,413,461**
LEVERAGE RATIO			
25	Leverage ratio (in *%)*	5.14%	5.04%
EU-25	Leverage ratio (excluding the impact of the exemption for public sector investments and promotional loans*) (in %*)	5.14%	5.04%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves*) (in %*)	5.14%	5.04%
26	Regulatory minimum leverage ratio requirement (in *%)*	3.00%	3.00%
EU-26a	Additional capital requirements to address the excessive leverage risk (%)	0.00%	0.00%
EU-26b	Leverage ratio buffer requirement (in *%)*	0.00%	0.00%
27	Leverage ratio buffer requirement (in *%)*	0.50%	0.50%
EU-27a	Overall leverage ratio requirement (in *%)*	3.50%	3.50%
CHOICE OF TRANSITIONAL ARRANGEMENTS AND RELEVANT EXPOSURES			
EU-27b	Choice on transitional arrangements for the definition of the capital measure		
DISCLOSURE OF MEAN VALUES			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	119,974	107,059
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	84,754	83,437
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	1,471,065	1,437,083
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	1,471,065	1,437,083
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.02%	4.96%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.02%	4.96%

EU LR3 – LRSpL: Breakdown of balance sheet exposures (excluding derivatives, SFTS and exempted exposures)

in millions of euros		a 12/31/2024 Exposures for leverage ratio purposes under the CRR	b 12/31/2023 Exposures for leverage ratio purposes under the CRR
EU-1	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFT AND EXEMPTED EXPOSURES), OF WHICH:**	**1,199,719**	**1,188,895**
EU-2	Trading book exposures	86,759	64,854
EU-3	Banking book exposures, of which:	1,112,961	1,124,042
EU-4	Covered bonds	2,749	2,405
EU-5	Exposures considered as sovereign	254,768	225,360
EU-6	Exposures to regional governments, multi-development banks, international organizations and public sector entities not treated as sovereigns	16,093	61,740
EU-7	Institutions	16,557	15,906
EU-8	Exposures secured by a real estate mortgage	430,598	427,914
EU-9	Retail exposures	115,139	115,247
EU-10	Corporate customers	203,966	197,892
EU-11	Exposures in default	20,076	19,049
EU-12	Other exposures (*e.g.* equity, securitizations, and other non-credit obligation assets)	53,014	58,529

EU INS2 – Financial conglomerate - Information on capital and capital adequacy ratio

	12/31/2024 a	12/31/2023 b
Additional capital requirements of the financial conglomerate (amount)	2,092	2,814
Financial conglomerate capital adequacy ratio *(%)*	19.18%	18.52%

EU KM2 – Key indicators – TLAC ratio

in millions of euros		a 12/31/2024	b 09/30/2024	c 06/30/2024	d 03/31/2024	e 12/31/2023
	OWN FUNDS AND ELIGIBLE LIABILITIES, RATIOS AND COMPONENTS OF THE RESOLUTION GROUP					
1	TLAC own funds and eligible liabilities	122,069	120,657	120,416	119,622	116,207
2	Risk-weighted assets (RWA)	456,591	446,184	458,329	458,996	457,606
3	**TLAC ratio (in % of RWA)**	**26.73%**	**27.04%**	**26.27%**	**26.06%**	**25.39%**
4	Leverage exposure measure	1,435,845	1,427,943	1,422,570	1,413,789	1,413,461
5	**TLAC ratio (in % of leverage exposure)**	**8.50%**	**8.45%**	**8.46%**	**8.46%**	**8.22%**
6a	Does the exemption from subordination allowed by Article 72b(4) of Regulation (EU) No. 575/2013 apply? (5% exemption)	n.a	n.a	n.a	n.a	n.a
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion as per Article 72b(3) of Regulation (EU) No. 575/2013 is applied (max 3.5% exemption)	n.a	n.a	n.a	n.a	n.a
6c	If a capped subordination exemption applies under Article 72b(3) of Regulation (EU) No. 575/2013, the amount of funding issued that ranks *pari passu* with excluded liabilities and that is recognized under row 1, divided by funding issued that ranks *pari passu* with excluded liabilities and that would be recognized under row 1 if no cap was applied (in %)	n.a	n.a	n.a	n.a	n.a

EU TLAC 1 – Composition TLAC ratio

in millions of euros		12/31/2024 b Capital requirements and eligible liabilities applicable to EISm (TLAC)
	OWN FUNDS AND ELIGIBLE LIABILITIES AND ADJUSTMENTS	
1	Common Equity Tier-1 (CET1) capital	73,847
2	Additional Tier-1 (AT1) capital	-
6	Tier-2 (T2) capital	12,210
11	TLAC eligible own funds	86,057
	OWN FUNDS AND ELIGIBLE LIABILITIES: NON-REGULATORY CAPITAL ITEMS	
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	27,825
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities, issued prior to 06/27/2019 (subordinated grandfathered)	4,783
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre cap)	
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 06/27/2019 (pre-cap)	
14	Amount of non-subordinated instruments eligible, where applicable after application of Article 72b(3) of Regulation (EU) No. 575/2013	
17	TLAC-eligible liabilities items before adjustments	36,086
EU-17a	*- o/w subordinated liabilities*	
	OWN FUNDS AND ELIGIBLE LIABILITIES: ADJUSTMENTS TO NON-REGULATORY CAPITAL ITEMS	
18	TLAC-own funds and eligible liabilities items before adjustments	122,069
19	(Deduction of exposures between MPE resolution groups)	
20	(Deduction of investments in other eligible liabilities instruments)	
22	TLAC-own funds and eligible liabilities after adjustments	122,069
EU-22a	*- o/w own funds and subordinated liabilities*	
	RISK-WEIGHTED EXPOSURE AMOUNT AND LEVERAGE RATIO EXPOSURE MEASURE OF THE RESOLUTION GROUP	
23	Risk-weighted assets *(RWA)*	456,591
24	Total leverage exposure measure	1,435,845
	RATIO OF OWN FUNDS AND ELIGIBLE LIABILITIES	
25	TLAC ratio *(in % of RWA)*	26.73%
EU-25a	*- o/w own funds and subordinated liabilities*	
26	TLAC ratio *(in % of leverage exposure)*	8.50%
EU-26a	*- o/w own funds and subordinated liabilities*	
27	CET1 capital *(as a percentage of RWA)* available after meeting the resolution group's requirements	4.33%
28	Overall institution-specific capital buffer requirement	4.40%
29	*- o/w capital conservation buffer requirement*	2.50%
30	*- o/w countercyclical buffer requirement*	0.90%
31	*- o/w systemic risk buffer requirement*	1.00%
EU-31a	*- o/w Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	1.00%
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No. 575/2013	438,822

in millions of euros		12/31/2023
		b
		Capital requirements and eligible liabilities applicable to EISm (TLAC)
	OWN FUNDS AND ELIGIBLE LIABILITIES AND ADJUSTMENTS	
1	Common Equity Tier-1 (CET1) capital	71,246
2	Additional Tier-1 (AT1) capital	-
6	Tier-2 (T2) capital	12,165
11	TLAC eligible own funds	83,411
	OWN FUNDS AND ELIGIBLE LIABILITIES: NON-REGULATORY CAPITAL ITEMS	
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	23,124
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities, issued prior to 06/27/2019 (subordinated grandfathered)	5,758
EU-12c	Tier-2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier-2 items	3,972
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre cap)	
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 06/27/2019 (pre-cap)	
14	Amount of non-subordinated instruments eligible, where applicable after application of Article 72b(3) of Regulation (EU) No. 575/2013	
17	TLAC-eligible liabilities items before adjustments	32,795
EU-17a	– *of which: subordinated liabilities*	
	OWN FUNDS AND ELIGIBLE LIABILITIES: ADJUSTMENTS TO NON-REGULATORY CAPITAL ITEMS	
18	Eligible own funds and liabilities before adjustments	116,207
19	(Deduction of exposures between MPE resolution groups)	-
20	(Deduction of investments in other eligible liabilities instruments)	-
22	TLAC-own funds and eligible liabilities after adjustments	116,207
EU-22a	– *of which: own funds and subordinated liabilities*	116,206.6961
	RISK-WEIGHTED EXPOSURE AMOUNT AND LEVERAGE RATIO EXPOSURE MEASURE OF THE RESOLUTION GROUP	
23	Total risk exposure amount (TREA)	457,606
24	Total exposure measure (TEM)	1,413,461
	RATIO OF OWN FUNDS AND ELIGIBLE LIABILITIES	
25	Own funds and eligible liabilities as a percentage of TREA	25.39%
EU-25a	– *of which: own funds and subordinated liabilities*	
26	Own funds and eligible liabilities as a percentage of TEM	8.22%
EU-26a	– *of which: own funds and subordinated liabilities*	0
27	– *CET1 (as a percentage of TREA) available after meeting the resolution group's requirements*	3.41%
28	Overall institution-specific capital buffer requirement	3.98%
29	– *of which: capital conservation buffer requirement*	*2.50%*
30	– *of which: countercyclical buffer requirement*	0.47%
31	– *of which: systemic risk buffer requirement*	0.01%
EU-31a	– *of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	*1.00%*
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No. 575/2013	566,722

The hierarchy of creditors for the components of the TLAC is as follows in order of priority of repayment: senior non-preferred debt, subordinated debt eligible for issuance as Tier-2 capital and subordinated debt eligible for issuance as additional Tier-1 capital.

The eligible liabilities and their characteristics are published at the following address: https://www.groupebpce.com/en/investors/results-and-publications/pillar-iii.

EU TLAC 3a: Rank in the hierarchy of creditors – Resolution group

	12/31/2024			
	Hierarchy in the event of insolvency			TOTAL
	1	3	7	
in millions of euros	(lowest rank)		(highest rank)	
Description of insolvency rank	CET1 capital	Tier 2	Senior non-preferred debt	
Liabilities and own funds	73,847	17,649	36,393	127, 888
of which: excluded liabilities				
Liabilities and own funds less excluded liabilities	73,847	17,649	36,393	127,888
Of which instruments eligible for the TLAC ratio	73,847	15,545	32,608	122,000
of which: residual maturity ≥ 1 year < 2 years		4,807	6,382	11,189
of which: residual maturity ≥ 2 years < 5 years		4,883	13,687	18,570
of which: residual maturity ≥ 5 years < 10 years		5,755	12,539	18,294
of which: residual maturity ≥ 10 years, but excluding perpetual securities		1,632	-	1,632
of which: perpetual securities	73,847			73,847

	12/31/2023			
	Hierarchy in the event of insolvency			TOTAL
	1	3	7	
in millions of euros	(lowest rank)		(highest rank)	
Description of insolvency rank (free text)	CET1 capital	Tier 2	Senior non-preferred debt	
Liabilities and own funds	71,246	18,390	32,423	50,813
of which: excluded liabilities				-
Liabilities and own funds less excluded liabilities	71,246	18,390	32,423	50,813
Of which instruments eligible for the TLAC ratio	71,246	16,137	28,882	45,019
of which: residual maturity ≥ 1 year < 2 years	-	2,008	2,202	4,210
of which: residual maturity ≥ 2 years < 5 years	-	4,138	14,330	18,468
of which: residual maturity ≥ 5 years < 10 years	-	4,240	10,214	14,454
of which: residual maturity ≥ 10 years, but excluding perpetual securities		6,661	2,136	8,797
of which: perpetual securities	71,246	-	-	71,246

5 CREDIT RISK

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5.1 Foreword

The Group Risk division strengthened its risk management framework in 2024, particularly for Real Estate Professionals and Retail Professionals. In addition, in line with the difficulties encountered by the commercial real estate sector, reinforced monitoring has been implemented in this sector (dedicated *ad hoc* study, reporting of risk areas observed locally by the institutions, *etc.*).

5.2 Credit risk management

As part of its prerogatives, the Credit Risk division is responsible for the following main tasks:

- defining and revising the Group's risk management frameworks through the development of the Group's credit risk policies;
- defining the principles of Risk division through individual limits by counterparty, sectoral frameworks and countries and monitoring compliance;
- analyzing loan granting applications for amounts exceeding individual customer limits or for transactions of a particular nature or which would deviate from the principles of the Group credit policy or which are not delegated by the Group's subsidiaries;
- examining the main files managed in the Watchlist and proposing a provisioning level for defaulted files;
- assessing and controlling the level of credit risk at Group level and, more generally, monitoring the various portfolios by type of customers, asset class and sector;
- implementing the standards and methods for risk taking and management within the Group's consolidated scope in accordance with regulations;
- participating in the development and adequacy of risk measurement and management systems;
- coordinating the credit risk functions, in particular through very frequent audio-conferences, national days, regional platforms or thematic working groups;
- building and managing credit risk applications.

Credit risk management

Credit policy

The overall credit risk policy is governed in particular by the risk appetite framework, structured around the definition of the level of risk and risk appetite indicators. The balance between the search for profitability and the level of risk accepted is reflected in Groupe BPCE's credit risk profile and in the Group's credit risk policies. Groupe BPCE refrains from engaging in activities over which it has insufficient control. Activities with high risk-reward profiles are identified and strictly controlled.

In general, Groupe BPCE's credit approval process is based first and foremost on the customer's ability to repay the loan, *i.e.* future cash flows, with clearly identified sources and channels and a reasonably realistic probability of occurrence.

Rating policy

Credit risk measurement relies on internal rating systems tailored to each category of customer and transaction. The Group Risk division is responsible for defining and verifying the performance of these rating systems.

An internal rating methodology common to all Groupe BPCE institutions (specific to each customer segment) is applied for "individual and professional customers", as well as for "corporate customers", "real estate professionals", "project financing", "central banks and other sovereign exposures", "central governments", "public-sector and similar entities" and "financial institutions".

Credit risk governance

A dedicated governance structure is in place for the construction of all credit risk management, granting and classification systems.

Each standard, policy, system or method is the focus of workshops, organized and led by the Group Risk division teams, made up of Group representatives. The purpose of these workshops is to define the rules and expectations for each topic addressed, as it relates to the Group's risk appetite and regulatory constraints. These topics are then decided by a Group committee made up of executive managers.

Compliance with regulatory and internal caps and limits is regularly checked by the Group Risk and Compliance Committee and the Risk Committees of the Supervisory Board. Each institution is responsible for ensuring compliance with internal limits.

The Group Risk division also defines, for all institutions, the common framework of Level 2 permanent controls (CPN2) for credit risks and contributes to the coordination of Level 1 controls.

The Risk function is organized according to the principle of subsidiarity with a strong functional link:	• each institution in Groupe BPCE has a Risk division covering credit and counterparty risks. Each institution manages its risks in accordance with Group standards and prepares a risk report every six months;
	• each Head of Risk is in close contact with the Group Chief Risk Officer. The latter reports to the Chairman of the Management Board of Groupe BPCE and is a member of the Executive Management Committee.
The supervision of grants and the monitoring of portfolios declined or adapted in each Group institution are supervised within a system made up of:	• credit risk policies and sector policies on credit; • Group internal caps, internal caps for institutions in the Banque Populaire and Caisse d'Epargne networks and all BPCE subsidiaries; • a set of Group internal limits covering the major categories of counterparties (a company made up of a parent and its subsidiaries) on a consolidated basis, for the main asset classes excluding retail, supplemented as needed by local limits; predominantly based on the internal rating approach, these methodologies are used to define the maximum risk that Groupe BPCE is willing to take; • at each Group institution, a pro-con analysis or counter-analysis procedure involving the Risk function, which holds the right to veto decisions, calling on the higher-level Credit Committee for arbitration where necessary, or the duly authorized representative.

HIGHLIGHTS

The requirement was also maintained for the operational integration of the main standards, rules and policies in institutions in order to guarantee uniform implementation within the Group.

The 2024 fiscal year, in a context of higher interest rates with inflation appearing to slow down. Geopolitical uncertainties as well as economic caution thwarted business ventures, leading to lower production of loans. The number of defaults in France has also increased significantly and is back to pre-Covid-19 levels. The commercial real estate sector was also strongly impacted by the economic situation, due in particular to an increase in the price of credit for individual customers and rising prices in new buildings given the increase in construction costs. Reinforced monitoring of this sector has been put in place by the Group Risk division.

Credit risk supervision

5.2.1.1 Credit risk supervision system

CONCENTRATION RISK FRAMEWORK

The internal caps system used across the Group, which are lower than the regulatory caps, is aimed at increasing the division of risks and is applied to all Group entities.

The internal caps system used by the institutions is lower than or equal to the Group internal caps, and is applied to the Banque Populaire and Caisse d'Epargne networks and the subsidiaries.

A Group individual limits system has also been established for the major counterparties as well as exposure levels for countries and industries. These limits apply to all Group institutions. The individual limits system in place, aimed at dividing up risks and making them individually acceptable in terms of each institution's profits and capital position, *i.e.* without including the value of collateral, to define the maximum amount of acceptable risk for a given counterparty. The aim of this position is to neutralize the operational risk associated with the recognition of collateral and with execution in the event the institution is required to call in the collateral.

Risk monitoring is organized on a sector-by-sector basis *via* a sector watch shared with all the Group's institutions. Sector policies and limits have been established for that purpose.

On behalf of the Group Risk and Compliance Committee, the Group Risk division measures and verifies that these risk supervision mechanisms (individual and topical limits) are correctly implemented at each institution.

The Group Supervisory Board is kept informed as Group internal caps are monitored, and is notified of any possible breaches of limits defined in accordance with the risk appetite framework.

METHOD USED TO ASSIGN OPERATIONAL LIMITS ON INTERNAL CAPITAL

The quarterly Group risk dashboard is used to monitor consumption of risk-weighted assets in the Group's main asset classes: it compares any differentials in terms of changes between gross exposures and consumption of RWA.

By using these systems, the Group is able to accurately monitor the change in capital needed to cover risks in each asset class, while also observing any changes in the quality of the asset classes in question.

CORRELATION RISK POLICY

Correlation risk is governed by a special decision-making process, where a counterparty offers its own shares as collateral. A top-up clause is systematically required on such transactions.

For wrong-way risk, usually associated with collateral swaps between credit institutions, BPCE's liquidity reserve procedure defines this criterion as follows: "the counterparty to the repo and the securities received as collateral for that repo shall not be included in the same regulatory group".

However, these transactions may be reviewed on a case-by-case basis, under a special decision-making process, where the collateral consists exclusively of retail loans serving to finance residential real estate.

5.2.1.2 Quality assessment of loan outstandings and impairment policy

SYSTEM GOVERNANCE

From a regulatory standpoint, Article 118 of the Ministerial Order of November 3, 2014 as amended on internal control specifies that "at least once each quarter, supervised companies must perform an analysis of changes in the quality of their loan commitments". In particular, this review should determine, for material transactions, whether any reclassifications need to be conducted among the internal risk credit risk assessment categories and, if necessary, the appropriate allocations to non-performing loans and charges to provisions.

When a counterparty is placed on either a local Watchlist (WL) or the Group WL, supervision of the counterparty in question is enhanced (Performing WL) or the decision is made to record an appropriate provision (Default WL).

Statistical provisions for performing loans, calculated at Group level for the networks in accordance with IFRS 9 requirements, are measured using a methodology validated by Group committees (reviewed by an independent unit and validated by the Group Models Committee and the RCCP Standards & Methods Committee). These provisions include scenarios of changes in the economic environment determined each year by the Group's Economic Research team, coupled with probabilities of occurrence reviewed quarterly by the Group Watchlist and Provisions Committee.

The allocated provisioning is calculated by taking into account the present value of the guarantees in a prudent approach.

Any defaulted exposures not covered by provisions shall be subject to enhanced justification requirements to explain why no provision has been recorded.

NETTING OF ON-BALANCE SHEET AND OFF-BALANCE SHEET TRANSACTIONS

For credit transactions, Groupe BPCE is not required to carry out netting of on-balance sheet and off-balance sheet transactions.

RECOGNITION OF PROVISIONS AND IMPAIRMENT UNDER IFRS 9

Since 2023, Groupe BPCE has continued to deploy a prudent IFRS 9 provisioning policy in an economic context that was uncertain due to the geopolitical context, the rise in interest rates and the level of inflation, which remained high.

Provisioning methods

Debt instruments classified as financial assets at amortized cost or at fair value through other comprehensive income, loan commitments and financial guarantees given that are not recognized at fair value through profit or loss, as well as lease receivables and trade receivables, shall be systematically impaired or covered by a provision for expected credit losses (ECL).

Impairment is recorded, for financial assets which have not been individually subject to ECL, based on observed past losses but also on reasonable and supportable DCF forecasts.

Financial instruments are divided into three categories (Stages) depending on the increase in credit risk observed since initial recognition. A specific credit risk measurement method applies to each category of instrument:

1. Stage 1 (S1)	2. Stage 2 (S2)	3. Stage 3 (S3)
Loan outstandings for which credit risk has not increased materially since the initial recognition of the financial instrument. The impairment or the provision for credit risk corresponds to 12-month expected credit losses.	Performing loans for which credit risk has increased materially since the initial recognition of the financial instrument are transferred to this category. The impairment or the provision for credit risk is determined on the basis of the financial instrument's lifetime expected credit losses.	Impaired exposures, within the meaning of IFRS 9, for which there is objective evidence of impairment loss due to an event which represents a known credit risk occurring (*e.g.* non-repayment of the loan at its normal term, collective proceeding, past due payments recorded by the customer, customer unable to finance an investment in new equipment, etc.) after the initial recognition of the instrument in question. This category covers receivables for which a default event has been identified, as defined in Article 178 of the European regulation of June 26, 2013 on prudential requirements for credit institutions.

The Group implements a S3 provisioning policy for its corporate customers. This policy lays the foundations for the calculation of loan impairment and defines the methodology for determining individual impairment based on expert opinion. It also defines the components (credit risk measurement, accounting principles on the impairment of customer receivables under IFRS and French GAAP) and data to include in a non-performing loan or disputed loan assessment, as well as essential items to include in a provisioning record.

A corporate provisioning policy for Group exposures of less than €15 million has been defined and implemented. A provisioning policy was also put in place for professionals in 2024.

The methodology section for determining individual impairment based on expert opinion defines impairment approaches: going concern, gone concern, combined approach.

Groupe BPCE applies the contagion principle. This principle is particularly useful when identifying groups of customer counterparties by using clusters within these groups.

A methodology concerning the practice of haircuts on the value of guarantees to take account of the inevitable risks has been defined and implemented.

Impairment under IFRS 9

Impairment for credit risk amounts to 12-month expected credit losses or lifetime expected credit losses, depending on the level of increase in credit risk since initial recognition (Stage 1 or Stage 2 asset). A set of qualitative and quantitative criteria is used to assess the increase in credit risk.

A significant increase in credit risk is measured on an individual basis by taking into account all reasonable and supportable information and by comparing the default risk on the financial instrument at the reporting date with the default risk on the financial instrument at the date of initial recognition. Any significant increase in credit risk shall be recognized before the transaction is impaired (Stage 3).

In order to assess a significant increase in credit risk, the Group implemented a process based on rules and criteria which apply to all Group entities:

- for the portfolios of individual customers, professionals and small and medium-sized companies, the quantitative criterion is based on the measurement of the difference between the counterparty's rating at the time of granting and its rating at the closing date. This difference – or denotch – is measured on a master scale common to all these counterparties. The number of denotches before downgrading to Stage 2 depends on the rating at grant;
- for the large corporate, bank and specialized financing loan books, it is based on the change in rating since initial recognition;
- these quantitative criteria are accompanied by a set of qualitative criteria, including the existence of a payment more than 30 days past due, the classification of the contract as at-risk, the identification of forbearance exposure or the inclusion of the portfolio on a Watchlist;
- exposures rated by the large corporates, banks and specialized financing software tool are also downgraded to Stage 2 depending on the sector rating and the level of country risk.

The financial assets for which there is objective evidence of impairment loss due to an event representing a counterparty risk and occurring after initial recognition will be considered as impaired and classified as Stage 3. Identification criteria for impaired assets are similar to those under IAS 39 and are aligned with the default criterion. The accounting treatment of restructuring operations due to financial hardships is similar to their treatment under IAS 39.

The expected credit losses on Stage 1 or Stage 2 financial instruments are measured as the product of several inputs:	• cash flows expected over the lifetime of the financial instrument, discounted at the valuation date – these flows are determined according to the characteristics of the contract, its effective interest rate and the level of prepayment expected on the contract; • loss given default (LGD); • probabilities of default (PD), for the coming year in the case of Stage 1 financial instruments and until the contract's maturity in the case of Stage 2 financial instruments.
The Group draws on existing concepts and mechanisms to define these inputs, and in particular on internal models developed to calculate regulatory capital requirements and on projection models used in the stress test system. Certain adjustments are made to comply with the specifics of IFRS 9.	
IFRS 9 inputs:	• aim to provide an accurate estimate of expected credit losses for accounting provision purposes, whereas prudential inputs are more cautious for regulatory framework purposes. Several of the safety buffers applied to prudential inputs are therefore restated; • shall allow expected credit losses to be estimated until the contract's maturity, whereas prudential inputs are defined to estimate 12-month expected losses. 12-month inputs are thus projected over long periods; • shall be forward-looking and take into account the expected economic environment over the projection period, whereas prudential inputs correspond to through-the-cycle estimates (for PD) or downturn estimates (for LGD and the flows expected over the lifetime of the financial instrument). Prudential PD and LGD inputs are therefore also adjusted to reflect forecasts of future economic conditions.

Inputs are adjusted to economic conditions by defining three economic scenarios over a three-year period. The variables defined in each of these scenarios allow for the distortion of the PD and LGD inputs and the calculation of an expected credit loss for each economic scenario. Projections of inputs for periods longer than three years are based on the mean reversion principle. The models used to distort the PD and LGD inputs are based on those developed for the stress test system for consistency reasons. The models for calculating the various parameters used to calculate provisions (PD, LGD, segmentation, etc.) are regularly updated to ensure that they maintain their accuracy, meet the regulator's expectations and more generally to improve their relevance.

The economic scenarios are associated with probabilities of occurrence, making it possible to calculate the average probable loss, which is used as the IFRS 9 impairment amount.

These scenarios are defined using the same organization and governance as those defined for the budget process, requiring an annual review based on proposals from the Economic Research department. For consistency purposes, the Baseline scenario serves as the budget scenario. Two variants – an optimistic view and a pessimistic view – are also developed around this scenario. The probability of occurrence of each scenario is reviewed on a quarterly basis by the Group Watchlist and Provisions Committee. The inputs thus defined are used to measure expected credit losses for all rated exposures, whether they were subject to the IRB or the standardized approach for the calculation of risk-weighted assets. For unrated exposures (insignificant for Groupe BPCE), prudent valuation rules are applied by default.

The IFRS 9 input validation process is fully aligned with the Group's existing model validation process. The validation of the parameters follows a review process by an independent internal model validation unit, then the review of this work is presented to the Group Model Committee. Finally, quarterly monitoring of recommendations by the Group Model Committee has replaced annual monitoring.

5.2.1.3 Forbearance, performing and non-performing exposures

Forbearance results from the combination of a concession and financial hardships, and may involve performing or non-performing loans. Forced restructuring, over indebtedness proceedings, or any kind of default as defined by the Group standard, which involves a forbearance measure as previously defined, results in classification as a non-performing forborne exposure.

The identification of these situations is based on an expert's guide to the qualification of forbearance situations, in particular on short, medium and long-term financing of non-retail counterparties.

A permanent control system covering forbearance situations relating to non-retail exposures completes the system.

Permanent control of credit risks

According to the principle of subsidiarity, the local Risk divisions are responsible for compliance with the permanent control system (deployment, implementation, analysis of results and action plans). They carry out Level 2.1 controls.

The scope of permanent Level 2 controls relating to credit risks covers the process of granting the various asset classes and specific risk pockets. In 2023, a dedicated permanent risk control division was created within the Governance and Risk Control department. It centralizes all permanent Level 2 controls for all risks. The permanent risk control division performs Level 2.2 controls on credit files and on the proper implementation of Group credit risk policies in the Group's institutions.

The control, based on a risk-based approach, covers, in particular:

- adequate coverage of credit risks by controls based in particular on the assessment of credit risks in the macro-risk mapping;
- management of the permanent control framework ensuring convergence between Level 1 and Level 2 controls.

5.3 Risk measurement and internal ratings

Current situation

BPCE12 – Scope of standardized and IRB methods used by the Group

	12/31/2024				
Customer segment	Banque Populaire network	Caisse d'Epargne network	Crédit Foncier/ Banque Palatine/ BPCE International subsidiaries	Natixis	BPCE SA
Central banks and other sovereign exposures	Standard**	Standard	Standard	Standard**	Standard**
Central administrations	Standard**	Standard	Standard	Standard**	Standard**
Public sector and similar entities	Standard	Standard	Standard	Standard	Standard
Financial institutions	IRBF	Standard	Standard	IRBA	IRBF
Corporate customers (Rev.* >€3m)	IRBF/Standard	IRBF/Standard	Standard	IRBA	Standard
Retail	IRBA	IRBA	Standard	Standard	Standard*

* Rev.: revenue

** The "Sovereign" customer segment switched to the "sustainable" Standardized approach by decision letter issued by the ECB on September 19, 2024, excluding multilateral banks (MDBs), which were excluded from the standardized "sustainable" request for the Sovereigns.

The Oney subsidiary is approved for credit models applicable to retail customers in France. The Portugal, Spain, Russia, Hungary and Poland scopes use the standardized approach.

The BPCE Financement subsidiary is using the IRBA approach on part of its portfolio.

BPCE13 – EAD breakdown by approach for the main segments

	12/31/2024			12/31/2023		
	EAD			EAD		
In %	Standard	IRBF	IRBA	Standard	IRBF	IRBA
Central banks and other sovereign exposures	100%	0%	0%	31%	44%	25%
Central administrations	90%	0%	9%	41%	31%	28%
Public sector and similar entities	100%	0%	0%	99%	0%	0%
Financial institutions	43%	16%	41%	49%	13%	38%
Corporate customers	35%	17%	48%	39%	23%	38%
Retail	7%	0%	93%	7%	0%	93%
OVERALL	**41%**	**6%**	**52%**	**29%**	**17%**	**55%**

Rating system

Internal rating system models are developed based on historical data for observed defaults and losses. They are used to measure the credit risks to which Groupe BPCE is exposed, expressed as a one-year probability of default (PD), as a Loss Given Default (LGD) and as Credit Conversion Factors (CCF), depending on the characteristics of the transactions.

These internal rating systems are also applied to risk supervision, authorization systems, internal limits on counterparties, etc. and may also serve as a basis for other processes, such as statistical provisioning.

The resulting risk metrics are then used to calculate capital requirements once they have been validated by the supervisory authority in compliance with regulatory requirements.

Internal rating system governance

The internal governance of rating systems is centered on the development, validation, monitoring, and modification of decisions linked to the evolution of these systems. Groupe BPCE's Risk division works independently throughout the Group (Banque Populaire and Caisse d'Epargne networks, Natixis, and other subsidiaries) to review the performance and appropriateness of credit and counterparty risk models, as well as structural balance sheet risks, market risks, and non-financial risks, including operational risks. In performing this duty, the Group Risk division relies on robust governance defined as part of the Model Risk Management (MRM) system applicable to all Group models, described in Section 6.15.

After the completion of this governance process, internal control reports and statements of decisions are made available to Group management (and supervisory authorities for internal models used to determine capital requirements). Each year, a summary of the performances and adequacy of internal models is presented to the Risk Committee of the Group Supervisory Board.

Model development process

The Group Risk division relies on a formalized process describing the main steps taken in developing any new model. This document, which serves as a guide for the entire documentation and validation process, is based on:

- a literary and general description of the model, indicating its scope of application (counterparty type, product type, business line, etc.), the main assumptions on which it is based, and any aspects not covered;
- a descriptive diagram summarizing how the ultimately chosen model works, indicating the various inputs, processes and outputs;
- a detailed description of the modeling steps and approach;
- a literary description of the model's main risk factors.

The internal models developed must meet demanding criteria in terms of risk discrimination and qualification and be assessed by the modeling teams as part of the procedure for assessing the model of the MRM system described above.

These models incorporate the regulatory changes enacted by the European Banking Authority under its IRB Repair program, aimed at improving the comparability of risk parameters input to the models.

Review of internal ratings-based models

The Groupe BPCE Risk division is responsible for reviewing the Group's internal models whenever a new model is being developed or an existing model changed. It also performs the annual review of backtests on credit, market and Asset/Liability management risk models.

The validation team conducts independent analyses in compliance with a charter and procedures that describe interactions with the modeling entities and the steps of the review. This review is based on a set of qualitative and quantitative criteria, and addresses the following seven points:

- data and parameters used by the model: analysis of the quality and representativeness of the data, the integrity of the controls, the error reports, the completeness of the data, etc.;
- methodology and design: analysis of the theory underlying the model, analysis of approximations, calibration methods, risk indicators, aggregation rules, model benchmarking, accuracy and convergence analysis;
- permanent monitoring: the validation team ensures the existence of a monitoring methodology for the model and assesses the risk associated with the implementation of this methodology;
- model performance: assessment of the risk related to the performance of the model both during the design phase and periodically;
- IT development: counter-implementation, code analysis, tests;
- documentation: analysis of the quality and completeness of the methodological documentation received relating to modeling, IT code, model monitoring, data, model governance and IT development;
- governance of the model: assessment of the model's compliance with the Bank's internal standards throughout the model's life cycle.

The level of detail in the review is adjusted for the type of work examined. In any event, it must at least include a document review focusing on the quantitative aspects of rating systems. For a new model or a major change to an existing model, in addition to this review, the computer codes are checked and additional tests are run (comparative calculations).

In conclusion, the review provides an opinion on the validity of the models and the associated parameters. It also generates an opinion on compliance with prudential regulations. Where necessary, the review is accompanied by recommendations.

Finally, as a second line of defense, the model validation team performs an assessment of the model as part of the previously described MRM system.

Model mapping

In terms of the Corporate portfolio, the ECB's decision letter concerning the transition to IRBA was received at the end of January 2024. This file includes LGD, EAD and PD models: a new model for SCIs, an update of the calibration on the non-profit expert grids and the Small Business models and an extension of the model for medium-sized companies on operational holding companies and on the NCE portfolio.

The roll-out of these new developments began in July 2024, with the first transitions to IRBA on both networks for the September 2024 order, covering the scope of application of the High Segment model. It was followed, in January 2025, by the launch of the new version of the Small Business models. The expert grids on Associations and the new model on SCI will be rolled out in the second quarter of 2025.

Models for the Sovereign segment are no longer used to calculate capital requirements since the last quarter of 2024. However, new LGD and EAD models were authorized by the ECB in October 2024 for Large Corporates. The launch is scheduled for March 2025.

The Oney subsidiary has been approved for retail customer credit models in France, with work underway to overhaul the system. The Portugal, Spain and Poland scopes use the standardized approach.

The following table lists the internal credit models used by the Group for risk management purposes and, where authorized by the supervisor, to calculate capital requirements for the Banque Populaire and Caisse d'Epargne networks, Natixis and its subsidiaries, Crédit Foncier and Banque Palatine.

Exposure class	Portfolio	Number of PD (Probability of Default) models	Description/ Methodology	Portfolio	Number of LGD (Loss Given Default) models	Description/ Methodology	Number of CCF/EAD (exposure to default)	Description/ Methodology
Sovereigns, central governments and central banks	Sovereigns and affiliates	1 (NA)	Expert criteria including quantitative and qualitative variables/economic and descriptive variables Portfolio with low default risk	Sovereigns and affiliates	1 (NA)	Expert criteria including quantitative and qualitative variables	1 (NA)	Application of regulatory inputs
	Multilateral development banks	1	Expert criteria Portfolio with low default risk					
Public sector	Municipalities (communes), departments, regions, social housing, hospitals, etc.	10 (NA*)	Expert criteria/statistical modeling (logistic regression) Portfolio with low default risk					
Financial institutions	OECD or non-OECD banks, brokers/dealers	2	Expert criteria Portfolio with low default risk	Banks	1	Expert criteria including quantitative and qualitative variables	1	Application of regulatory inputs
Corporate customers	Large corporates (Rev. >€1 billion)	7	Expert criteria including quantitative and qualitative variables, depending on the business sector Portfolio with low default risk					
	Small and medium-sized companies (Rev. >€3 million)	10 (o/w 2 NA)	Statistical models (logistic regression) or flat scores, on companies publishing parent company or consolidated financial statements, mainly based on balance sheet data depending on the business sector, and banking behavior/history	Other contracts (general, property investment companies, etc.)	8 (o/w 1 NA)	Models based on estimated losses, segmented by type of contract and guarantee, or expert criteria	2 (o/w 1 NA)	Conversion factors, segmented by type of contract
	Non-profits and Insurance companies	2	Expert criteria including quantitative and qualitative variables Portfolio with low default risk	Leasing	2	Models based on estimates of asset resale conditions, segmented by type of asset financed		
	Specialized financing (real estate, asset pool, aircraft, etc.)	6 (o/w 1 NA)	Expert criteria based on features of financed goods/projects Portfolio with low default risk	Specialized financing (real estate, asset pool, aircraft, etc.)	4	Models based on estimates of asset resale conditions or future cash flows		

Exposure class	Portfolio	Number of PD (Probability of Default) models	Description/ Methodology	Portfolio	Number of LGD (Loss Given Default) models	Description/ Methodology	Number of CCF/EAD (exposure to default)	Description/ Methodology
Retail	Individual customers	7	Statistical models (logistic regression) including behavioral and socioeconomic variables, differentiated by customer profile	Residential real estate	5 (o/w 1 NA)	Models based on estimated losses, segmented by type of contract and guarantee	3 (o/w 1 NA)	Conversion factors, segmented by type of contract
	Professional customers (socioeconomic category differentiated according to certain sectors)	10	Statistical models (logistic regression) including balance sheet and behavioral variables					
	Residential real estate	5 (o/w 2 NA)	Statistical models (logistic regression) including behavioral and socioeconomic variables, or project description variables (quota, etc.), differentiated by customer profile	Other individual and professional customers	4	Models based on estimated losses, segmented by type of contract and guarantee	2	Conversion factors and flat-rate values, segmented by type of contract
				Leasing	2	Models based on estimates of asset resale conditions, segmented by type of asset financed		
	Revolving loans	8	Statistical models (logistic regression) including behavioral and socioeconomic variables	Revolving loans	2	Models based on estimated losses, segmented by type of contract	2	Conversion factors, segmented by type of contract

* NA refers to models not yet approved for the determination of capital requirements.

Internal ratings-based approaches – retail customers

For retail customers, Groupe BPCE has established standardized internal ratings-based methods and centralized ratings applications used to assess the credit quality of its loan books for better risk supervision. For the Banque Populaire and Caisse d'Epargne networks, they are also used to determine capital requirements under the Advanced IRB method.

The probability of default of retail customers is modeled by the Risk division, based in large part on the banking behavior of the counterparties. The models are segmented by type of customer, distinguishing between individual and professional customers (with or without balance sheets) and according to products owned. The counterparties in each segment are automatically classified using statistical models (usually logistic regression models) into similar and statistically separate risk categories. Probability of default is estimated for each of these categories, based on the observation of average default rates over the longest period possible so as to obtain a period representative of the possible variability of the observed default rates. These estimates are systematically adjusted by applying margins of conservatism to cover any uncertainties. For comparison purposes, risk reconciliation is carried out between internal ratings and agency ratings.

Loss given default (LGD) is an economic loss measured by incorporating all inherent factors in a transaction as well as the costs incurred during the collection process. LGD estimation models for retail customers are applied specifically to each network. LGD values are first estimated by product, and based on whether or not any collateral has been provided. Other factors may also be considered secondarily, where they can be used to statistically distinguish between degrees of loss. The estimation method employed is based on the observation of marginal collection rates, depending on how long the customer has been in default. The advantage of this method is that it can be directly used to estimate LGD rates applied to performing loans and ELBE rates applied to loans in default. Estimates are based on internal collection histories for exposures at default over an extended period. Two margins of conservatism are then systematically added: the first to cover estimate uncertainties and the second to mitigate any economic slowdown effect.

Groupe BPCE uses two models to estimate EAD. The first estimates a Credit Conversion Factor (CCF) for off-balance sheet exposures. This model is automatically applied when off-balance sheet exposures are deemed material (*i.e.* exceeding the limits set for each type of product). The second estimates a flat increase in the balance sheet for non-material off-balance sheet exposures.

Internal ratings-based approaches – non-retail customers

Groupe BPCE has comprehensive systems for measuring non-retail customer risks, using either the Foundation IRB or Advanced IRB approach depending on the network and the customer segment. These systems can also be used to assess the credit quality of its loan books for better risk supervision.

The rating system consists in assigning a score to each counterparty. Given the Group's cooperative structure, a network of officers is responsible for determining the customer's rating for the Group based on the uniqueness of the score. The score assigned to a counterparty is usually suggested by a model, then adjusted and validated by Risk function experts after they perform an individual analysis. This process is applied to the entire Non-Retail portfolio, except the new models reserved for Small Businesses, which are automatically rated (as with the Retail portfolio). The counterparty rating models are mainly structured according to the type of counterparty (corporates, institutions, public sector entities, etc.) and size of the company (measured by its annual revenues). When volumes are sufficient (SMEs, ISEs, etc.), the models rely on statistical modeling (logistic regression methods) of customer defaults, combined with qualitative questionnaires.

Failing that, grids built by experts are used. These consist of quantitative elements (financial ratios, solvency, etc.) derived from financial data and qualitative elements assessing the customer's economic and strategic dimensions.

The rating methodologies for low-default portfolios are expert-based; qualitative and quantitative criteria (corresponding to the characteristics of the counterparty to be rated) are used to link the counterparty to a score and a rating, which is then linked to a PD. This PD is based on observation of external default data, but also on internal rating data. A PD scale cannot be quantified due to the low number of internal defaults.

With respect to country risk, the system is based on sovereign ratings and country ratings that limit the ratings that can be given to non-sovereign counterparties. The rating scale is built using past Standard & Poor's ratings to ensure the direct comparability in terms of risks with the rating agencies.

For the new Small Businesses, High Segment, SCI and NGO modules, dedicated scales per model have been defined for regulatory calculations. These scales are connected with the rating scale for internal risk management. For statistical models, the calibration of probabilities of default on the scales defined for regulatory calculations is based on the same principles as those set out for retail customers (in particular the historic representation of default rates, as well as the estimation of uncertainty margins).

LGD models (excluding retail customers) are predominantly applied by type of counterparty, type of asset, and whether or not any collateral has been provided. Similar risk categories are then defined, particularly in terms of collections, procedures and type of environment. LGD estimates are assessed on a statistical basis if the number of defaults is high enough (*e.g.* for the Corporate customers asset class). Past internal data on collections covering the longest possible period are used. If the number of defaults is not high enough, external databases and benchmarks are used to determine expert rates (*e.g.* for banks and sovereigns). Finally, some values are based on stochastic model, for loans in collection. Downturn LGD is checked and margins of conservatism are added if necessary.

Groupe BPCE uses two models to estimate EAD for corporates. The first estimates a Credit Conversion Factor (CCF) for off-balance sheet exposures. This model is automatically applied when off-balance sheet exposures are deemed material (*i.e.* exceeding the limits set for each type of product). The second estimates a flat increase in the balance sheet for non-material off-balance sheet exposures.

Standardized approach

The "risk measurement and internal ratings" section describes the various approved models used by Groupe BPCE for the different exposures classes. Where the Group does not have an internal model authorized for use in determining capital requirements for a given exposure class, they have to be estimated based on corresponding inputs under the standardized approach. These inputs are based in particular on the credit assessments (ratings) performed by rating agencies recognized by the supervisory authority as meeting ECAI (External Credit Assessment Institutions) requirements, such as Fitch Ratings, Moody's, Standard & Poor's, and Banque de France for Groupe BPCE.

In accordance with Article 138 of Regulation No. 575/2013 (Capital Requirements Regulation or CRR) on capital requirements for credit institutions and investment firms, where a counterparty has been rated by several rating agencies, the counterparty's rating is determined on the basis of the second highest rating.

When an external credit rating directly applicable to a given exposure is required and exists for the issuer or for a specific issuance program, the procedures used to determine the weighting are applied in accordance with CRR Article 139.

For fixed-income securities (bonds), short-term external ratings of the bond take precedence over external ratings of the issuer. If there are no external ratings for the bond, the issuer's long-term external rating is taken into account for senior debt only, except in the specific case of exposure to institutions whose risk weight is derived from the credit rating of the sovereign country in which it is established.

Backtesting

All three credit risk inputs are subject to yearly backtesting in order to verify the performance of the rating system. More specifically, backtesting is aimed at measuring the overall performance of models used, primarily to ensure that the model's discriminating power has not declined significantly relative to the modeling period.

Observed default rates are then compared with estimated default rates for each rating. Ratings are checked for through-the-cycle applicability. More specifically, for portfolios with low default rates (public sector and social housing, large corporates, banks, sovereigns and specialized financing), a detailed analysis is carried out using additional indicators, including more qualitative analyses, among other things.

The scope of LGD default values is consistent with the values observed, *i.e.* limited exclusively to exposures at default. Estimated values therefore cannot be directly compared with LGD values measured in the outstanding portfolio. Downturn LGDs are also verified.

Backtesting results may call for the implementation of action plans if the system is deemed not sufficiently prudent or effective. The backtesting results and the associated action plans are discussed by First Line of Defence Committees (LOD1) and then reviewed by the Second Line of Defence Committees (LOD2) (see Internal rating system governance).

On the basis of these exercises, the rating system has been deemed satisfactory overall in terms of effective risk management. Moreover, the calibrations of risk parameters remain conservative on the whole, relative to actual risk observations.

Reports on credit risk models

Since the Single Supervisory Mechanism (SSM) was implemented in 2014, the European Central Bank (ECB) has been working to strengthen governance of internal model supervision through various investigations.

These include the TRIM (Targeted Review of Internal Models), aimed at assessing the regulatory compliance of internal models specifically targeted by the ECB. To that end, TRIM investigations are based on a set of standardized inspection methodologies and techniques, which the teams mandated by the ECB use on-site. BPCE was subject to TRIM reviews covering several scopes of operation, giving rise to reports prepared by the ECB: a TRIM General Topics, then three specific reviews targeting internal credit risk models (one on the Corporate portfolio and two on the Retail portfolios). As a result, several new initiatives were launched with the aim of further improving the existing system.

The European Central Bank is continuing its investigations through IMI (Internal Model Investigation). Three reviews were carried out in 2021 and 2022: two on the Retail models, in particular on the review of the PD Professional system, and one on the corporate PD models for small businesses and for companies with revenue between €10 million and €500 million (high segment). The latter resulted in a report from the supervisor and an authorization received at the end of July 2022; letters of approval for the retail models were received from the ECB in November 2023.

In 2021 and 2022, significant work was carried out on the Corporate portfolio, both on the review of the PDs of certain specific populations (real estate companies, non-financial holding companies and associations) by capitalizing in particular on the Small Business and High Segment models to file an application for IRBA approval on the BP and CE networks with new LGD/EAD models. This work was reviewed during an ECB mission in early 2023 and the authorization letter was received at the end of January 2024.

Impacts on the amount of guarantees the institution is required to give in the event its credit rating is downgraded

The CRR2 and the Delegated act require institutions to report to the competent authorities any contracts the conditions of which lead to additional liquidity outflows following a material deterioration of the credit quality of the institution (*e.g.* a downgrade in its external credit assessment by three notches). The institution shall regularly review the extent of this deterioration in light of what is relevant under the contracts it has entered into and shall notify the result of its review to the competent authorities (CRR 423.2/AD 30.2).

The competent authorities decide the weighting to be assigned to contracts deemed to have a material impact.

For contracts containing early exit clauses on master agreements (framework agreements between the bank and a counterparty for OTC derivative transactions without collateral), the early termination clause allows one counterparty to terminate the contract early following the deterioration of the credit quality of the other counterparty. Accordingly, the number of early terminations generated by credit quality deterioration shall be estimated.

It was agreed that the Group would measure outflows generated by reviewing all the Group's master agreements or credit support annexes on the OTC market, in order to assess the amount of the deposit/collateral required following a downgrade of three notches in the institution's long-term credit rating by three rating agencies (Moody's, S&P, Fitch). The calculation also includes the amount of the deposit/collateral required following a downgrade of one notch in the institution's short-term credit rating, with the Group considering such a downgrade inevitable if the institution's LT credit rating is downgraded three notches.

At Groupe BPCE level, the calculation covers BPCE SA, Natixis, Crédit Foncier and their funding vehicles: BP CB, GCE CB, BPCE SFH, FCT HL, SCF and VMG. Some intragroup contracts generate outflows at the individual institution level, but are neutralized at the Groupe BPCE consolidated level.

The Group uses a conservative approach in its calculation:

- the impact for each contract is the maximum amount between the three rating agencies between a 1-notch downgrade in the ST rating and a 3-notch downgrade in the LT rating;
- the amount of ratings triggers reported is the sum of all impacts of a 1-notch downgrade in the ST rating and a 3-notch downgrade in the MLT rating;
- the assumption is made that all external ratings are downgraded simultaneously by the three agencies and for all rated entities;
- as the national competent authority has not issued a recommendation, a weighting of 100% is applied to reported outflows for the calculation of the LCR.

5.4 Use of credit risk mitigation techniques

Credit risk mitigation techniques are widely used within the Group and are divided into real guarantees and personal guarantees.

A distinction is made between guarantees having an actual impact on collections in the event of hardships and guarantees recognized by the supervisory authority in the weighting of exposures used to reduce capital consumption. For example, a personal and joint guarantee provided in due form by a company director who is a customer of the Group, and collected in accordance with regulations, may be effective without being eligible as a statistical risk mitigation factor.

In some cases, the Group's institutions choose, in addition to employing risk mitigation techniques, to take opportunities to sell portfolios of disputed loans, particularly when the techniques used are less effective or non-existent.

Credit derivatives are also used to reduce risks, and apply almost exclusively to the Corporate customers asset class (and mainly Natixis).

Definition of guarantees

A real guarantee involves one or more solidly measured movable or immovable assets that belong to the debtor or a third party. This guarantee consists of granting the creditor a real right to said asset (mortgage, pledge of real property, pledge of listed liquid securities, pledge of listed liquid merchandise with or without divestiture, pledge, third party guarantee, etc.).

The effect of this collateral is to:

- reduce the credit risk incurred on an exposure, given the rights of the institution subject to exposure, in the event of default or other specific credit events affecting the counterparty;
- obtain the transfer of ownership of certain amounts or assets.

A personal guarantee is collateral that reduces the credit risk on an exposure, due to the commitment provided by a third party to pay a set amount if the counterparty defaults or due to any other specific event.

Accounting recognition under the standardized or IRB approach

Under the standardized approach:	Under the IRB approach:	For retail customers under the IRBA approach:
Personal guarantees and real guarantees are accounted for, subject to eligibility, using an enhanced weighting of the guarantee portion of the exposure. Real guarantees such as cash or liquid collateral are deducted from the gross exposure.	Excluding retail customers, real guarantees are taken into account, subject to eligibility, by decreasing the Loss Given Default applicable to the transactions. Personal guarantees are recognized, subject to eligibility, by substituting a third party's PD with that of a guarantor.	Personal and real guarantees are taken into account, subject to eligibility, by decreasing the Loss Given Default applicable to the transactions.

Conditions for the recognition of guarantees

Articles 207 to 210 of Regulation (EU) 2019/876 of May 20, 2019, amending Regulation (EU) No. 575/2013 set out the conditions for the recognition of guarantees, in particular:

- the credit quality of the obligor and the value of the collateral shall not have a material positive correlation. Securities issued by the obligor shall not qualify as eligible collateral;
- the institution shall properly document the collateral arrangements and have in place clear and robust procedures for the timely liquidation of collateral;
- the institution shall have in place documented policies and practices concerning the types and amounts of collateral accepted;
- the institution shall calculate the market value of the collateral, and revalue it accordingly, whenever it has reason to believe that a significant decrease in the market value of the collateral has occurred.

The division of risks is a credit risk mitigation technique. In practice, individual or topical caps and limits are defined, thus reducing the bank's sensitivity to risks deemed excessive, either individually or industry-wide, in the event of a major incident.

Risk supervision activities may be implemented to reduce exposure to a given risk if it is deemed too high. They also contribute to effective division of risks.

Division of risks

The division of risks is a credit risk mitigation technique. It is reflected in the individual or topical limit systems and helps reduce each institution's sensitivity to risks considered either individually or sectorially to be too significant to carry in the event of major incidents.

Guarantors

The Banque Populaire network has historically used professionals and Mutual Guarantee Companies (such as SOCAMAs, which guarantee loans to craftsmen) to secure its loans, in addition to the real guarantees used.

For loans to individual customers, it also turns to CASDEN Banque Populaire (and primarily its Parnasse Garanties structure) to back loans to all civil servants, to Crédit Logement and increasingly to *Compagnie Européenne de Garanties et Cautions* (CEGC, a subsidiary of BPCE SA).

For home loans, the Caisse d'Epargne network mainly calls on CEGC, FGAS (*Fonds de garantie à l'accession sociale à la propriété*) and, to a lesser extent, Crédit Logement (a financial institution and a subsidiary of most of the main French banking networks). These institutions specialize in the provision of guarantees for bank loans (predominantly home loans).

FGAS offers guarantees from the French government for secured loans. Loans covered by FGAS guarantees granted before December 31, 2006 are given a 0% risk weight, and loans covered by guarantees granted after that date have a risk weight of 15%.

For their home loans, the Banque Populaire and Caisse d'Epargne networks also use several mutual insurers, such as MGEN, Mutuelle de la Gendarmerie, etc.

For professional and corporate customers, the entire Group still uses Banque Publique d'Investissement, while calling on the European Investment Fund or European Investment Bank for guarantee packages in order to substantially reduce credit risk.

In some cases, organizations such as Auxiga are used for the seizure of inventory and the transfer of its ownership to the bank as collateral for commitments made in the event of financial hardships.

Finally, on an occasional basis, Natixis purchases credit insurance for certain transactions and in some circumstances, from private for example (SCOR) or public (Coface, Hermes, other sovereign agencies) reinsurance companies, while also making use of Credit Default Swaps (CDS).

In light of the Covid crisis, the French government allowed its guarantee to be used within the scope of the SGLs granted. Groupe BPCE used this option.

Credit derivatives serving as currency or interest rate hedges are entrusted to approved clearing houses in Europe or the US for Natixis operations in this country.

Concentration of collateral volumes

By type of guarantor:	• for home loan exposures, most collateral takes the form of mortgages (risk diversified by definition, bank better protected by basing credit approval decisions on customer income), insurance-oriented guarantees such as those provided by CEGC (a subsidiary of Groupe BPCE, subject to regular stress testing), Crédit Logement (providing guarantees to multiple banks subject to the same constraints), FGAS (controlled by the French State, considered equivalent to sovereign risk). The CASDEN guarantee, issued to government employees, currently offers solid resilience according to a model based on the robust income of this particular customer base;
	• for professional customer exposures, the most common guarantees are those provided by the Banque Publique d'Investissement (BPI), subject to strict formal constraints, and mortgages. Guarantees provided by institutions such as SOCAMAs, whose solvency depends on the credit institutions of Groupe BPCE, are also used;
	• for corporate customers, the main guarantees used are Banque Publique d'Investissement mortgages and guarantees.
By credit derivative providers:	• the regulations require the use of clearing houses for interest rate risk on the new flow. This security does not, however, cover the counterparty default risk, which is a granular risk. Volumes of collateral provided by clearing houses are gradually on the rise, generating a regulated and supervised risk;
	• the currency risk is hedged at the level of each contract with the introduction of margin calls at a frequency appropriate to the risk. These transactions are matched to interbank counterparties specializing in this type of transaction, within the framework of individual limits authorized by the Group Credit Committee and counterparties.
By credit sector:	• Groupe BPCE has established sector-specific mechanisms to guide the guarantee policy based on the business sector in question. Appropriate recommendations are issued to the institutions.
By geographic area:	• Groupe BPCE is mainly exposed to France and, *via* Natixis, to other countries to a lesser extent. As a result, most guarantees are located in France.

Valuation and management of collateral comprising real guarantees

Groupe BPCE has an automatic valuation tool for real-estate guarantees available to all its networks.

Across the Banque Populaire network, in addition to real guarantees, the valuation tool also takes into account pledges of vehicles, equipment and tools, pleasure craft, and business assets.

The Caisse d'Epargne network uses the revaluation engine for real estate guarantees in all its risk segments.

Within the Group, the guarantees from Mutual Guarantee Companies recognized as providers of sureties considered equivalent to mortgages by the supervisory body are subject to a credit insurance valuation.

An enhanced Group valuation process was established to measure real estate guarantees above certain amounts. The certification obtained by BPCE Solutions immobilières (formerly Crédit Foncier Expertise), a subsidiary of BPCE since the decision was made to place CFF under run-off management, strengthens the Group's synergies.

Guarantees other than those referred to above are assessed and validated on the basis of a systematic valuation, either according to market value where the guarantees are quoted on liquid markets (*e.g.* listed securities), or based on expert opinion demonstrating the value of the guarantee used to hedge risks (*e.g.* the value of recent transactions on aircraft or ships according to their characteristics, the value of commodity holdings, the value of a pledge given on merchandise, or the value of a business based on its location, etc.).

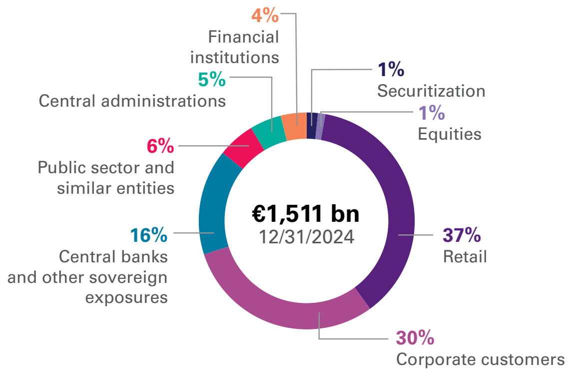
5.5 Quantitative information

Information on credit risk within Groupe BPCE

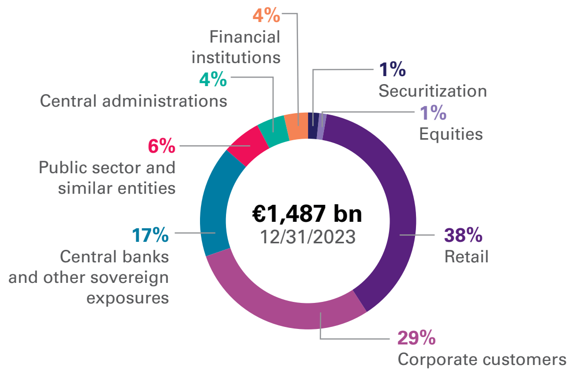
Credit risk exposure

PORTFOLIO BREAKDOWN BY EXPOSURE CLASS (EXCLUDING OTHER ASSETS)

12/31/2024



12/31/2023

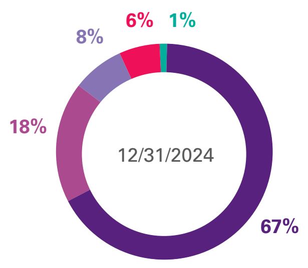


Groupe BPCE's total gross exposures amounted to more than €1,511 billion on December 31, 2024, up by €24 billion.

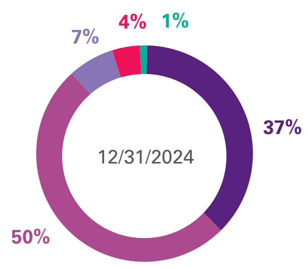
GEOGRAPHIC BREAKDOWN OF GROSS EXPOSURES

12/31/2024

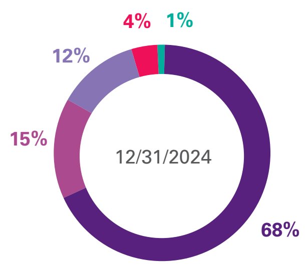
Institutions



Central administrations/ Central banks and other sovereign exposures



Corporate customers

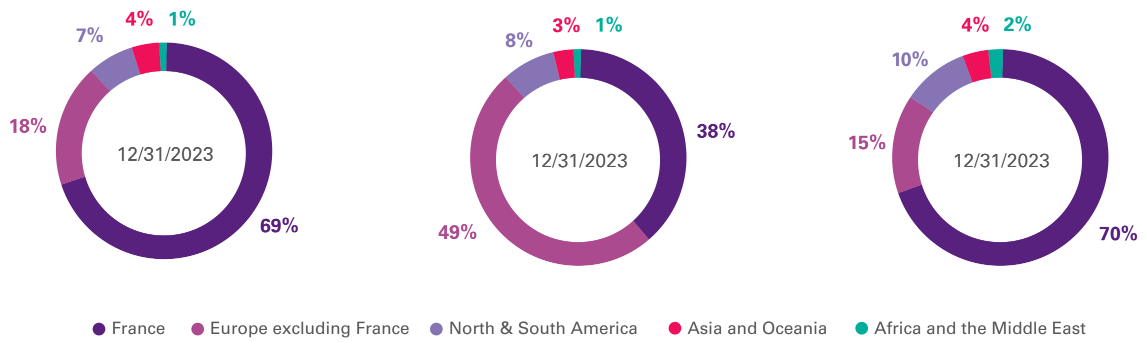


● France ● Europe excluding France ● North & South America ● Asia and Oceania ● Africa and the Middle East

The gross exposures are very predominantly located in Europe, especially in France, for all asset classes (70% of corporates).

12/31/2023

Institutions | Central administrations/ Central banks and other sovereign exposures | Corporate customers



CONCENTRATION

BPCE14 – Concentration by borrower

	12/31/2024		12/31/2023	
Concentration by borrower	**Distribution Gross amount/ Total major risks***	**Weighting in relation to capital Gross amount/ Capital****	**Distribution Gross amount/ Total major risks****	**Weighting in relation to capital Gross amount/ Capital****
No. 1 borrower	6.4%	21.9%	6.5%	21.1%
Top 10 borrowers	23.4%	79.2%	23.2%	75.1%
Top 50 borrowers	53.1%	180.0%	51.4%	166.7%
Top 100 borrowers	70.4%	238.6%	69.1%	224.2%

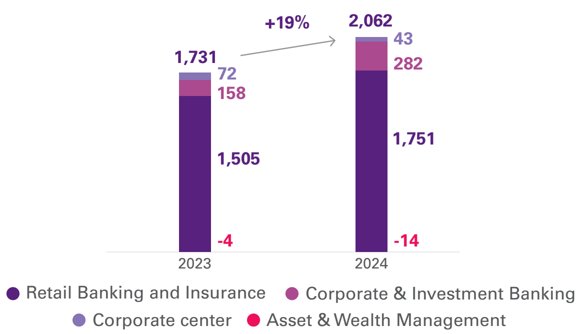
*Total large exposures excluding sovereigns for Groupe BPCE (€250.2.bn at 12/31/2024).

** Regulatory capital, large scope, Groupe BPCE (line 11 CA4 of Corep at 12/31/2024): €73.8bn.

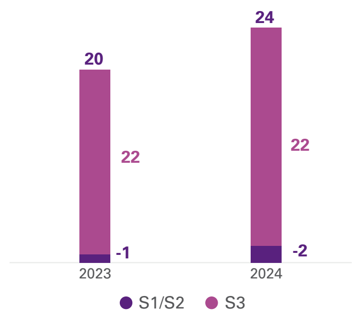
The percentage of the Top 100 borrowers was slightly up over the fiscal year and did not show any particular concentration.

PROVISIONS AND IMPAIRMENTS

Change in the BPCE Group's net cost of risk *(in millions or euros)*



Cost of risk in BP (Groupe BPCE)



In 2024, the cost of risk amounted to €2,061 million, up 19% compared to a low basis of comparison in 2023. It can be broken down as follows:

- on performing loans classified as Stage 1 or Stage 2: €177 million reversal provision in 2024 compared with €112 million reversed in 2023;
- provisions for performing loans classified as Stage 3 went from €1,843 million in 2023 to €2,238 million in 2024.

In 2024, Groupe BPCE's cost of risk stood at 24 bps in relation to gross customer outstandings. It included a provision reversal on performing loans of 2 bps (compared with a reversal of 1 bp in 2023) and an allocation of 26 bps for proven risks (compared with an allocation of 22 bps in 2023). The cost of risk stood at 24 bps for the Retail Banking & Insurance division (21 bps in 2023), including a provision reversal for performing loans of 2 bps (as in 2023) and an allocation of 26 bps on outstandings with proven risk (compared with a provision of 23 bps in 2023).

The Corporate & Investment Banking cost of risk amounted to 40 bps (24 bps in 2023) including a reversal of 6 bps for provisioning of performing loans (compared with a reversal of 4 bps in 2023) and a provision of 46 bps on outstandings with proven risk (compared with a provision of 28 bps in 2023).

The ratio of non-performing loans to gross loan outstandings stood at 2.5% on December 31, 2024, up 0.1 pp from the end of December 2023.

BPCE15 – Hedging of non-performing loans

in millions of euros	12/31/2024	12/31/2023
Gross loan outstandings to customers and credit institutions	980,988	962,725
O/w S1/S2 outstandings	956,647	939,823
O/w S3 outstandings	24,341	22,902
Ratio of non-performing/gross loan outstandings	**2.5%**	**2.4%**
S1/S2 impairments recognized	5,047	5,288
S3 impairments recognized	9,703	9,122
Impairments recognized/non-performing loans	**39.9%**	**39.8%**
Coverage ratio (including guarantees related to impaired outstandings)	**68.2%**	**68.2%**

Non-performing and forborne exposures

EU CQ1 – Credit quality of forborne exposures

		12/31/2024							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
in millions of euros		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
010	**Loans and advances**	**3,620**	**7,260**	**7,260**	**7,260**	**(162)**	**(2,171)**	**5,999**	**3,748**
020	Central banks		4	4	4		(4)		
030	General governments	6	3	3	3		(2)		
050	Other financial companies	12	45	45	45	(1)	(30)	6	5
060	Non-financial companies	1,742	3,489	3,489	3,489	(89)	(1,287)	2,420	1,535
070	Households	1,860	3,719	3,719	3,719	(72)	(848)	3,573	2,208
080	**Debt securities**		**4**	**4**	**4**		**(4)**		
090	**Loan commitments given**	**33**	**43**	**43**	**43**	**(1)**	**(3)**	**34**	**14**
100	**OVERALL**	**3,653**	**7,307**	**7,307**	**7,307**	**(163)**	**(2,178)**	**6,033**	**3,762**

		12/31/2023							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
in millions of euros		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
010	**Loans and advances**	**3,643**	**7,125**	**7,125**	**7,122**	**(133)**	**(1,972)**	**5,916**	**3,567**
020	Central banks		4	4	4	0	(4)		
030	General governments	3	2	2	2	0	(2)		
040	Banks								
050	Other financial companies	15	75	75	75	(1)	(47)	14	11
060	Non-financial companies	1,883	3,649	3,649	3,646	(64)	(1,162)	2,475	1,430
070	Households	1,741	3,394	3,394	3,394	(68)	(756)	3,427	2,126
080	**Debt securities**		**8**	**8**	**8**		**(8)**		
090	**Loan commitments given**	**273**	**87**	**87**	**87**	**(3)**	**(5)**	**95**	**35**
100	**OVERALL**	**3,916**	**7,220**	**7,220**	**7,217**	**(136)**	**(1,985)**	**6,011**	**3,602**

EU CR1 – Performing and non-performing exposures and related provisions

		12/31/2024													
		a	b	c	d	e	f	g	h	i	j	k	l	n	o
		Gross carrying amount/Nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative fair value adjustments due to credit risk and provisions			On performing exposures	On non-performing exposures
in millions of euros			Of which Stage 1	Of which Stage 2[1]		Of which Stage 2[1]	Of which Stage 3[1]		Of which Stage 1	Of which Stage 2[1]		Of which Stage 2[1]	Of which Stage 3[1]		
005	**Cash balances at central banks and other demand deposits**	**136,008**	**135,846**	**156**										**9**	
010	**Loans and advances**	**954,306**	**816,245**	**134,267**	**24,344**		**23,321**	**(5,054)**	**(1,066)**	**(3,983)**	**(9,703)**		**(9,298)**	**551,097**	**10,206**
020	Central banks	1,592	1,584	7	19		15	(1)		(1)	(19)		(15)		
030	General governments	155,886	150,412	4,591	74		68	(24)	(8)	(15)	(50)		(48)	3,279	6
040	Banks	4,492	4,303	190	16		11	(10)	(7)	(3)	(11)		(6)	923	
050	Other financial companies	23,849	22,805	851	137		118	(43)	(23)	(20)	(103)		(85)	3,637	13
060	Non-financial companies	328,755	263,439	62,614	15,825		14,892	(3,530)	(717)	(2,809)	(6,821)		(6,467)	171,480	5,741
070	*Of which SMEs*	153,092	116,851	36,139	8,752		8,461	(2,178)	(348)	(1,828)	(3,474)		(3,394)	101,080	3,464
080	Households	439,732	373,702	66,014	8,273		8,217	(1,446)	(311)	(1,135)	(2,699)		(2,677)	371,778	4,446
090	**Debt securities**	**86,519**	**79,036**	**787**	**318**		**311**	**(28)**	**(21)**	**(7)**	**(246)**		**(242)**	**1,034**	
100	Central banks	1,383	1,383												
110	General governments	56,116	54,790	81				(3)	(2)	(1)				573	
120	Banks	10,695	10,333	197				(7)	(7)						
130	Other financial companies	11,114	6,100	458	269		266	(10)	(6)	(4)	(208)		(208)	258	
140	Non-financial companies	7,211	6,430	51	49		45	(8)	(6)	(2)	(38)		(34)	203	
150	**Off-balance sheet exposures**	**232,898**	**204,321**	**17,614**	**1,429**		**1,179**	**(526)**	**(195)**	**(331)**	**(408)**		**(343)**	**40,739**	**249**
160	Central banks	199	199												
170	General governments	11,893	8,187	592	3		3	(1)		(1)				512	
180	Banks	12,511	9,007	317	5		5	(12)	(4)	(7)				443	
190	Other financial companies	30,248	28,740	895	18		18	(6)	(4)	(1)	(2)		(2)	2,553	6
200	Non-financial companies	145,027	126,415	14,600	1,314		1,068	(422)	(132)	(292)	(391)		(326)	31,235	227
210	Households	33,020	31,773	1,210	89		85	(85)	(55)	(30)	(15)		(15)	5,996	16
220	**OVERALL**	**1,409,731**	**1,235,448**	**152,824**	**26,091**		**24,811**	**(5,608)**	**(1,282)**	**(4,321)**	**(10,357)**		**(9,883)**	**592,879**	**10,455**

(1) Excluding assets impaired on origination or acquisition.

		12/31/2023													
		a	b	c	d	e	f	g	h	i	j	k	l	n	o
		Gross carrying amount/Nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative fair value adjustments due to credit risk and provisions			On performing exposures	On non-performing exposures
in millions of euros			Of which Stage 1	Of which Stage 2[(1)]		Of which Stage 2[(1)]	Of which Stage 3[(1)]		Of which Stage 1	Of which Stage 2[(1)]		Of which Stage 2[(1)]	Of which Stage 3[(1)]		
005	**Cash balances at central banks and other demand deposits**	**155,732**	**155,373**	**335**	**0**		**0**	**(1)**	**(1)**		**(0)**			**32**	
010	**Loans and advances**	**936,486**	**803,331**	**130,194**	**22,907**	**(0)**	**21,854**	**(5,300)**	**(1,244)**	**(4,050)**	**(9,122)**	**(0)**	**(8,771)**	**548,645**	**9,675**
020	Central banks	1,936	1,908	28	19		15	(21)	(0)	(21)	(19)		(15)		
030	General governments	148,256	142,949	4,291	64		62	(26)	(4)	(22)	(44)		(43)	2,686	0
040	Banks	4,062	3,758	235	10		5	(13)	(8)	(5)	(10)		(5)	851	
050	Other financial companies	18,346	17,032	1,216	150		132	(22)	(15)	(7)	(96)		(79)	3,139	19
060	Non-financial companies	321,927	260,006	60,152	14,941	0	13,959	(3,433)	(865)	(2,561)	(6,371)	(0)	(6,065)	167,843	5,361
070	*Of which SMEs*	156,937	124,504	32,286	7,618	(0)	7,366	(2,111)	(437)	(1,673)	(3,094)	0	(3,045)	101,708	3,437
080	Households	441,959	377,678	64,271	7,723	(0)	7,681	(1,785)	(352)	(1,433)	(2,581)	0	(2,564)	374,126	4,295
090	**Debt securities**	**76,512**	**69,344**	**728**	**193**		**144**	**(15)**	**(10)**	**(6)**	**(140)**		**(124)**	**1,218**	
100	Central banks	1,508	1,508	0				(0)	(0)						
110	General governments	47,815	46,510	116				(2)	(1)	(1)	0			732	
120	Banks	8,398	8,215	33	(0)			(1)	(1)	0	(0)			59	
130	Other financial companies	11,215	6,474	398	97		96	(4)	(2)	(1)	(88)		(88)	28	
140	Non-financial companies	7,576	6,636	182	97		48	(8)	(6)	(3)	(52)		(36)	399	
150	**Off-balance sheet exposures**	**223,827**	**197,024**	**18,272**	**1,322**	**(0)**	**1,215**	**(550)**	**(225)**	**(321)**	**(333)**	**(0)**	**(317)**	**54,138**	**144**
160	Central banks	77	74	2										42	
170	General governments	10,574	8,408	458	0			(4)	(0)	(4)	0			804	
180	Banks	11,802	9,139	400	6		6	(5)	(4)	(1)	(0)		(0)	646	
190	Other financial companies	26,815	24,675	1,279	3		3	(7)	(6)	(1)	(2)		(2)	12,829	
200	Non-financial companies	138,005	119,625	14,699	1,253	(0)	1,148	(446)	(152)	(290)	(309)	0	(294)	30,813	129
210	Households	36,554	35,103	1,434	61	(0)	59	(87)	(63)	(25)	(22)	(0)	(22)	9,003	15
220	**OVERALL**	**1,392,557**	**1,225,073**	**149,530**	**24,423**	**(0)**	**23,214**	**(5,866)**	**(1,480)**	**(4,376)**	**(9,595)**	**(0)**	**(9,212)**	**604,033**	**9,820**

(1) Excluding assets impaired on origination or acquisition.

Assets with past due payments

EU CQ3 – Credit quality of performing and non-performing exposures by number of days past due

	12/31/2024											
	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/Nominal amount											
	Performing exposures			Non-performing exposures								
in millions of euros		Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past due or are past due ≤90 days	Past due >90 days ≤180 days	Past due >180 days ≤1 year	Past due >1 year ≤2 years	Past due >2 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005 Cash balances at central banks and other demand deposits	**136,008**	**136,008**										
010 Loans and advances	**954,306**	**951,392**	**2,914**	**24,344**	**19,415**	**1,282**	**1,290**	**1,240**	**647**	**170**	**300**	**24,331**
020 Central banks	1,592	1,592		19	1					4	14	19
030 General governments	155,886	155,654	232	73	31	2	2	2	3	3	30	74
040 Banks	4,492	4,426	66	16	11				5			16
050 Other financial companies	23,849	23,680	169	137	78	7	11	11	1		29	137
060 Non-financial companies	328,755	327,010	1,745	15,826	12,483	805	951	952	390	90	155	15,814
070 Of which SMEs	153,092	152,298	794	8,752	7,166	394	503	396	174	36	83	8,751
080 Households	439,732	439,030	702	8,273	6,811	468	326	275	248	73	72	8,271
090 Debt securities	**86,519**	**86,517**	**2**	**318**	**259**					**59**		**318**
100 Central banks	1,383	1,383										
110 General governments	56,116	56,116										
120 Banks	10,695	10,695										
130 Other financial companies	11,114	11,112	2	269	210					59		269
140 Non-financial companies	7,211	7,211		49	49							49
150 Off-balance sheet exposures	**232,898**			**1,429**								**1,425**
160 Central banks	199											
170 General governments	11,893			3								3
180 Banks	12,511			5								5
190 Other financial companies	30,248			18								18
200 Non-financial companies	145,027			1,314								1,310
210 Households	33,020			89								89
220 OVERALL	**1,409,731**	**1,173,917**	**2,916**	**26,091**	**19,674**	**1,283**	**1,290**	**1,240**	**647**	**229**	**301**	**26,074**

		12/31/2023											
		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/Nominal amount											
		Performing exposures			Non-performing exposures								
in millions of euros			Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past due or are past due ≤90 days	Past due >90 days ≤180 days	Past due >180 days ≤1 year	Past due >1 year ≤2 years	Past due >2 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005	**Cash balances at central banks and other demand deposits**	**155,732**	**155,732**										
010	**Loans and advances**	**936,486**	**932,937**	**3,549**	**22,907**	**19,042**	**1,097**	**999**	**690**	**650**	**147**	**282**	**22,905**
020	Central banks	1,936	1,936		19	1			0	4		14	19
030	General governments	148,256	148,149	107	64	25	1	0	4	0	3	30	64
040	Banks	4,062	4,059	3	10	5				5			10
050	Other financial companies	18,346	18,336	10	150	111	8	1	0	1		29	150
060	Non-financial companies	321,927	320,123	1,804	14,941	12,474	678	711	468	377	86	146	14,939
070	*Of which SMEs*	156,937	156,142	795	7,618	6,429	377	348	240	113	33	78	7,617
080	Households	441,959	440,334	1,625	7,723	6,425	410	286	217	264	58	63	7,723
090	**Debt securities**	**76,512**	**76,512**		**193**	**135**					**59**		**193**
100	Central banks	1,508	1,508										
110	General governments	47,815	47,815										
120	Banks	8,398	8,398										
130	Other financial companies	11,215	11,215		97	38					59		96
140	Non-financial companies	7,576	7,576		97	97							97
150	**Off-balance sheet exposures**	**223,827**			**1,322**								**1,319**
160	Central banks	77											
170	General governments	10,574			0								0
180	Banks	11,802			6								6
190	Other financial companies	26,815			3								3
200	Non-financial companies	138,005			1,253								1,249
210	Households	36,554			61								61
220	**OVERALL**	**1,392,557**	**1,165,181**	**3,549**	**24,423**	**19,177**	**1,097**	**999**	**690**	**650**	**206**	**282**	**24,417**

Credit quality

EU CQ4 – Quality of non-performing exposures by geographic area

		12/31/2024						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount						
			Of which non-performing					
in millions of euros				Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions for off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	**On-balance sheet exposures**	**1,065,488**	**24,663**	**24,649**	**1,055,436**	**(15,030)**		
020	France	922,949	22,013	22,012	915,759	(13,425)		
030	United States	35,814	487	487	34,863	(162)		
040	Luxembourg	10,728	195	195	10,234	(166)		
050	Italy	8,970	116	116	8,970	(79)		
060	Spain	8,452	78	77	8,451	(72)		
070	Other countries	78,575	1,774	1,762	77,159	(1,126)		
080	**Off-balance sheet exposures**	**234,327**	**1,428**	**1,425**			**934**	
090	France	147,024	1,351	1,349			837	
100	United States	33,988	31	31			27	
110	Luxembourg	4,702	4	4			13	
120	Spain	4,603					2	
130	United Kingdom	4,468					3	
140	Other countries	39,542	42	41			52	
150	**OVERALL**	**1,299,815**	**26,091**	**26,074**	**1,055,436**	**(15,030)**	**934**	

		12/31/2023						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount						
			Of which non-performing		Of which subject to impairment	Accumulated impairment	Provisions for off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
in millions of euros				Of which defaulted				
010	**On-balance sheet exposures**	**1,036,099**	**23,101**	**23,098**	**1,027,252**	**(14,576)**		**(2)**
020	France	910,443	20,908	20,908	904,098	(13,155)		0
030	United States	29,379	374	374	28,430	(150)		
040	Luxembourg	9,523	149	149	8,892	(157)		
050	Italy	8,828	113	113	8,828	(88)		
060	Spain	7,263	54	53	7,261	(67)		(2)
070	Other countries	70,662	1,502	1,501	69,743	(960)		
080	**Off-balance sheet exposures**	**225,149**	**1,322**	**1,319**			**882**	
090	France	148,703	1,214	1,211			778	
100	United States	28,125	40	40			25	
110	Luxembourg	4,832	0	0			14	
120	Switzerland	4,433	0	0			2	
130	Spain	4,015	0	0			2	
140	Other countries	35,042	68	68			61	
150	**OVERALL**	**1,261,248**	**24,423**	**24,417**	**1,027,252**	**(14,576)**	**882**	**(2)**

EU CQ5 – Credit quality of loans and advances granted to non-financial companies by industry

in millions of euros		12/31/2024					
		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing				
				Of which defaulted	Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	5,443	376	376	5,443	(341)	
020	Mining and quarrying	2,991	252	252	2,991	(115)	
030	Manufacturing	21,120	1,871	1,870	21,120	(990)	
040	Electricity, gas, steam and air conditioning supply	12,912	319	318	12,912	(127)	
050	Water supply	1,985	65	65	1,985	(41)	
060	Construction	16,899	1,756	1,753	16,897	(1,034)	
070	Wholesale and retail trade	37,255	1,998	1,996	36,201	(1,352)	
080	Transport and storage	8,096	483	482	8,094	(252)	
090	Accommodation and food service activities	11,174	1,050	1,050	11,174	(663)	
100	Information and communication	9,243	353	353	8,822	(203)	
110	Real estate activities	130,007	3,929	3,928	129,850	(2,670)	
120	Financial and insurance activities	35,616	1,034	1,034	35,307	(839)	
130	Professional, scientific and technical activities	21,885	1,137	1,135	21,757	(679)	
140	Administrative and support service activities	13,468	528	527	13,465	(265)	
150	Public administration and defense, compulsory social security	245			245	(1)	
160	Education	1,753	80	80	1,752	(39)	
170	Human health services and social work activities	9,045	237	237	8,988	(187)	
180	Arts, entertainment and recreation	1,936	105	105	1,936	(62)	
190	Other services	3,509	254	254	3,367	(490)	
200	**OVERALL**	**344,582**	**15,827**	**15,815**	**342,306**	**(10,350)**	

in millions of euros		12/31/2023					
		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
				Of which defaulted			
010	Agriculture, forestry and fishing	5,276	310	310	5,276	(304)	
020	Mining and quarrying	3,373	273	273	3,373	(112)	
030	Manufacturing	20,951	1,671	1,671	20,951	(873)	
040	Electricity, gas, steam and air conditioning supply	12,443	294	293	12,159	(142)	
050	Water supply	1,750	61	61	1,750	(37)	
060	Construction	17,582	1,551	1,551	17,579	(947)	
070	Wholesale and retail trade	35,830	2,121	2,121	35,539	(1,349)	
080	Transport and storage	8,307	465	464	8,305	(250)	
090	Accommodation and food service activities	11,543	990	990	11,543	(675)	
100	Information and communication	8,550	390	389	8,550	(133)	
110	Real estate activities	128,054	3,113	3,113	127,874	(2,534)	
120	Financial and insurance activities	33,469	887	887	33,224	(769)	
130	Professional, scientific and technical activities	20,136	852	852	20,098	(525)	
140	Administrative and support service activities	12,790	441	441	12,784	(254)	
150	Public administration and defense, compulsory social security	52			52		
160	Education	1,795	77	77	1,794	(42)	
170	Human health services and social work activities	9,268	1,118	1,118	9,205	(177)	
180	Arts, entertainment and recreation	1,925	112	112	1,925	(66)	
190	Other services	3,777	217	217	3,663	(614)	
200	**OVERALL**	**336,868**	**14,941**	**14,939**	**335,644**	**(9,804)**	

Risk mitigation techniques

EU CR3 – Use of credit risk mitigation techniques

		12/31/2024				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
in millions of euros		a	b	c	d	e
1	Loans and advances	538,599	561,303	174,721	386,582	
2	Debt securities	85,529	1,035		1,035	
3	**TOTAL**	**624,128**	**562,338**	**174,721**	**387,617**	
4	*Of which non-performing exposures*	*4,508*	*10,206*	*4,407*	*5,799*	
EU-5	*Of which defaulted*	*4,903*	*10,206*			

		12/31/2023				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
in millions of euros		a	b	c	d	e
1	Loans and advances	**542,381**	**558,320**	**168,900**	**389,420**	
2	Debt securities	**75,332**	**1,218**		**1,218**	
3	**TOTAL**	**617,713**	**559,538**	**168,900**	**390,638**	
4	*Of which non-performing exposures*	*4,163*	*9,675*	*4,136*	*5,539*	
EU-5	*Of which defaulted*	*4,528*	*9,675*			

Information on credit risk within BPCE

BPCE includes BPCE SA and its subsidiaries. The Banques Populaires and Caisses d'Epargne do not contribute to the results of BPCE.

Non-performing and forborne exposures

EU CQ1 – Credit quality of forborne exposures

		12/31/2024							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
in millions of euros		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
010	**Loans and advances**	**1,473**	**3,068**	**3,068**	**3,068**	**(49)**	**(937)**	**2,699**	**1,633**
020	Central banks		4	4	4		(4)		
030	General governments		2	2	2		(2)		
050	Other financial companies	10	28	28	28	(1)	(23)		
060	Non-financial companies	538	1,654	1,654	1,654	(20)	(665)	909	600
070	Households	925	1,380	1,380	1,380	(28)	(243)	1,790	1,033
080	**Debt securities**		**4**	**4**	**4**		**(4)**		
090	**Loan commitments given**	**18**	**30**	**30**	**30**		**(2)**	**25**	**8**
100	**OVERALL**	**1,491**	**3,102**	**3,102**	**3,102**	**(49)**	**(943)**	**2,724**	**1,641**

		12/31/2023							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
in millions of euros		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
010	**Loans and advances**	**2,112**	**2,952**	**2,952**	**2,949**	**(66)**	**(835)**	**2,887**	**1,528**
020	Central banks		4	4	4		(4)		
030	General governments		2	2	2		(2)		
050	Other financial companies		66	66	66		(44)	7	7
060	Non-financial companies	1,154	1,453	1,453	1,450	(34)	(534)	1,008	432
070	Households	958	1,427	1,427	1,427	(32)	(251)	1,873	1,089
080	**Debt securities**		**8**	**8**	**8**		**(8)**		
090	**Loan commitments given**	**258**	**69**	**69**	**69**	**(3)**	**(5)**	**80**	**24**
100	**OVERALL**	**2,371**	**3,029**	**3,029**	**3,027**	**(69)**	**(848)**	**2,967**	**1,552**

EU CR1 – Performing and non-performing exposures and related provisions

		12/31/2024													
		a	b	c	d	e	f	g	h	i	j	k	l	n	o
		Gross carrying amount/Nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative fair value adjustments due to credit risk and provisions				
in millions of euros			Of which Stage 1	Of which Stage 2[(1)]		Of which Stage 2[(1)]	Of which Stage 3[(1)]		Of which Stage 1	Of which Stage 2[(1)]		Of which Stage 2[(1)]	Of which Stage 3[(1)]	On performing exposures	On non-performing exposures
005	**Cash balances at central banks and other demand deposits**	**124,170**	**124,123**	**42**										**9**	
010	**Loans and advances**	**422,679**	**403,079**	**16,606**	**6,144**		**5,595**	**(674)**	**(267)**	**(406)**	**(2,201)**		**(1,924)**	**78,211**	**2,543**
020	Central banks	1,561	1,554	7	19		15	(1)		(1)	(19)		(15)		
030	General governments	18,722	16,927	1,255	37		36	(7)	(3)	(3)	(36)		(35)	2,071	
040	Banks	247,572	247,400	171	6		1	(3)	(1)	(1)	(6)		(1)	919	
050	Other financial companies	17,843	17,280	374	58		40	(9)	(2)	(7)	(43)		(25)	2,498	4
060	Non-financial companies	106,451	91,888	12,299	3,901		3,380	(431)	(158)	(274)	(1,486)		(1,237)	49,023	1,186
070	*Of which SMEs*	20,777	16,980	3,782	963		912	(136)	(46)	(90)	(242)		(236)	11,573	309
080	Households	30,530	28,030	2,500	2,123		2,123	(223)	(103)	(120)	(611)		(611)	23,700	1,353
090	**Debt securities**	**27,698**	**23,923**	**529**	**303**		**299**	**(15)**	**(10)**	**(5)**	**(237)**		**(233)**	**794**	
100	Central banks	1,342	1,342												
110	General governments	13,691	12,385	61				(2)	(1)	(1)				573	
120	Banks	6,376	6,212					(5)	(5)						
130	Other financial companies	4,471	2,411	455	264		264	(7)	(3)	(4)	(206)		(206)	18	
140	Non-financial companies	1,818	1,573	13	39		35	(1)	(1)		(31)		(27)	203	
150	**Off-balance sheet exposures**	**154,087**	**141,828**	**4,709**	**519**		**347**	**(275)**	**(104)**	**(171)**	**(182)**		**(122)**	**27,043**	**113**
160	Central banks	191	191												
170	General governments	4,172	2,270	428				(1)		(1)				464	
180	Banks	12,071	10,145	161	96		96	(7)	(1)	(6)	(55)		(55)	433	
190	Other financial companies	27,008	25,763	647				(2)	(1)	(1)				1,928	
200	Non-financial companies	94,163	87,075	3,411	420		248	(222)	(62)	(160)	(127)		(67)	24,167	113
210	Households	16,482	16,384	62	3		3	(43)	(40)	(3)				51	
220	**OVERALL**	**728,634**	**692,953**	**21,886**	**6,966**		**6,241**	**(964)**	**(381)**	**(582)**	**(2,620)**		**(2,279)**	**106,057**	**2,656**

in millions of euros		12/31/2023 a	b	c	d	e	f	g	h	i	j	k	l	n	o
		Gross carrying amount/Nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative fair value adjustments due to credit risk and provisions			On performing exposures	On non-performing exposures
			Of which Stage 1	Of which Stage 2[1]		Of which Stage 2[1]	Of which Stage 3[1]		Of which Stage 1	Of which Stage 2[1]		Of which Stage 2[1]	Of which Stage 3[1]		
005	**Cash balances at central banks and other demand deposits**	**138,758**	**138,673**	**80**				**(1)**	**(1)**					**32**	
010	**Loans and advances**	**399,917**	**373,783**	**24,045**	**6,177**		**5,595**	**(763)**	**(269)**	**(491)**	**(2,153)**		**(1,894)**	**77,712**	**2,592**
020	Central banks	1,909	1,880	28	19		15	(21)	0	(21)	(19)		(15)	0	
030	General governments	17,530	15,482	1,431	38		37	(10)	(1)	(9)	(37)		(36)	1,888	
040	Banks	234,154	233,868	217	5		1	(6)	(2)	(3)	(5)		(1)	707	
050	Other financial companies	13,847	12,794	960	93		76	(10)	(6)	(3)	(64)		(46)	2,659	12
060	Non-financial companies	99,432	79,552	18,570	3,778		3,224	(497)	(167)	(327)	(1,391)		(1,161)	46,434	1,073
070	*Of which SMEs*	20,604	16,317	4,270	763		753	(136)	(40)	(96)	(165)		(162)	10,865	301
080	Households	33,045	30,207	2,838	2,242		2,242	(219)	(92)	(127)	(637)		(637)	26,024	1,507
090	**Debt securities**	**26,882**	**23,104**	**512**	**175**		**130**	**(7)**	**(4)**	**(3)**	**(126)**		**(114)**	**1,153**	
100	Central banks	1,435	1,435												
110	General governments	13,144	11,850	106				(2)	(1)	(1)				732	
120	Banks	5,361	5,215												
130	Other financial companies	5,242	3,168	394	93		93	(3)	(2)	(1)	(86)		(86)	22	
140	Non-financial companies	1,700	1,436	12	82		37	(1)	(1)		(40)		(28)	399	
150	**Off-balance sheet exposures**	**143,136**	**127,580**	**8,503**	**355**		**312**	**(301)**	**(104)**	**(193)**	**(120)**		**(110)**	**37,417**	**54**
160	Central banks	70	70											42	
170	General governments	3,749	2,353	276				(2)		(2)				745	
180	Banks	11,564	9,679	230	104		104	(1)	(1)	0	(56)		(56)	646	
190	Other financial companies	24,157	22,232	1,097				(4)	(3)	(1)				12,334	
200	Non-financial companies	86,845	76,587	6,825	247		205	(244)	(52)	(188)	(63)		(53)	23,565	54
210	Households	16,751	16,659	76	3		3	(50)	(48)	(2)				86	
220	**OVERALL**	**708,693**	**663,139**	**33,141**	**6,706**		**6,037**	**(1,072)**	**(377)**	**(688)**	**(2,399)**		**(2,118)**	**116,315**	**2,646**

Assets with past due payments

EU CQ3 – Credit quality of performing and non-performing exposures by number of days past due

	12/31/2024											
	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/Nominal amount											
	Performing exposures			Non-performing exposures								
in millions of euros		Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past due or are past due ≤90 days	Past due >90 days ≤180 days	Past due >180 days ≤1 year	Past due >1 year ≤2 years	Past due >2 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005 Cash balances at central banks and other demand deposits	**124,170**	**124,170**										
010 Loans and advances	**422,679**	**421,156**	**1,523**	**6,144**	**3,896**	**474**	**540**	**606**	**357**	**86**	**185**	**6,134**
020 Central banks	1,561	1,561		19	1					4	14	19
030 General governments	18,722	18,568	154	37	2			1	1	3	30	37
040 Banks	247,572	247,506	66	6	6							6
050 Other financial companies	17,843	17,676	167	58	19	2	1	7			29	58
060 Non-financial companies	106,451	105,508	943	3,901	2,603	263	356	406	159	40	74	3,891
070 Of which SMEs	20,777	20,446	331	963	500	45	159	173	45	3	38	963
080 Households	30,530	30,337	193	2,123	1,265	209	183	192	197	39	38	2,123
090 Debt securities	**27,698**	**27,698**		**303**	**244**					**59**		**303**
100 Central banks	1,342	1,342										
110 General governments	13,691	13,691										
120 Banks	6,376	6,376										
130 Other financial companies	4,471	4,471		264	205					59		264
140 Non-financial companies	1,818	1,818		39	39							39
150 Off-balance sheet exposures	**154,087**			**519**								**519**
160 Central banks	191											
170 General governments	4,172											
180 Banks	12,071			96								96
190 Other financial companies	27,008											
200 Non-financial companies	94,163			420								420
210 Households	16,482			3								3
220 OVERALL	**728,634**	**573,025**	**1,523**	**6,966**	**4,140**	**474**	**540**	**606**	**357**	**144**	**186**	**6,956**

		12/31/2023											
		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/Nominal amount											
		Performing exposures			Non-performing exposures								
in millions of euros			Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past due or are past due ≤90 days	Past due >90 days ≤180 days	Past due >180 days ≤1 year	Past due >1 year ≤2 years	Past due >2 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005	**Cash balances at central banks and other demand deposits**	**138,758**	**138,758**										
010	**Loans and advances**	**399,917**	**398,542**	**1,374**	**6,177**	**4,352**	**436**	**448**	**297**	**384**	**79**	**180**	**6,177**
020	Central banks	1,909	1,909		19	1				4	0	14	19
030	General governments	17,530	17,474	56	38	5	0		1	0	3	30	38
040	Banks	234,154	234,151	3	5	5						0	5
050	Other financial companies	13,847	13,837	10	93	59	5	0	0	1	0	29	93
060	Non-financial companies	99,432	98,346	1,087	3,778	2,854	216	269	139	192	35	73	3,778
070	*Of which SMEs*	20,604	20,218	386	763	466	79	65	70	41	2	40	763
080	Households	33,045	32,825	219	2,242	1,428	215	179	157	187	41	35	2,242
090	**Debt securities**	**26,882**	**26,882**		**175**	**116**					**59**	**0**	**175**
100	Central banks	1,435	1,435										
110	General governments	13,144	13,144										
120	Banks	5,361	5,361										
130	Other financial companies	5,242	5,242		93	34					59		93
140	Non-financial companies	1,700	1,700		82	82						0	82
150	**Off-balance sheet exposures**	**143,136**			**355**								**354**
160	Central banks	70											
170	General governments	3,749											
180	Banks	11,564			104								104
190	Other financial companies	24,157											
200	Non-financial companies	86,845			247								247
210	Households	16,751			3								3
220	**OVERALL**	**708,693**	**564,182**	**1,374**	**6,706**	**4,468**	**436**	**448**	**297**	**384**	**138**	**181**	**6,705**

Credit quality

EU CQ4 – Quality of non-performing exposures by geographic area

		12/31/2024						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount						
			Of which non-performing					
in millions of euros				Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions for off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	**On-balance sheet exposures**	**456,824**	**6,447**	**6,437**	**450,839**	**(3,128)**		
020	France	363,454	4,553	4,553	359,958	(1,987)		
030	United States	21,482	485	485	20,551	(160)		
040	Italy	7,613	106	97	7,613	(71)		
050	Luxembourg	7,013	121	121	6,597	(122)		
060	United Kingdom	6,147	193	193	6,143	(143)		
070	Other countries	51,115	989	988	49,977	(645)		
080	**Off-balance sheet exposures**	**154,606**	**519**	**519**			**457**	
090	France	74,962	454	454			380	
100	United States	33,954	31	31			27	
110	Spain	4,410					2	
120	United Kingdom	4,393					3	
130	Italy	4,361					4	
140	Other countries	32,526	34	34			41	
150	**OVERALL**	**611,430**	**6,966**	**6,956**	**450,839**	**(3,128)**	**457**	

		12/31/2023						
		a	b	c	d	e	f	g
		Gross carrying/nominal amount					Provisions for off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing					
in millions of euros				Of which defaulted	Of which subject to impairment	Accumulated impairment		
010	**On-balance sheet exposures**	**433,150**	**6,351**	**6,351**	**428,141**	**(3,047)**		**(2)**
020	France	351,407	4,726	4,726	348,613	(2,013)		(0)
030	United States	17,211	371	371	16,280	(147)		
040	Luxembourg	5,884	111	111	5,334	(127)		
050	Italy	7,563	106	106	7,563	(81)		
060	United Kingdom	3,958	53	53	3,955	(65)		(2)
070	Other countries	47,127	984	984	46,395	(614)		
080	**Off-balance sheet exposures**	**143,490**	**355**	**354**			**421**	
090	France	72,130	259	258			332	
100	United States	28,073	40	40			25	
110	Luxembourg	3,869	-	-			13	
120	Switzerland	3,870	-	-			1	
130	Spain	3,968	-	-			2	
140	Other countries	31,581	56	56			47	
150	**OVERALL**	**576,640**	**6,706**	**6,705**	**428,141**	**(3,047)**	**421**	**(2)**

EU CQ5 – Credit quality of loans and advances granted to non-financial companies by industry

in millions of euros		12/31/2024					
		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
				Of which defaulted			
010	Agriculture, forestry and fishing	529	13	13	529	(6)	
020	Mining and quarrying	2,686	117	117	2,686	(90)	
030	Manufacturing	10,072	583	581	10,072	(280)	
040	Electricity, gas, steam and air conditioning supply	7,654	244	243	7,654	(65)	
050	Water supply	885	10	10	885	(6)	
060	Construction	4,547	298	296	4,547	(142)	
070	Wholesale and retail trade	15,349	262	260	14,294	(196)	
080	Transport and storage	3,863	154	153	3,863	(62)	
090	Accommodation and food service activities	1,793	126	126	1,793	(60)	
100	Information and communication	6,332	151	151	5,911	(104)	
110	Real estate activities	23,229	1,131	1,131	23,173	(381)	
120	Financial and insurance activities	18,185	309	309	17,876	(284)	
130	Professional, scientific and technical activities	5,735	202	200	5,608	(107)	
140	Administrative and support service activities	6,992	197	196	6,992	(74)	
150	Public administration and defense, compulsory social security	30			30		
160	Education	108	1	1	108	(1)	
170	Human health services and social work activities	1,556	66	66	1,517	(29)	
180	Arts, entertainment and recreation	200	5	5	200	(2)	
190	Other services	607	33	33	606	(29)	
200	**OVERALL**	**110,352**	**3,902**	**3,891**	**108,344**	**(1,918)**	

in millions of euros		12/31/2023					
		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	505	8	8	505	(5)	
020	Mining and quarrying	3,035	137	137	3,035	(92)	
030	Manufacturing	9,229	528	528	9,229	(223)	
040	Electricity, gas, steam and air conditioning supply	7,702	235	235	7,418	(66)	
050	Water supply	654	9	9	654	(4)	
060	Construction	4,415	248	248	4,415	(115)	
070	Wholesale and retail trade	12,744	438	438	12,453	(254)	
080	Transport and storage	3,819	163	163	3,819	(78)	
090	Accommodation and food service activities	1,980	151	151	1,980	(86)	
100	Information and communication	5,590	128	128	5,590	(47)	
110	Real estate activities	23,316	902	902	23,253	(370)	
120	Financial and insurance activities	16,244	307	307	16,001	(295)	
130	Professional, scientific and technical activities	5,020	140	140	4,982	(73)	
140	Administrative and support service activities	6,375	167	167	6,373	(78)	
150	Public administration and defense, compulsory social security	9	0	0	9	(0)	
160	Education	95	2	2	95	(1)	
170	Human health services and social work activities	1,563	200	200	1,523	(27)	
180	Arts, entertainment and recreation	214	5	5	214	(1)	
190	Other services	701	11	11	700	(73)	
200	**OVERALL**	**103,210**	**3,778**	**3,778**	**102,248**	**(1,888)**	

Risk mitigation techniques

EU CR3 – Use of credit risk mitigation techniques

		12/31/2024				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
in millions of euros		**a**	**b**	**c**	**d**	**e**
1	Loans and advances	469,365	80,754	40,460	40,294	
2	Debt securities	26,954	794		794	
3	**OVERALL**	**496,319**	**81,548**	**40,460**	**41,088**	
4	*Of which non-performing exposures*	1,466	2,543	1,743	800	
EU-5	Of which defaulted	1,737	2,543			

		12/31/2023				
		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
in millions of euros		**a**	**b**	**c**	**d**	**e**
1	Loans and advances	461,631	80,304	40,964	39,340	
2	Debt securities	25,770	1,153		1,153	
3	**OVERALL**	**487,401**	**81,457**	**40,964**	**40,493**	
4	*Of which non-performing exposures*	1,480	2,592	1,799	793	
EU-5	*Of which defaulted*	1,750	2,592			

5.6 Detailed quantitative information

The detailed quantitative information relating to credit risk in the following tables enhances the information in the previous section under Pillar III.

The key variables presented in the tables are:

- the exposure: all assets (*e.g.* loans, advances, accrued income, etc.) related to transactions on the market or with a customer and recorded on the bank's balance sheet and off-balance sheet;
- the Value at Risk (exposure at default, EAD);
- the probability of default (PD);
- the loss given default (LGD);
- the expected loss (EL), *i.e.* the value of the loss likely to be incurred given the quality of the structure of the transaction and any measures taken to mitigate risk, such as collateral. In the IRBA method, the following equation summarizes the relationship between these variables: EL = EAD x PD x LGD (except for loans in default);
- the risk-weighted assets (RWA): calculated on the basis of exposures and the level of risk associated with them, which depends on the credit quality of the counterparties.

The reporting lines show exposures by standardized or IRB approach, by geographic area, by business segment and by maturity. They also present credit quality by standardized or IRB approach, by geographic area and by business segment.

The tables are presented with respect to credit risk after application of risk mitigation techniques and including CVA. The breakdowns are presented without substitution by the guarantor segment.

Credit risk exposure after mitigation effects and the effects of credit derivatives on risk-weighted assets are also presented.

Credit risk exposures are presented by obligor category listed below:

- central banks and other sovereign exposures: centralization of regulated savings with Caisse des Dépôts et Consignations, deferred taxes and reserves;
- central governments: receivables from sovereign states, central governments and similar, multilateral development banks and international organizations;
- public sector and similar: receivables from national public institutions, local authorities or other public sector entities, including private social housing;
- financial institutions: receivables from regulated credit institutions and similar, including clearing houses;
- companies: other receivables, in particular large corporates, SMEs, medium-sized companies, insurance companies, funds, etc.;
- retail customers: receivables from individual customers, very small businesses, professional customers and self-employed customers;
- exposure to retail customers is further broken down into several categories: exposures guaranteed by a real estate mortgage excluding SMEs, exposures guaranteed by a real estate mortgage including SMEs, revolving exposures, other exposures to retail customers, of which SMEs and other non-SME retail exposures;
- securitization: receivables relating to securitization transactions;
- equities: exposures representing equity securities;
- other assets: this class includes all assets other than those whose risk relates to third parties (fixed assets, goodwill, residual values on finance leases, etc.).

Credit quality

EU CR1 A – Maturity of exposures

		12/31/2024					
		a	b	c	d	e	f
		Net exposure value					
in millions of euros		Demand	<= 1 year	>1 year <= 5 years	>5 years	No stated maturity	Overall
1	Loans and advances	11,504	257,788	272,621	406,992	14,988	963,894
2	Debt securities	-	6,974	37,286	34,301	8,003	86,564
3	**OVERALL**	**11,504**	**264,762**	**309,907**	**441,293**	**22,991**	**1,050,458**

		12/31/2023					
		a	b	c	d	e	f
		Net exposure value					
in millions of euros		Demand	<= 1 year	>1 year <= 5 years	>5 years	No stated maturity	Overall
1	Loans and advances	16,705	235,199	278,078	409,265	110,825	1,050,071
2	Debt securities		7,012	31,925	30,518	25,310	94,765
3	**OVERALL**	**16,705**	**242,211**	**310,003**	**439,783**	**136,135**	**1,144,837**

EU CQ7 – Collateral obtained by taking possession and execution processes

		12/31/2024	
		a	b
		Collateral obtained by taking possession	
in millions of euros		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	1	
020	Other than PP&E	164	(50)
030	Residential real estate	5	(1)
040	Commercial real estate		
060	Equities and debt securities	158	(49)
070	Other collateral	1	
080	**TOTAL**	**165**	**(50)**

		12/31/2023	
		a	b
		Collateral obtained by taking possession	
in millions of euros		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	1	0
020	Other than PP&E	156	(18)
030	Residential real estate	6	(1)
040	Commercial real estate		
060	Equities and debt securities	148	(16)
070	Other collateral	1	(1)
080	**TOTAL**	**156**	**(18)**

Standardized approach

EU CR4 – Standardized approach – Credit risk exposure and mitigation effects

		12/31/2024					
		Exposures before CCF and before CRM		Exposures after CCF and after CRM		RWAs and RWA density	
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	Risk-Weighted Assets	Density of risk-weighted assets (in %)
Exposure classes *in millions of euros*		a	b	c	d	e	f
1	Central governments or central banks	287,579	1,899	302,960	1,693	8,975	3%
2	Regional governments or local authorities	42,461	4,219	52,496	1,438	2,039	4%
3	Public sector entities	20,235	3,587	17,866	1,634	4,541	23%
4	Multilateral development banks	1,103	4	1,752	7	73	4%
5	International organizations	1,053	-	1,053	-	-	0%
6	Institutions	3,122	4,497	2,763	4,315	1,167	16%
7	Corporate customers	85,444	30,900	72,112	13,244	70,787	83%
8	Retail	12,768	2,083	6,620	343	4,982	72%
9	Exposures secured by a real estate mortgage	52,198	1,233	52,197	605	20,074	38%
10	Exposures in default	3,834	450	2,816	237	3,571	117%
11	Exposures associated with particularly high risk	6,926	2,109	6,434	782	10,823	150%
12	Covered bonds	115	-	115	-	11	10%
13	Institutions and corporates with a short-term credit assessment	576	10	536	4	240	45%
14	Collective investment undertakings	3,808	7	3,808	7	4,543	119%
15	Equities	0	-	0	-	0	100%
16	Other items	6,640	-	6,676	-	5,712	86%
17	**TOTAL**	**527,863**	**50,997**	**530,203**	**24,309**	**137,502**	**25%**

Exposure classes *in millions of euros*		12/31/2023					
		Exposures before CCF and before CRM		Exposures after CCF and after CRM		RWAs and RWA density	
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	Risk-Weighted Assets	Density of risk-weighted assets (in %)
		a	b	c	d	e	f
1	Central governments or central banks	101,080	8	112,090	7	7,766	7%
2	Regional governments or local authorities	42,358	3,926	51,784	1,375	10,479	20%
3	Public sector entities	20,081	3,838	17,843	1,668	4,500	23%
4	Multilateral development banks	411	-	618	1	-	0%
5	International organizations	436	-	436	-	-	0%
6	Institutions	4,560	4,494	4,765	4,460	1,271	14%
7	Corporate customers	94,731	35,169	81,544	15,975	79,606	82%
8	Retail	6,734	2,082	6,045	626	4,727	71%
9	Exposures secured by a real estate mortgage	59,410	1,925	52,873	928	20,605	38%
10	Exposures in default	4,406	516	3,248	291	4,375	124%
11	Exposures associated with particularly high risk	7,733	2,475	7,265	1,114	12,568	150%
12	Covered bonds	757	-	757	-	76	10%
13	Institutions and corporates with a short-term credit assessment	919	176	874	44	886	97%
14	Collective investment undertakings	3,251	0	3,251	0	3,243	100%
15	Equities	3	-	3	-	3	100%
16	Other items	5,514	0	5,514	0	5,005	91%
17	**TOTAL**	**352,383**	**54,609**	**348,909**	**26,490**	**155,110**	**41%**

EU CR5 – Standardized approach – Exposures by asset class and by risk weighting coefficient, after application of credit risk mitigation techniques

		12/31/2024															
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Other	Overall
in millions of euros		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
1	Central governments or central banks	298,741	0	0	0	996	0	449	0	0	1,739	3	2,726	0	0	0	304,653
2	Regional governments or local authorities	44,796	0	0	0	8,434	0	704	0	0	0	0	0	0	0	0	53,934
3	Public sector entities	11,515	0	0	0	3,387	0	1,543	0	0	2,980	74	0	0	0	0	19,500
4	Multilateral development banks	1,654	0	0	0	87	0	0	0	0	19	0	0	0	0	0	1,759
5	International organizations	1,053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,053
6	Institutions	4,290	299	0	0	1,386	0	439	0	0	664	0	0	0	0	0	7,078
7	Secured bonds	0	0	0	115	0	0	0	0	0	0	0	0	0	0	0	115
8	Corporate customers	162	0	0	0	7,276	135	13,289	61	0	59,313	5,119	0	0	0	0	85,356
9	Retail	0	0	0	0	0	0	0	0	6,963	0	0	0	0	0	0	6,963
10	Equity exposures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Units or shares in collective investment undertakings (CIU)	0	0	0	0	236	0	0	0	0	57	0	0	0	8	3,513	3,815
12	Other exposures	185	0	0	24	20	0	27	0	0	4,832	0	0	0	0	1,589	6,676
13	Exposures to institutions and corporates with a short-term credit assessment	0	0	0	0	223	0	244	0	0	65	8	0	0	0	0	540
14	Exposures secured by a real estate mortgage	0	0	0	0	0	32,814	19,721	0	0	267	0	0	0	0	0	52,802
15	High risk exposures	0	0	0	0	0	0	0	0	0	0	7,216	0	0	0	0	7,216
16	Exposures in default	0	0	0	0	0	0	0	0	0	2,014	1,038	0	0	0	0	3,052
17	**TOTAL**	**362,397**	**299**	**0**	**139**	**22,045**	**32,949**	**36,416**	**61**	**6,963**	**71,950**	**13,458**	**2,726**	**0**	**8**	**5,101**	**554,512**

		12/31/2023															
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Other	Overall
in millions of euros		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
1	Central governments or central banks	108,062	0	0	0	187	0	146	0	0	1,064	1	2,636	0	0	0	112,096
2	Regional governments or local authorities	1,633	0	0	0	50,948	0	579	0	0	0	0	0	0	0	0	53,160
3	Public sector entities	11,335	0	0	0	3,275	0	2,156	0	0	2,694	49	0	0	0	2	19,511
4	Multilateral development banks	618	0	0	0	0	0	0	0	0	0	0	0	0	0	0	618
5	International organizations	436	0	0	0	0	0	0	0	0	0	0	0	0	0	0	436
6	Institutions	5,008	899	0	0	2,414	0	255	0	0	649	0	0	0	0	0	9,225
7	Secured bonds	0	0	0	757	0	0	0	0	0	0	0	0	0	0	0	757
8	Corporate customers	5	0	0	0	7,780	268	16,992	166	0	68,076	4,234	0	0	0	0	97,519
9	Retail	0	0	0	0	0	0	0	0	6,671	0	0	0	0	0	0	6,671
10	Equity exposures	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	3
11	Units or shares in collective investment undertakings (CIU)	0	0	0	0	0	0	0	0	0	138	0	0	0	0	3,113	3,251
12	Other exposures	10	0	0	24	27	0	40	0	0	4,099	0	0	0	0	1,315	5,514
13	Exposures to institutions and corporates with a short-term credit assessment	0	0	0	0	66	0	124	0	0	548	181	0	0	0	0	918
14	Exposures secured by a real estate mortgage	0	0	0	0	0	34,509	18,524	0	513	256	0	0	0	0	0	53,802
15	High risk exposures	0	0	0	0	0	0	0	0	0	0	8,379	0	0	0	0	8,379
16	Exposures in default	0	0	0	0	0	0	0	0	0	1,867	1,672	0	0	0	0	3,539
17	**TOTAL**	**127,107**	**899**	**0**	**781**	**64,697**	**34,777**	**38,814**	**166**	**7,184**	**79,394**	**14,515**	**2,636**	**0**	**0**	**4,430**	**375,399**

Internal models approach

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

A-IRB *in millions of euros*	12/31/2024 PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightedexposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	2,385	-	0%	2,387	0.00%	12	7.10%	4	-	0.00%	-	-
	0.00 to <0.10	2,385	-	0%	2,387	0.00%	12	7.10%	4	-	0.00%	-	-
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.25 to <0.50	-	-	0%	47	0.00%	-	20.00%	1	-	0.00%	-	(0)
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	-	-	0%	45	0.00%	-	2.70%	0	-	0.00%	-	(0)
	0.75 to <1.75	-	-	0%	45	0.00%	-	2.70%	0	-	0.00%	-	(0)
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	-	-	0%	44	0.00%	-	7.10%	5	-	0.00%	-	-
	2.5 to <5	-	-	0%	2	0.00%	-	7.10%	0	-	0.00%	-	-
	5 to <10	-	-	0%	43	0.00%	-	7.10%	5	-	0.00%	-	-
	10.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10 to <20	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	20 to <30	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	100.00 (default)	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
Central governments and central banks sub-total		2,385	-	0%	2,523	0.00%	12	7.26%	4	-	0.00%	-	(0)
INSTITUTIONS	0.00 to <0.15	5,617	1,343	23%	5,941	0.03%	231	38.47%	1	526	8.86%	1	(0)
	0.00 to <0.10	5,617	1,343	23%	5,941	0.03%	231	38.47%	1	526	8.86%	1	(0)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	2	0.04%	-	37.85%	1	0	11.72%	0	-
	0.25 to <0.50	547	1,190	53%	999	0.22%	88	44.67%	1	476	47.64%	1	(0)
	0.50 to <0.75	11	762	30%	227	0.68%	47	58.95%	1	225	98.97%	1	(0)
	0.75 to <2.50	-	-	0%	750	0.05%	-	38.56%	2	158	21.09%	0	(0)
	0.75 to <1.75	-	-	0%	713	0.05%	-	38.39%	2	150	20.97%	0	(0)
	1.75 to <2.5	-	-	0%	37	0.06%	-	41.89%	2	9	23.44%	0	(0)
	2.50 to <10.00	29	768	21%	680	1.04%	74	45.83%	3	535	78.78%	5	(7)
	2.5 to <5	7	731	21%	639	0.86%	52	44.05%	3	449	70.34%	3	(7)
	5 to <10	23	37	20%	41	3.91%	22	73.93%	1	86	212.03%	2	(0)
	10.00 to <100.00	2	-	0%	39	0.46%	2	39.50%	1	16	40.26%	0	(0)
	10 to <20	2	-	0%	30	0.59%	2	37.90%	2	14	47.64%	0	(0)
	20 to <30	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	9	0.05%	-	44.93%	1	1	15.30%	0	(0)
	100.00 (default)	19	-	0%	38	52.31%	4	63.55%	2	37	96.11%	19	(20)
Institutions sub-total		6,225	4,063	32%	8,677	0.41%	446	40.42%	1	1,974	22.74%	27	(27)

A-IRB *in millions of euros*	12/31/2024 PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightedexposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
CORPORATES – SME	0.00 to <0.15	351	84	83%	421	0.07%	286	28.35%	2	49	11.71%	0	(0)
	0.00 to <0.10	268	81	84%	337	0.05%	131	30.40%	2	37	10.95%	0	(0)
	0.10 to <0.15	83	2	47%	84	0.15%	155	20.18%	2	12	14.76%	0	(0)
	0.15 to <0.25	416	223	63%	507	0.17%	655	28.14%	10	121	23.92%	0	(0)
	0.25 to <0.50	2,343	1,017	59%	2,714	0.44%	2,832	27.97%	7	987	36.35%	3	(3)
	0.50 to <0.75	723	48	73%	755	0.64%	1,893	21.49%	2	248	32.88%	1	(1)
	0.75 to <2.50	7,153	1,924	61%	7,487	1.56%	7,464	26.06%	7	3,894	52.01%	30	(64)
	0.75 to <1.75	4,752	1,174	64%	4,990	1.16%	5,091	25.77%	7	2,450	49.10%	15	(25)
	1.75 to <2.5	2,401	750	54%	2,498	2.35%	2,373	26.62%	8	1,444	57.81%	16	(39)
	2.50 to <10.00	4,265	1,127	49%	4,287	4.83%	7,404	23.67%	6	2,741	63.93%	49	(114)
	2.5 to <5	3,002	871	48%	3,090	3.94%	5,564	23.53%	6	1,873	60.62%	29	(55)
	5 to <10	1,264	256	52%	1,197	7.11%	1,840	24.03%	6	867	72.48%	20	(59)
	10.00 to <100.00	1,318	256	49%	1,353	21.40%	1,922	23.38%	4	1,399	103.38%	65	(54)
	10 to <20	716	175	47%	687	12.75%	1,032	25.60%	5	659	96.02%	22	(43)
	20 to <30	0	-	0%	0	20.74%	29	25.80%	2	0	132.70%	0	(0)
	30.00 to <100.00	602	81	54%	667	30.31%	861	21.10%	3	740	110.96%	43	(12)
	100.00 (default)	1,034	173	47%	834	99.01%	1,473	41.99%	4	800	95.94%	360	(342)
Corporates – SME sub-total		17,604	4,853	59%	18,358	10.69%	23,929	26.23%	6	10,239	55.77%	510	(579)
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	1,184	685	86%	1,756	0.03%	103	15.24%	3	115	6.55%	0	(0)
	0.00 to <0.10	1,184	685	86%	1,756	0.03%	103	15.24%	3	115	6.55%	0	(0)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	1,032	336	50%	1,148	0.25%	112	16.67%	4	248	21.57%	0	(0)
	0.25 to <0.50	10,249	9,622	43%	12,722	0.31%	540	18.79%	3	3,119	24.51%	7	(12)
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	5,133	3,474	57%	5,458	1.32%	260	17.74%	3	2,447	44.84%	13	(14)
	0.75 to <1.75	5,133	3,474	57%	5,458	1.32%	260	17.74%	3	2,447	44.84%	13	(14)
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	1,478	1,128	77%	1,830	5.20%	130	19.86%	3	1,289	70.43%	19	(19)
	2.5 to <5	592	709	86%	1,144	4.63%	53	18.21%	2	709	61.96%	10	(6)
	5 to <10	887	420	61%	686	6.15%	77	22.61%	3	580	84.54%	10	(14)
	10.00 to <100.00	901	481	62%	780	23.61%	43	23.24%	2	977	125.22%	42	(35)
	10 to <20	380	123	60%	371	13.79%	21	23.23%	2	432	116.57%	12	(11)
	20 to <30	168	242	49%	28	22.11%	2	30.51%	5	53	191.70%	2	(2)
	30.00 to <100.00	353	116	91%	382	33.25%	20	22.72%	2	492	128.76%	29	(21)
	100.00 (default)	824	34	48%	746	100.00%	35	53.13%	4	704	94.40%	256	(256)
Corporates – Specialized financing sub-total		20,801	15,760	52%	24,440	9.35%	1,223	19.47%	3	8,898	36.41%	338	(337)

A-IRB *in millions of euros*	PD range a	On-balance sheet exposures b	Off-balance sheet exposures before CCF c	Weighted average CCF d	Exposure after CCF and after CRM e	Weighted average PD (in %) f	Number of obligors g	Weighted average LGD (in %) h	Weighted average maturity (in years) i	Risk-weightede xposure amount after supplementary factors j	Density of risk-weighted exposure k	Expected loss amount l	Value adjustments and provisions m
	12/31/2024												
CORPORATES – OTHER	0.00 to <0.15	22,430	37,399	57%	43,473	0.05%	788	36.00%	2	6,386	14.69%	7	(2)
	0.00 to <0.10	22,295	37,395	57%	43,337	0.05%	759	36.01%	2	6,335	14.62%	7	(2)
	0.10 to <0.15	135	4	20%	136	0.15%	29	32.43%	4	51	37.84%	0	(0)
	0.15 to <0.25	1,977	1,356	75%	2,921	0.17%	595	27.35%	9	902	30.88%	1	(3)
	0.25 to <0.50	17,391	23,756	55%	30,905	0.32%	2,349	32.66%	3	12,658	40.96%	32	(24)
	0.50 to <0.75	727	705	75%	1,268	0.59%	448	30.61%	3	675	53.24%	2	(2)
	0.75 to <2.50	16,346	13,873	52%	22,998	1.22%	4,919	30.41%	5	15,488	67.35%	85	(109)
	0.75 to <1.75	11,475	11,781	51%	17,372	0.89%	3,146	30.76%	5	10,666	61.40%	48	(61)
	1.75 to <2.5	4,871	2,092	57%	5,626	2.26%	1,773	29.35%	6	4,822	85.72%	37	(49)
	2.50 to <10.00	7,003	4,811	61%	9,289	4.40%	4,435	28.84%	5	9,141	98.41%	121	(158)
	2.5 to <5	4,010	3,234	59%	5,306	3.54%	3,266	29.32%	4	5,195	97.91%	55	(61)
	5 to <10	2,993	1,577	66%	3,984	5.55%	1,169	28.19%	6	3,947	99.07%	67	(97)
	10.00 to <100.00	2,354	909	49%	2,592	14.75%	1,280	31.16%	3	3,211	123.86%	116	(109)
	10 to <20	1,540	733	51%	1,696	11.87%	563	31.04%	4	2,338	137.85%	64	(79)
	20 to <30	0	18	37%	29	5.76%	15	27.87%	4	12	42.89%	0	(0)
	30.00 to <100.00	814	158	41%	868	20.68%	702	31.51%	2	861	99.22%	52	(29)
	100.00 (default)	2,745	346	61%	2,549	97.01%	906	46.82%	4	1,615	63.35%	1,551	(1,462)
Corporates – Other sub-total		**70,973**	**83,153**	**57%**	**115,996**	**5.68%**	**15,720**	**33.28%**	**3**	**50,077**	**43.17%**	**1,917**	**(1,868)**
RETAIL – SME REAL ESTATE	0.00 to <0.15	9,461	168	128%	9,677	0.14%	52,780	13.37%	-	358	3.70%	2	(4)
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	9,461	168	128%	9,677	0.14%	52,780	13.37%	-	358	3.70%	2	(4)
	0.15 to <0.25	6,687	94	70%	6,753	0.21%	44,149	12.09%	-	304	4.50%	2	(3)
	0.25 to <0.50	4,353	65	89%	4,411	0.43%	27,772	16.59%	-	425	9.65%	3	(3)
	0.50 to <0.75	10,068	149	111%	10,234	0.63%	58,846	17.20%	-	1,367	13.36%	11	(15)
	0.75 to <2.50	19,322	464	116%	19,862	1.43%	94,029	19.62%	-	5,092	25.64%	54	(75)
	0.75 to <1.75	12,622	285	126%	12,982	1.10%	58,841	21.27%	-	3,089	23.79%	30	(36)
	1.75 to <2.5	6,700	179	101%	6,880	2.07%	35,188	16.49%	-	2,004	29.12%	23	(39)
	2.50 to <10.00	11,791	277	98%	12,062	4.70%	64,861	18.10%	-	5,869	48.66%	102	(202)
	2.5 to <5	6,529	146	106%	6,684	3.12%	37,749	18.52%	-	2,763	41.34%	40	(62)
	5 to <10	5,261	131	89%	5,378	6.68%	27,112	17.58%	-	3,106	57.76%	62	(141)
	10.00 to <100.00	5,517	129	111%	5,660	21.05%	29,785	18.99%	-	4,935	87.19%	224	(337)
	10 to <20	3,480	85	124%	3,586	14.46%	18,396	19.26%	-	3,075	85.73%	100	(161)
	20 to <30	1,162	28	75%	1,183	23.97%	6,653	18.02%	-	1,072	90.64%	52	(83)
	30.00 to <100.00	874	16	105%	891	43.73%	4,736	19.21%	-	788	88.45%	72	(92)
	100.00 (default)	1,368	5	14%	1,368	100.00%	10,160	43.84%	-	592	43.27%	554	(397)
Retail – SME Real estate sub-total		**68,567**	**1,352**	**110%**	**70,027**	**14.65%**	**382,382**	**17.65%**	**-**	**18,942**	**27.05%**	**950**	**(1,035)**

A-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightedexposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2024												
	a	b	c	d	e	f	g	h	i	j	k	l	m
RETAIL – NON-SME REAL ESTATE	0.00 to <0.15	168,609	2,841	99%	171,408	0.05%	1,819,105	9.50%	-	2,542	1.48%	9	(5)
	0.00 to <0.10	156,175	2,672	98%	158,792	0.05%	1,693,822	9.35%	-	2,129	1.34%	7	(3)
	0.10 to <0.15	12,434	169	107%	12,616	0.12%	125,283	11.32%	-	413	3.27%	2	(2)
	0.15 to <0.25	39,739	853	99%	40,585	0.19%	394,305	10.80%	-	1,792	4.41%	8	(14)
	0.25 to <0.50	36,668	599	102%	37,280	0.34%	331,266	11.47%	-	2,674	7.17%	15	(25)
	0.50 to <0.75	9,284	164	106%	9,458	0.59%	82,763	11.98%	-	1,048	11.08%	7	(7)
	0.75 to <2.50	30,142	787	107%	30,984	1.35%	265,405	12.27%	-	6,068	19.58%	52	(110)
	0.75 to <1.75	22,942	552	104%	23,518	1.11%	200,890	12.11%	-	4,030	17.13%	32	(63)
	1.75 to <2.5	7,200	234	114%	7,466	2.10%	64,515	12.78%	-	2,038	27.30%	20	(47)
	2.50 to <10.00	12,157	259	107%	12,435	4.82%	108,018	13.24%	-	5,509	44.30%	81	(158)
	2.5 to <5	7,750	124	104%	7,879	3.43%	66,430	12.88%	-	2,879	36.54%	35	(70)
	5 to <10	4,407	135	110%	4,556	7.23%	41,588	13.86%	-	2,630	57.73%	46	(88)
	10.00 to <100.00	2,966	26	101%	2,992	22.75%	28,929	14.37%	-	2,327	77.77%	98	(107)
	10 to <20	2,007	17	102%	2,024	13.89%	19,574	14.36%	-	1,568	77.44%	41	(59)
	20 to <30	423	4	99%	427	25.87%	4,173	14.56%	-	384	89.82%	16	(18)
	30.00 to <100.00	536	5	101%	541	53.46%	5,182	14.23%	-	376	69.48%	41	(31)
	100.00 (default)	2,609	11	1%	2,609	100.00%	27,677	37.74%	-	1,059	40.59%	900	(449)
Retail – SME Real estate sub-total		302,173	5,539	101%	307,749	14.68%	3,057,468	10.70%	-	23,018	7.48%	1,169	(875)
RETAIL – ELIGIBLE REVOLVING EXPOSURES	0.00 to <0.15	4,460	16,219	71%	15,909	0.07%	15,407,032	36.39%	-	320	2.01%	5	(4)
	0.00 to <0.10	4,308	14,763	75%	15,318	0.07%	14,232,520	37.45%	-	302	1.97%	5	(3)
	0.10 to <0.15	152	1,456	30%	591	0.05%	1,174,512	9.12%	-	18	3.07%	0	(1)
	0.15 to <0.25	940	1,393	77%	2,011	0.19%	2,815,942	30.14%	-	69	3.44%	1	(1)
	0.25 to <0.50	999	1,261	61%	1,766	0.31%	3,265,318	28.40%	-	104	5.90%	2	(3)
	0.50 to <0.75	298	646	58%	674	0.45%	1,130,918	17.92%	-	61	9.08%	1	(1)
	0.75 to <2.50	2,181	1,565	66%	3,213	1.13%	4,031,018	29.88%	-	899	27.99%	21	(21)
	0.75 to <1.75	1,180	1,148	68%	1,959	0.87%	2,354,018	30.76%	-	415	21.18%	9	(11)
	1.75 to <2.5	1,001	416	61%	1,254	1.55%	1,677,000	28.49%	-	484	38.62%	12	(11)
	2.50 to <10.00	1,940	840	51%	2,366	3.90%	2,173,285	31.38%	-	1,392	58.84%	56	(40)
	2.5 to <5	887	375	70%	1,151	3.48%	918,698	36.89%	-	539	46.86%	19	(15)
	5 to <10	1,053	465	35%	1,216	4.31%	1,254,587	26.17%	-	853	70.17%	37	(25)
	10.00 to <100.00	720	126	54%	788	17.02%	513,710	35.94%	-	906	114.97%	78	(79)
	10 to <20	443	87	61%	495	11.39%	304,641	37.26%	-	502	101.27%	30	(38)
	20 to <30	110	23	42%	120	21.02%	65,307	38.95%	-	164	137.14%	13	(10)
	30.00 to <100.00	168	16	33%	173	30.37%	143,762	30.10%	-	240	138.83%	34	(31)
	100.00 (default)	581	11	11%	582	57.67%	329,013	41.45%	-	406	69.84%	372	(343)
Retail – Eligible revolving exposures sub-total		12,119	22,061	70%	27,309	9.63%	29,666,236	33.85%	-	4,159	15.23%	536	(491)

A-IRB *in millions of euros*	PD range a	On-balance sheet exposures b	Off-balance sheet exposures before CCF c	Weighted average CCF d	Exposure after CCF and after CRM e	Weighted average PD (in %) f	Number of obligors g	Weighted average LGD (in %) h	Weighted average maturity (in years) i	Risk-weightede xposure amount after supplementary factors j	Density of risk-weighted exposure k	Expected loss amount l	Value adjustments and provisions m
							12/31/2024						
RETAIL – OTHER SMES	0.00 to <0.15	1,387	139	83%	1,503	0.14%	129,770	25.31%	-	114	7.56%	1	(1)
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	1,387	139	83%	1,503	0.14%	129,770	25.31%	-	114	7.56%	1	(1)
	0.15 to <0.25	3,071	415	80%	3,402	0.20%	192,754	16.90%	-	211	6.21%	1	(2)
	0.25 to <0.50	4,032	660	80%	4,559	0.42%	249,498	21.90%	-	536	11.76%	4	(4)
	0.50 to <0.75	3,219	299	87%	3,480	0.63%	217,343	25.44%	-	618	17.77%	5	(6)
	0.75 to <2.50	9,483	1,261	86%	10,560	1.43%	545,680	30.45%	-	3,122	29.57%	47	(64)
	0.75 to <1.75	6,437	801	86%	7,124	1.17%	357,689	30.30%	-	1,953	27.42%	25	(35)
	1.75 to <2.5	3,045	460	85%	3,436	1.96%	187,991	30.75%	-	1,169	34.03%	21	(29)
	2.50 to <10.00	8,311	1,239	90%	9,422	4.66%	480,029	28.06%	-	3,280	34.82%	122	(192)
	2.5 to <5	4,581	690	88%	5,187	3.11%	293,381	28.34%	-	1,749	33.71%	46	(65)
	5 to <10	3,730	549	92%	4,235	6.55%	186,648	27.72%	-	1,532	36.16%	76	(127)
	10.00 to <100.00	4,554	391	86%	4,881	21.05%	195,026	27.79%	-	2,557	52.38%	281	(362)
	10 to <20	2,401	266	89%	2,637	14.65%	104,192	29.21%	-	1,284	48.69%	112	(163)
	20 to <30	1,588	89	79%	1,651	23.01%	59,025	25.12%	-	892	54.04%	95	(100)
	30.00 to <100.00	565	36	80%	593	44.03%	31,809	28.90%	-	381	64.17%	74	(98)
	100.00 (default)	3,915	126	17%	3,935	100.00%	107,421	50.87%	-	1,890	48.04%	1,858	(1,927)
Retail – Other SMEs sub-total		37,972	4,531	85%	41,742	21.55%	2,117,521	28.88%	-	12,329	29.54%	2,319	(2,559)
RETAIL – OTHER NON-SMES	0.00 to <0.15	27,080	911	95%	27,950	0.06%	1,439,552	19.25%	-	951	3.40%	3	(4)
	0.00 to <0.10	25,949	858	95%	26,766	0.05%	1,371,973	18.79%	-	846	3.16%	3	(4)
	0.10 to <0.15	1,131	53	100%	1,184	0.12%	67,579	29.68%	-	105	8.86%	0	(1)
	0.15 to <0.25	9,376	289	93%	9,646	0.19%	608,830	24.66%	-	985	10.21%	5	(7)
	0.25 to <0.50	9,606	260	96%	9,855	0.34%	503,121	24.69%	-	1,475	14.97%	8	(14)
	0.50 to <0.75	3,339	97	100%	3,436	0.59%	272,607	30.25%	-	868	25.26%	6	(7)
	0.75 to <2.50	9,723	281	101%	10,006	1.30%	1,774,142	31.68%	-	4,070	40.68%	48	(62)
	0.75 to <1.75	7,179	181	98%	7,357	1.10%	906,924	31.68%	-	2,742	37.27%	28	(35)
	1.75 to <2.5	2,544	100	106%	2,649	1.84%	867,218	31.71%	-	1,328	50.14%	20	(27)
	2.50 to <10.00	5,656	113	101%	5,770	4.90%	471,495	36.78%	-	3,370	58.41%	111	(138)
	2.5 to <5	3,350	63	99%	3,412	3.42%	257,637	36.00%	-	1,843	54.03%	43	(48)
	5 to <10	2,307	50	105%	2,359	7.04%	213,858	37.92%	-	1,527	64.75%	68	(90)
	10.00 to <100.00	1,374	19	101%	1,394	21.90%	208,217	35.08%	-	1,147	82.29%	123	(126)
	10 to <20	893	13	100%	905	13.76%	102,499	34.21%	-	651	71.93%	46	(65)
	20 to <30	214	4	105%	218	25.88%	19,861	39.23%	-	221	101.54%	22	(21)
	30.00 to <100.00	267	3	100%	270	45.93%	85,857	34.69%	-	274	101.46%	55	(40)
	100.00 (default)	2,160	9	18%	2,162	96.37%	216,093	60.42%	-	1,990	92.06%	1,198	(1,033)
Retail – Other non-SMEs sub-total		68,314	1,980	97%	70,219	17.83%	5,494,057	26.09%	-	14,857	21.16%	1,501	(1,391)
OVERALL		**607,134**	**143,292**	**61%**	**687,042**		**40,758,994**		**1**	**144,494**	**21.03%**	**9,268**	**(9,163)**

F-IRB *in millions of euros*	12/31/2024												
	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightede xposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	39	0	100%	39	0.21%	4	41.62%	3	17	43.21%	0	(0)
	0.25 to <0.50	0	-	0%	0	0.39%	3	35.31%	3	0	51.55%	0	(0)
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	17	1	100%	18	1.04%	2	40.31%	3	16	88.89%	0	(0)
	0.75 to <1.75	17	1	100%	18	1.04%	2	40.31%	3	16	88.89%	0	(0)
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.5 to <5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	5 to <10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10.00 to <100.00	9	1	75%	10	19.06%	1	26.92%	3	15	149.53%	1	(1)
	10 to <20	9	1	75%	10	19.06%	1	26.92%	3	15	149.53%	1	(1)
	20 to <30	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	100.00 (default)	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
Central governments and central banks sub-total		65	2	85%	67	61.27%	10	39.03%	3	48	71.41%	1	(1)
INSTITUTIONS	0.00 to <0.15	4,353	97	55%	4,407	0.04%	124	27.99%	3	584	13.24%	0	(2)
	0.00 to <0.10	4,353	97	55%	4,407	0.04%	124	27.99%	3	584	13.24%	0	(2)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	34	0.04%	-	45.00%	3	6	17.86%	0	(0)
	0.25 to <0.50	468	249	75%	684	0.24%	53	26.55%	3	261	38.10%	0	(1)
	0.50 to <0.75	96	123	68%	332	0.40%	30	44.05%	3	223	67.27%	1	(1)
	0.75 to <2.50	-	-	0%	346	0.03%	-	45.00%	3	70	20.29%	0	(0)
	0.75 to <1.75	-	-	0%	316	0.03%	-	45.00%	3	66	20.75%	0	(0)
	1.75 to <2.5	-	-	0%	29	0.03%	-	45.00%	3	5	15.31%	0	(0)
	2.50 to <10.00	6	47	90%	463	0.42%	20	45.00%	3	170	36.64%	1	(1)
	2.5 to <5	6	47	90%	347	0.54%	17	45.00%	3	145	41.93%	1	(1)
	5 to <10	0	-	0%	116	0.04%	3	45.00%	3	24	20.81%	0	(0)
	10.00 to <100.00	5	2	100%	124	0.56%	3	45.00%	3	40	32.11%	0	(2)
	10 to <20	5	2	100%	60	1.14%	3	45.00%	3	27	44.44%	0	(2)
	20 to <30	-	-	0%	11	0.03%	-	45.00%	3	2	20.84%	0	(0)
	30.00 to <100.00	-	-	0%	53	0.03%	-	45.00%	3	11	20.69%	0	(0)
	100.00 (default)	0	-	0%	168	0.03%	1	44.99%	3	36	21.56%	1	(44)
Institutions sub-total		4,928	517	71%	6,557	0.63%	231	31.59%	3	1,389	21.19%	4	(51)

F-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weighted exposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2024												
	a	b	c	d	e	f	g	h	i	j	k	l	m
CORPORATES – SME	0.00 to <0.15	178	294	64%	367	0.04%	175	44.61%	3	46	12.58%	0	(0)
	0.00 to <0.10	178	294	64%	367	0.04%	43	44.61%	3	46	12.58%	0	(0)
	0.10 to <0.15	0	-	0%	0	0.15%	132	35.00%	3	0	29.09%	0	(0)
	0.15 to <0.25	578	128	82%	607	0.18%	2,383	42.04%	3	159	26.17%	0	(1)
	0.25 to <0.50	422	96	63%	473	0.37%	581	41.92%	3	186	39.37%	1	(0)
	0.50 to <0.75	6,082	1,244	77%	6,262	0.59%	19,738	41.03%	3	2,869	45.82%	15	(17)
	0.75 to <2.50	10,525	1,997	60%	10,820	1.44%	29,804	40.81%	3	6,768	62.55%	63	(83)
	0.75 to <1.75	10,257	1,684	66%	10,439	1.41%	29,012	40.73%	3	6,477	62.04%	60	(79)
	1.75 to <2.5	269	313	31%	381	2.09%	792	43.12%	3	291	76.37%	3	(4)
	2.50 to <10.00	9,645	1,534	67%	9,906	4.29%	28,681	41.33%	3	8,359	84.38%	175	(238)
	2.5 to <5	6,291	899	71%	6,519	3.13%	18,003	41.09%	3	5,064	77.69%	83	(119)
	5 to <10	3,354	635	61%	3,387	6.52%	10,678	41.79%	3	3,294	97.26%	92	(119)
	10.00 to <100.00	1,634	321	51%	1,559	20.28%	5,868	41.35%	3	2,056	131.88%	130	(134)
	10 to <20	1,173	260	51%	1,127	13.94%	4,137	41.42%	3	1,447	128.38%	65	(86)
	20 to <30	124	24	43%	112	24.30%	465	41.60%	3	168	150.27%	11	(13)
	30.00 to <100.00	337	38	57%	320	41.18%	1,266	41.02%	3	441	137.75%	54	(35)
	100.00 (default)	1,695	142	58%	1,288	95.63%	4,752	42.35%	3	60	4.63%	520	(683)
Corporates – SME sub-total		30,760	5,758	66%	31,282	8.87%	91,982	41.20%	3	20,503	65.54%	905	(1,156)
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.25 to <0.50	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <1.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.5 to <5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	5 to <10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10 to <20	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	20 to <30	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	100.00 (default)	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
Corporates – Specialized financing sub-total		-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-

F-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightede xposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2024												
	a	b	c	d	e	f	g	h	i	j	k	l	m
CORPORATES – OTHER	0.00 to <0.15	3,928	3,095	65%	5,976	0.06%	765	44.51%	3	1,338	22.39%	1	(1)
	0.00 to <0.10	3,926	3,095	65%	5,974	0.06%	753	44.52%	3	1,338	22.40%	1	(1)
	0.10 to <0.15	2	-	0%	2	0.15%	12	20.00%	3	0	17.56%	0	(0)
	0.15 to <0.25	1,667	292	81%	1,583	0.18%	800	42.47%	3	632	39.94%	1	(3)
	0.25 to <0.50	3,853	2,064	73%	5,277	0.38%	1,485	43.64%	3	3,338	63.27%	9	(4)
	0.50 to <0.75	1,410	435	77%	1,687	0.55%	2,094	42.49%	3	1,232	73.05%	4	(4)
	0.75 to <2.50	6,154	1,961	67%	7,387	1.26%	5,751	43.10%	3	7,194	97.39%	40	(39)
	0.75 to <1.75	5,475	1,747	67%	6,535	1.14%	5,256	43.19%	3	6,230	95.33%	32	(33)
	1.75 to <2.5	679	214	66%	852	2.18%	495	42.41%	3	965	113.24%	8	(6)
	2.50 to <10.00	4,706	977	73%	5,620	3.96%	6,198	42.73%	3	7,464	132.81%	94	(105)
	2.5 to <5	3,140	591	76%	3,809	2.99%	4,023	42.84%	3	4,665	122.48%	48	(50)
	5 to <10	1,565	386	69%	1,811	5.99%	2,175	42.50%	3	2,799	154.55%	46	(55)
	10.00 to <100.00	1,053	276	67%	1,114	18.15%	1,489	43.01%	3	2,328	208.89%	86	(85)
	10 to <20	834	212	71%	846	13.79%	807	43.56%	3	1,801	212.81%	51	(65)
	20 to <30	16	3	37%	17	19.22%	171	39.44%	3	34	193.88%	1	(1)
	30.00 to <100.00	203	61	55%	251	32.82%	511	41.38%	3	493	196.70%	34	(19)
	100.00 (default)	1,175	158	43%	985	97.35%	3,540	42.75%	3	27	2.75%	409	(624)
Corporates – Other sub-total		23,946	9,259	70%	29,629	10.44%	22,122	43.33%	3	23,555	79.50%	645	(864)
OVERALL		**59,698**	**15,536**	**89%**	**67,535**		**114,345**		**3**	**45,494**	**67.36%**	**1,554**	**(2,072)**

A-IRB *in millions of euros*	PD range a	On-balance sheet exposures b	Off-balance sheet exposures before CCF c	Weighted average CCF d	Exposure after CCF and after CRM e	Weighted average PD (in %) f	Number of obligors g	Weighted average LGD (in %) h	Weighted average maturity (in years) i	Risk-weightede xposure amount after supplementary factors j	Density of risk-weighted exposure k	Expected loss amount l	Value adjustments and provisions m
						12/31/2023							
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	64,402	1,239	95%	66,058	0.00%	69	8.22%	1	56	0.09%	0	(0)
	0.00 to <0.10	64,402	1,239	95%	66,058	0.00%	69	8.22%	1	56	0.09%	0	(0)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	87	305	100%	446	0.02%	5	12.55%	5	24	5.28%	0	(0)
	0.25 to <0.50	212	210	100%	1,456	0.02%	8	11.89%	4	73	5.01%	0	(0)
	0.50 to <0.75	-	-	0%	2	3.12%	-	46.69%	1	3	125.78%	0	(0)
	0.75 to <2.50	-	-	0%	690	0.01%	-	17.20%	4	30	4.41%	0	(0)
	0.75 to <1.75	-	-	0%	657	0.01%	-	17.70%	4	30	4.62%	0	(0)
	1.75 to <2.5	-	-	0%	33	0.00%	-	7.10%	5	-	0.00%	-	-
	2.50 to <10.00	143	163	100%	542	0.43%	6	13.38%	4	106	19.56%	1	(1)
	2.5 to <5	143	163	100%	244	0.96%	6	19.64%	4	106	43.28%	1	(1)
	5 to <10	-	-	0%	297	0.00%	-	8.23%	3	0	0.05%	0	(0)
	10.00 to <100.00	146	48	100%	701	1.32%	7	15.60%	3	183	26.12%	8	(25)
	10 to <20	-	-	0%	491	0.01%	-	13.74%	4	21	4.21%	0	(0)
	20 to <30	146	48	100%	194	4.74%	7	20.98%	1	163	83.66%	8	(25)
	30.00 to <100.00	-	-	0%	16	0.00%	-	7.10%	2	-	0.00%	-	-
	100.00 (default)	56	-	0%	230	23.90%	8	30.14%	3	-	0.00%	66	(66)
Central governments and central banks sub-total		**65,047**	**1,965**	**97%**	**70,124**	**0.73%**	**103**	**8.60%**	**1**	**475**	**0.68%**	**75**	**(92)**
INSTITUTIONS	0.00 to <0.15	4,412	1,347	22%	4,715	0.03%	232	31.39%	1	460	9.75%	1	(42)
	0.00 to <0.10	4,412	1,347	22%	4,715	0.03%	232	31.39%	1	460	9.75%	1	(42)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	19	0.04%	-	31.54%	1	2	8.41%	0	-
	0.25 to <0.50	202	1,105	78%	741	0.22%	94	40.70%	2	323	43.61%	1	(0)
	0.50 to <0.75	182	414	20%	269	0.62%	47	77.43%	1	91	33.97%	0	(1)
	0.75 to <2.50	-	-	0%	552	0.06%	-	33.88%	2	99	17.94%	0	(0)
	0.75 to <1.75	-	-	0%	545	0.06%	-	34.26%	2	99	18.17%	0	(0)
	1.75 to <2.5	-	-	0%	8	0.03%	-	7.10%	2	0	1.73%	0	-
	2.50 to <10.00	29	598	20%	621	0.99%	80	43.12%	3	596	95.87%	5	(5)
	2.5 to <5	12	537	20%	498	0.89%	43	41.55%	4	474	95.19%	4	(3)
	5 to <10	18	61	20%	123	1.43%	37	49.47%	2	122	98.60%	2	(2)
	10.00 to <100.00	3	1	20%	19	1.79%	5	26.69%	1	19	99.77%	0	(1)
	10 to <20	3	1	20%	16	2.15%	5	30.91%	1	19	119.75%	0	(1)
	20 to <30	-	-	0%	0	0.00%	-	0.00%	3	0	0.00%	0	(0)
	30.00 to <100.00	-	-	0%	3	0.03%	-	7.04%	2	0	1.89%	0	(0)
	100.00 (default)	19	-	0%	32	58.62%	5	71.07%	2	9	27.30%	19	(19)
Institutions sub-total		**4,847**	**3,465**	**39%**	**6,968**	**0.71%**	**463**	**35.57%**	**1**	**1,598**	**22.94%**	**27**	**(68)**

A-IRB *in millions of euros*	PD range a	On-balance sheet exposures b	Off-balance sheet exposures before CCF c	Weighted average CCF d	Exposure after CCF and after CRM e	Weighted average PD (in %) f	Number of obligors g	Weighted average LGD (in %) h	Weighted average maturity (in years) i	Risk-weightede xposure amount after supplemen tary factors j	Density of risk-weighted exposure k	Expected loss amount l	Value adjustments and provisions m
						12/31/2023							
CORPORATES – SME	0.00 to <0.15	263	176	78%	305	0.09%	291	28.71%	2	41	13.28%	0	(0)
	0.00 to <0.10	209	174	78%	249	0.07%	78	29.88%	2	32	12.71%	0	(0)
	0.10 to <0.15	55	3	69%	56	0.15%	213	23.57%	2	9	15.81%	0	(0)
	0.15 to <0.25	36	3	79%	38	0.24%	65	28.73%	2	9	24.60%	0	(0)
	0.25 to <0.50	215	196	96%	404	0.41%	197	22.28%	3	128	31.67%	0	(0)
	0.50 to <0.75	872	123	84%	957	0.63%	2,324	21.82%	3	325	33.92%	1	(1)
	0.75 to <2.50	2,204	257	88%	2,368	1.42%	3,426	24.60%	3	1,190	50.26%	8	(5)
	0.75 to <1.75	2,119	250	88%	2,285	1.39%	3,401	24.67%	3	1,147	50.21%	8	(5)
	1.75 to <2.5	85	7	100%	84	2.19%	25	22.68%	2	43	51.81%	0	(0)
	2.50 to <10.00	1,911	167	78%	1,955	4.13%	5,242	22.32%	3	1,243	63.56%	18	(9)
	2.5 to <5	1,629	150	78%	1,679	3.65%	4,608	22.29%	3	1,025	61.07%	14	(6)
	5 to <10	282	17	72%	276	7.03%	634	22.51%	3	217	78.74%	4	(2)
	10.00 to <100.00	369	51	71%	441	22.75%	1,206	20.21%	3	452	102.41%	20	(8)
	10 to <20	185	13	70%	188	15.73%	468	21.72%	3	194	103.40%	6	(4)
	20 to <30	0	-	0%	0	25.53%	2	37.28%	1	0	175.18%	0	(0)
	30.00 to <100.00	184	38	71%	253	27.97%	736	19.09%	3	258	101.68%	14	(4)
	100.00 (default)	269	7	48%	265	100.00%	731	17.82%	4	379	143.05%	81	(62)
Corporates – SME sub-total		**6,139**	**980**	**84%**	**6,735**	**7.81%**	**13,482**	**23.06%**	**3**	**3,767**	**55.93%**	**129**	**(86)**
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	1,440	684	86%	2,003	0.03%	95	16.10%	3	138	6.88%	0	(1)
	0.00 to <0.10	1,440	684	86%	2,003	0.03%	95	16.10%	3	138	6.88%	0	(1)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	1,068	623	48%	1,137	0.25%	98	17.73%	4	259	22.80%	0	(1)
	0.25 to <0.50	7,568	6,186	50%	9,156	0.31%	481	18.49%	4	2,343	25.59%	5	(6)
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	4,877	3,558	62%	5,564	1.32%	298	17.68%	3	2,409	43.29%	13	(22)
	0.75 to <1.75	4,877	3,558	62%	5,564	1.32%	298	17.68%	3	2,409	43.29%	13	(22)
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	1,154	673	63%	1,349	5.19%	96	19.08%	2	901	66.79%	13	(24)
	2.5 to <5	619	358	86%	865	4.63%	31	20.22%	2	575	66.49%	8	(15)
	5 to <10	535	316	38%	484	6.19%	65	17.05%	4	325	67.31%	5	(9)
	10.00 to <100.00	1,091	428	53%	918	21.78%	50	21.04%	2	1,034	112.65%	41	(33)
	10 to <20	685	386	49%	536	14.12%	27	22.67%	3	633	118.17%	17	(17)
	20 to <30	12	-	0%	12	22.11%	3	14.26%	5	11	88.30%	0	(1)
	30.00 to <100.00	393	42	86%	369	32.87%	20	18.90%	1	390	105.47%	23	(15)
	100.00 (default)	785	58	45%	631	100.00%	43	61.05%	2	544	86.12%	233	(233)
Corporates – Specialized financing sub-total		**17,982**	**12,210**	**59%**	**20,758**	**10.31%**	**1,161**	**19.44%**	**3**	**7,628**	**36.75%**	**306**	**(319)**

A-IRB	12/31/2023												
	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightede xposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
in millions of euros	a	b	c	d	e	f	g	h	i	j	k	l	m
CORPORATES – OTHER	0.00 to <0.15	19,683	35,046	56%	39,068	0.05%	778	35.44%	2	5,396	13.81%	7	(25)
	0.00 to <0.10	19,615	34,990	56%	38,960	0.05%	737	35.45%	2	5,360	13.76%	7	(25)
	0.10 to <0.15	68	56	71%	108	0.14%	41	31.43%	4	36	32.95%	0	(0)
	0.15 to <0.25	344	553	83%	958	0.14%	48	23.94%	3	203	21.21%	0	(0)
	0.25 to <0.50	11,579	17,226	53%	21,536	0.28%	551	33.57%	2	7,886	36.62%	21	(19)
	0.50 to <0.75	782	1,133	76%	1,658	0.57%	527	24.33%	3	698	42.12%	2	(1)
	0.75 to <2.50	7,174	10,853	48%	12,653	0.93%	1,263	32.20%	2	7,705	60.89%	39	(42)
	0.75 to <1.75	6,734	10,630	48%	12,128	0.88%	1,217	32.02%	2	7,184	59.23%	34	(40)
	1.75 to <2.5	440	223	53%	526	2.13%	46	36.43%	3	521	99.15%	4	(3)
	2.50 to <10.00	3,920	3,708	59%	5,693	4.21%	3,223	32.12%	2	5,626	98.84%	77	(66)
	2.5 to <5	2,198	1,930	61%	3,176	3.05%	2,625	31.31%	3	2,789	87.80%	30	(20)
	5 to <10	1,722	1,778	56%	2,516	5.68%	598	33.14%	2	2,837	112.77%	47	(46)
	10.00 to <100.00	1,856	721	54%	2,080	13.52%	830	36.66%	2	3,116	149.78%	104	(38)
	10 to <20	1,412	677	54%	1,615	13.35%	217	37.69%	2	2,717	168.20%	83	(33)
	20 to <30	9	23	41%	18	24.77%	3	30.97%	2	31	173.21%	1	(1)
	30.00 to <100.00	436	21	60%	447	13.68%	610	33.20%	1	368	82.31%	20	(4)
	100.00 (default)	1,867	72	56%	1,903	94.22%	426	36.77%	3	1,460	76.71%	990	(979)
Corporates – Other sub-total		47,205	69,312	55%	85,550	4.07%	7,646	33.99%	2	32,091	37.51%	1,240	(1,171)
RETAIL – SME REAL ESTATE	0.00 to <0.15	9,641	230	134%	9,949	0.14%	52,640	13.77%	5	377	3.79%	2	(7)
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	9,641	230	134%	9,949	0.14%	52,640	13.77%	5	377	3.79%	2	(7)
	0.15 to <0.25	6,298	138	67%	6,391	0.21%	41,696	12.23%	5	290	4.54%	2	(4)
	0.25 to <0.50	3,864	78	84%	3,929	0.43%	25,898	16.23%	5	373	9.50%	3	(6)
	0.50 to <0.75	9,791	219	106%	10,024	0.62%	57,951	17.21%	5	1,340	13.37%	11	(22)
	0.75 to <2.50	18,753	634	113%	19,471	1.42%	92,120	19.61%	5	4,972	25.53%	52	(152)
	0.75 to <1.75	12,512	409	123%	13,015	1.09%	58,646	21.32%	5	3,104	23.85%	30	(68)
	1.75 to <2.5	6,242	225	95%	6,456	2.08%	33,474	16.15%	5	1,868	28.93%	22	(84)
	2.50 to <10.00	10,730	385	99%	11,110	4.72%	60,354	18.14%	5	5,441	48.97%	94	(308)
	2.5 to <5	5,986	206	98%	6,188	3.15%	34,662	18.57%	5	2,577	41.64%	37	(104)
	5 to <10	4,744	179	99%	4,922	6.71%	25,692	17.59%	5	2,864	58.19%	57	(204)
	10.00 to <100.00	5,301	194	109%	5,513	21.00%	29,510	20.00%	5	5,124	92.95%	230	(544)
	10 to <20	3,293	124	120%	3,442	14.51%	17,998	19.62%	5	3,008	87.39%	98	(267)
	20 to <30	1,205	39	69%	1,232	23.60%	7,026	21.02%	5	1,351	109.61%	60	(133)
	30.00 to <100.00	803	31	114%	838	43.81%	4,486	20.06%	5	765	91.26%	72	(144)
	100.00 (default)	1,460	9	3%	1,460	100.00%	11,231	46.64%	4	624	42.77%	631	(477)
Retail – SME Real estate sub-total		65,839	1,887	109%	67,847	14.60%	371,400	17.88%	5	18,541	27.33%	1,025	(1,521)

A-IRB *in millions of euros*	12/31/2023 PD range a	On-balance sheet exposures b	Off-balance sheet exposures before CCF c	Weighted average CCF d	Exposure after CCF and after CRM e	Weighted average PD (in %) f	Number of obligors g	Weighted average LGD (in %) h	Weighted average maturity (in years) i	Risk-weightede xposure amount after supplementary factors j	Density of risk-weighted exposure k	Expected loss amount l	Value adjustments and provisions m
RETAIL – NON-SME REAL ESTATE	0.00 to <0.15	169,709	4,276	99%	173,949	0.06%	1,847,838	9.59%	-	2,611	1.50%	9	(10)
	0.00 to <0.10	156,863	4,013	99%	160,822	0.05%	1,716,191	9.44%	-	2,179	1.35%	8	(6)
	0.10 to <0.15	12,846	263	107%	13,127	0.12%	131,647	11.38%	-	432	3.29%	2	(3)
	0.15 to <0.25	38,536	1,207	100%	39,740	0.19%	394,096	10.83%	-	1,760	4.43%	8	(17)
	0.25 to <0.50	36,875	886	102%	37,776	0.34%	342,101	11.53%	-	2,729	7.22%	15	(35)
	0.50 to <0.75	9,190	251	103%	9,449	0.58%	84,539	12.00%	-	1,047	11.08%	7	(9)
	0.75 to <2.50	29,823	937	104%	30,796	1.35%	273,864	12.32%	-	6,050	19.64%	52	(126)
	0.75 to <1.75	22,621	687	101%	23,316	1.11%	206,296	12.17%	-	4,018	17.23%	32	(72)
	1.75 to <2.5	7,202	249	111%	7,479	2.10%	67,568	12.78%	-	2,032	27.17%	20	(54)
	2.50 to <10.00	11,796	305	102%	12,106	4.82%	113,056	13.35%	-	5,407	44.66%	80	(180)
	2.5 to <5	7,494	165	98%	7,655	3.43%	69,275	12.95%	-	2,812	36.74%	34	(83)
	5 to <10	4,301	141	106%	4,451	7.22%	43,781	14.02%	-	2,595	58.30%	45	(97)
	10.00 to <100.00	2,741	47	96%	2,787	23.17%	29,723	14.73%	-	2,219	79.62%	95	(114)
	10 to <20	1,811	34	94%	1,844	13.83%	20,077	14.80%	-	1,467	79.57%	38	(53)
	20 to <30	397	4	106%	401	25.86%	4,224	14.79%	-	366	91.23%	15	(11)
	30.00 to <100.00	533	9	97%	542	52.93%	5,422	14.46%	-	386	71.18%	41	(51)
	100.00 (default)	2,380	12	12%	2,381	100.00%	29,862	41.63%	-	996	41.83%	912	(519)
Retail – SME Real estate sub-total		301,050	7,921	100%	308,983	14.26%	3,115,079	10.77%	-	22,819	7.39%	1,177	(1,011)
RETAIL – ELIGIBLE REVOLVING EXPOSURES	0.00 to <0.15	2,534	16,390	70%	14,076	0.07%	14,474,762	39.55%	-	321	2.28%	5	(5)
	0.00 to <0.10	2,451	14,812	75%	13,517	0.07%	12,919,860	40.88%	-	303	2.24%	5	(5)
	0.10 to <0.15	83	1,578	30%	558	0.04%	1,554,902	7.35%	-	19	3.32%	0	(1)
	0.15 to <0.25	621	1,417	77%	1,706	0.20%	2,594,979	31.73%	-	62	3.66%	1	(1)
	0.25 to <0.50	784	1,443	63%	1,689	0.30%	3,188,788	31.81%	-	109	6.46%	2	(4)
	0.50 to <0.75	228	674	58%	619	0.43%	1,118,619	16.46%	-	57	9.24%	1	(1)
	0.75 to <2.50	1,341	1,543	68%	2,396	1.34%	2,822,829	37.53%	-	561	23.40%	16	(13)
	0.75 to <1.75	733	1,139	72%	1,551	0.99%	1,857,605	38.12%	-	286	18.46%	7	(7)
	1.75 to <2.5	608	404	58%	844	1.97%	965,224	36.44%	-	274	32.48%	8	(6)
	2.50 to <10.00	1,730	911	52%	2,204	4.23%	2,188,760	33.24%	-	1,360	61.69%	56	(34)
	2.5 to <5	648	402	69%	927	3.31%	910,089	36.23%	-	441	47.54%	16	(11)
	5 to <10	1,082	509	38%	1,277	4.90%	1,278,671	31.07%	-	919	71.96%	40	(23)
	10.00 to <100.00	690	140	56%	769	17.64%	448,139	39.08%	-	907	117.92%	74	(61)
	10 to <20	443	93	66%	505	11.93%	294,139	40.51%	-	527	104.33%	31	(33)
	20 to <30	106	26	43%	117	19.99%	68,901	37.58%	-	163	139.77%	13	(9)
	30.00 to <100.00	141	21	29%	148	35.29%	85,099	35.35%	-	217	147.08%	30	(19)
	100.00 (default)	473	9	9%	474	61.19%	261,964	40.98%	-	136	28.75%	345	(273)
Retail – Eligible revolving exposures sub-total		8,402	22,527	70%	23,933	9.50%	27,098,840	37.08%	-	3,513	14.68%	500	(392)

A-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weightedexposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2023												
	a	b	c	d	e	f	g	h	i	j	k	l	m
RETAIL – OTHER SMES	0.00 to <0.15	1,364	138	87%	1,483	0.14%	127,779	25.52%	4	113	7.61%	1	(1)
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	1,364	138	87%	1,483	0.14%	127,779	25.52%	4	113	7.61%	1	(1)
	0.15 to <0.25	3,364	439	72%	3,681	0.21%	181,951	16.50%	4	222	6.02%	1	(2)
	0.25 to <0.50	4,578	699	72%	5,081	0.42%	245,575	20.65%	3	567	11.17%	4	(7)
	0.50 to <0.75	3,633	366	82%	3,932	0.63%	217,513	24.53%	4	671	17.07%	6	(8)
	0.75 to <2.50	10,967	1,363	84%	12,111	1.42%	553,168	29.65%	4	3,478	28.72%	52	(70)
	0.75 to <1.75	7,380	884	86%	8,137	1.16%	363,652	29.31%	4	2,152	26.44%	28	(36)
	1.75 to <2.5	3,586	480	81%	3,974	1.95%	189,516	30.34%	4	1,326	33.38%	24	(34)
	2.50 to <10.00	9,120	1,255	80%	10,115	4.69%	471,577	26.50%	4	3,330	32.92%	124	(179)
	2.5 to <5	4,899	652	78%	5,409	3.09%	287,889	26.91%	4	1,732	32.02%	45	(60)
	5 to <10	4,221	602	81%	4,705	6.54%	183,688	26.03%	3	1,598	33.95%	79	(119)
	10.00 to <100.00	4,762	465	78%	5,115	21.54%	195,179	27.60%	3	2,690	52.59%	300	(398)
	10 to <20	2,657	311	79%	2,899	14.89%	110,426	28.42%	3	1,394	48.07%	123	(173)
	20 to <30	1,517	114	74%	1,595	25.06%	55,344	25.94%	3	913	57.21%	103	(109)
	30.00 to <100.00	588	40	86%	620	43.53%	29,409	28.00%	3	384	61.81%	74	(116)
	100.00 (default)	3,634	194	26%	3,673	100.00%	103,585	50.63%	3	1,795	48.87%	1,722	(1,793)
Retail – Other SMEs sub-total		41,422	4,920	80%	45,191	20.25%	2,096,327	27.75%	3	12,866	28.47%	2,210	(2,458)
RETAIL – OTHER NON-SMES	0.00 to <0.15	30,644	1,173	86%	31,654	0.06%	2,815,256	18.70%	-	1,036	3.27%	4	(10)
	0.00 to <0.10	29,351	1,111	86%	30,305	0.05%	2,695,880	18.24%	-	919	3.03%	3	(9)
	0.10 to <0.15	1,293	61	93%	1,350	0.12%	119,376	28.98%	-	117	8.66%	0	(1)
	0.15 to <0.25	9,751	366	87%	10,070	0.19%	813,051	24.05%	-	1,005	9.98%	5	(9)
	0.25 to <0.50	9,904	338	94%	10,220	0.34%	666,124	24.06%	-	1,493	14.61%	8	(14)
	0.50 to <0.75	3,442	143	90%	3,570	0.59%	332,913	29.47%	-	879	24.63%	6	(10)
	0.75 to <2.50	9,798	345	94%	10,120	1.27%	2,031,480	30.57%	-	4,007	39.60%	47	(55)
	0.75 to <1.75	7,340	229	90%	7,544	1.09%	1,050,186	30.67%	-	2,750	36.45%	28	(33)
	1.75 to <2.5	2,458	116	103%	2,577	1.82%	981,294	30.29%	-	1,257	48.80%	19	(22)
	2.50 to <10.00	5,508	150	92%	5,642	4.91%	571,543	36.05%	-	3,228	57.20%	106	(109)
	2.5 to <5	3,289	81	89%	3,359	3.41%	303,560	35.12%	-	1,773	52.77%	41	(40)
	5 to <10	2,219	69	97%	2,283	7.13%	267,983	37.41%	-	1,455	63.72%	65	(68)
	10.00 to <100.00	1,478	34	98%	1,508	22.16%	212,073	34.72%	-	1,273	84.40%	132	(103)
	10 to <20	875	26	98%	898	13.63%	107,134	32.77%	-	619	68.97%	43	(51)
	20 to <30	341	5	95%	344	26.46%	21,042	39.64%	-	382	110.92%	36	(17)
	30.00 to <100.00	262	4	99%	265	45.46%	83,897	34.94%	-	271	102.20%	53	(36)
	100.00 (default)	1,780	7	18%	1,754	95.50%	206,978	59.93%	-	1,537	87.66%	980	(854)
Retail – Other non-SMEs sub-total		72,304	2,556	91%	74,539	16.85%	7,649,418	24.89%	-	14,457	19.40%	1,288	(1,165)
OVERALL		**630,237**	**127,745**	**64%**	**710,629**		**40,353,919**		**1**	**117,756**	**0**	**7,977**	**(8,283)**

F-IRB *in millions of euros*	12/31/2023 PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weighted exposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	129,421	62	72%	129,474	(0.00%)	47	45.00%	3	234	0.18%	0	(0)
	0.00 to <0.10	129,379	62	72%	129,430	(0.00%)	44	45.00%	3	218	0.17%	0	(0)
	0.10 to <0.15	42	-	0%	44	0.15%	3	41.74%	3	15	35.20%	0	(0)
	0.15 to <0.25	4	-	0%	120	0.01%	2	44.99%	3	2	1.57%	0	(0)
	0.25 to <0.50	0	-	0%	150	0.00%	2	44.96%	3	0	0.09%	0	(0)
	0.50 to <0.75	-	-	0%	1,063	0.00%	-	44.93%	3	-	0.00%	-	-
	0.75 to <2.50	3	4	81%	1,637	0.00%	2	44.95%	3	6	0.39%	0	(0)
	0.75 to <1.75	3	4	81%	1,525	0.00%	2	44.94%	3	6	0.42%	0	(0)
	1.75 to <2.5	-	-	0%	112	0.00%	-	45.00%	3	-	0.00%	-	-
	2.50 to <10.00	7	0	50%	1,627	0.03%	9	44.96%	3	12	0.75%	0	(0)
	2.5 to <5	0	0	50%	1,104	0.00%	7	44.96%	3	0	0.00%	0	(0)
	5 to <10	7	-	0%	522	0.08%	2	44.95%	3	12	2.33%	0	(0)
	10.00 to <100.00	9	4	75%	432	0.52%	1	44.83%	3	26	6.05%	1	(1)
	10 to <20	9	4	75%	306	0.73%	1	44.77%	3	26	8.54%	1	(1)
	20 to <30	-	-	0%	33	0.00%	-	44.97%	3	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	93	0.00%	-	44.98%	3	-	0.00%	-	(0)
	100.00 (default)	0	-	0%	784	0.00%	1	44.95%	3	-	0.00%	0	(19)
Central governments and central banks sub-total		129,445	70	73%	135,286	0	64	0	3	281	0	1	(21)
INSTITUTIONS	0.00 to <0.15	2,286	59	77%	2,331	0.04%	97	41.42%	3	326	13.99%	0	(1)
	0.00 to <0.10	2,286	59	77%	2,331	0.04%	97	41.42%	3	326	13.99%	0	(1)
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	1	0.03%	-	0.00%	3	0	19.45%	0	(0)
	0.25 to <0.50	388	270	74%	531	0.25%	45	34.48%	3	179	33.75%	0	(0)
	0.50 to <0.75	70	188	64%	267	0.50%	22	34.87%	3	200	74.66%	1	(1)
	0.75 to <2.50	-	-	0%	155	0.03%	-	0.01%	3	31	20.10%	0	(0)
	0.75 to <1.75	-	-	0%	152	0.03%	-	0.01%	3	31	20.09%	0	(0)
	1.75 to <2.5	-	-	0%	3	0.03%	-	0.00%	3	1	20.76%	0	(0)
	2.50 to <10.00	199	66	84%	425	3.18%	65	26.75%	3	318	74.67%	3	(2)
	2.5 to <5	23	59	83%	179	1.50%	24	23.44%	3	141	78.65%	1	(2)
	5 to <10	176	7	98%	246	4.39%	41	29.15%	3	177	71.78%	2	(0)
	10.00 to <100.00	9	2	63%	78	1.39%	5	14.11%	3	38	48.85%	0	(1)
	10 to <20	9	2	63%	32	3.33%	5	13.60%	3	29	90.84%	0	(1)
	20 to <30	-	-	0%	10	0.03%	-	0.00%	3	2	19.74%	0	(0)
	30.00 to <100.00	-	-	0%	36	0.03%	-	18.57%	3	7	19.39%	0	(0)
	100.00 (default)	1	-	0%	98	1.26%	4	3.23%	3	20	20.14%	1	(26)
Institutions sub-total		2,954	584	72%	3,887	0	238	0	3	1,112	0	6	(31)

F-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weighted exposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2023												
	a	b	c	d	e	f	g	h	i	j	k	l	m
CORPORATES – SME	0.00 to <0.15	315	122	66%	391	0.06%	117	43.21%	3	59	15.04%	0	(0)
	0.00 to <0.10	236	109	63%	311	0.04%	73	43.08%	3	38	12.19%	0	(0)
	0.10 to <0.15	78	13	96%	81	0.15%	44	43.70%	3	21	26.07%	0	(0)
	0.15 to <0.25	661	169	81%	644	0.18%	2,454	42.48%	3	175	27.11%	0	(1)
	0.25 to <0.50	683	118	74%	696	0.40%	1,009	42.10%	3	302	43.45%	1	(1)
	0.50 to <0.75	7,968	1,820	68%	7,791	0.63%	21,219	41.17%	3	3,735	47.94%	20	(31)
	0.75 to <2.50	13,864	2,889	62%	13,809	1.43%	31,321	41.38%	3	9,038	65.45%	82	(95)
	0.75 to <1.75	13,612	2,857	61%	13,551	1.42%	31,193	41.32%	3	8,801	64.94%	79	(91)
	1.75 to <2.5	252	31	81%	258	2.17%	128	44.77%	3	237	92.02%	3	(4)
	2.50 to <10.00	11,673	2,459	60%	11,293	4.26%	30,764	41.98%	3	10,005	88.60%	202	(229)
	2.5 to <5	8,040	1,629	59%	7,842	3.20%	19,932	41.98%	3	6,524	83.20%	105	(121)
	5 to <10	3,634	830	61%	3,451	6.67%	10,832	41.98%	3	3,481	100.87%	97	(108)
	10.00 to <100.00	1,907	415	53%	1,719	22.03%	6,943	41.80%	3	2,411	140.32%	157	(138)
	10 to <20	1,147	282	48%	1,026	13.55%	3,760	42.16%	3	1,359	132.47%	59	(76)
	20 to <30	179	30	51%	159	22.11%	647	42.18%	3	237	149.45%	15	(19)
	30.00 to <100.00	581	103	65%	534	38.29%	2,536	40.98%	3	815	152.70%	84	(44)
	100.00 (default)	1,711	256	45%	1,207	97.49%	4,208	43.19%	3	37	3.04%	509	(673)
Corporates – SME sub-total		38,784	8,246	63%	37,549	0	98,035	0	3	25,762	1	971	(1,169)
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.00 to <0.10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.10 to <0.15	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.15 to <0.25	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.25 to <0.50	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.50 to <0.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <2.50	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	0.75 to <1.75	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	1.75 to <2.5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.50 to <10.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	2.5 to <5	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	5 to <10	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	10 to <20	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	20 to <30	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	30.00 to <100.00	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
	100.00 (default)	-	-	0%	-	0.00%	-	0.00%	-	-	0.00%	-	-
Corporates – Specialized financing sub-total		-	-	0%	-	-	-	-	-	-	-	-	-

F-IRB *in millions of euros*	PD range	On-balance sheet exposures	Off-balance sheet exposures before CCF	Weighted average CCF	Exposure after CCF and after CRM	Weighted average PD (in %)	Number of obligors	Weighted average LGD (in %)	Weighted average maturity (in years)	Risk-weighted exposure amount after supplementary factors	Density of risk-weighted exposure	Expected loss amount	Value adjustments and provisions
	12/31/2023												
	a	b	c	d	e	f	g	h	i	j	k	l	m
	0.00 to <0.15	4,084	3,231	66%	6,086	0.06%	919	44.41%	3	1,405	23.09%	2	(3)
	0.00 to <0.10	3,607	3,125	66%	5,650	0.06%	740	44.69%	3	1,252	22.16%	1	(3)
	0.10 to <0.15	477	106	82%	437	0.14%	179	40.85%	3	153	35.02%	0	(0)
	0.15 to <0.25	1,153	256	80%	1,152	0.23%	671	42.75%	3	551	47.85%	1	(1)
	0.25 to <0.50	3,667	1,949	74%	4,946	0.39%	1,510	43.78%	3	3,163	63.95%	8	(4)
	0.50 to <0.75	2,629	785	67%	2,892	0.61%	2,708	42.74%	3	2,235	77.26%	8	(6)
	0.75 to <2.50	8,974	2,874	65%	10,136	1.36%	7,433	43.43%	3	10,420	102.81%	60	(66)
	0.75 to <1.75	7,890	2,648	65%	9,021	1.26%	7,008	43.32%	3	9,052	100.35%	49	(59)
CORPORATES – OTHER	1.75 to <2.5	1,084	226	72%	1,115	2.19%	425	44.31%	3	1,368	122.70%	11	(7)
	2.50 to <10.00	6,549	1,633	63%	6,990	4.15%	7,522	43.26%	3	9,930	142.06%	126	(118)
	2.5 to <5	4,781	1,260	63%	5,126	3.37%	5,414	43.15%	3	6,868	133.97%	75	(68)
	5 to <10	1,769	374	65%	1,863	6.32%	2,108	43.57%	3	3,062	164.33%	51	(50)
	10.00 to <100.00	1,453	472	68%	1,547	24.51%	2,926	42.15%	3	3,569	230.60%	159	(85)
	10 to <20	642	131	66%	584	13.89%	593	43.55%	3	1,268	217.19%	35	(50)
	20 to <30	52	9	57%	39	22.97%	121	44.03%	3	95	244.70%	4	(4)
	30.00 to <100.00	758	332	69%	925	31.27%	2,212	41.18%	3	2,205	238.48%	120	(31)
	100.00 (default)	1,887	314	43%	1,592	98.57%	4,093	43.41%	3	29	1.83%	682	(876)
Corporates – Other sub-total		30,396	11,514	67%	35,341	0	27,782	0	3	31,301	1	1,046	(1,160)
OVERALL		**201,578**	**20,415**	**83%**	**212,063**		**126,119**		**3**	**58,456**	**0**	**2,025**	**(2,381)**

EU CR6-A – Scope of the use of IRB and SA approaches

		12/31/2024				
		Exposure value as defined in Article 166 of the CRR for exposures subject to the IRB approach	**Total exposure value for exposures subject to the standardized approach and to the IRB approach**	**Percentage of total exposure value subject to the permanent partial use of the SA** *(in %)*	**Percentage of total exposure value subject to a roll-out plan** *(in %)*	**Percentage of total exposure value subject to IRB approach** *(in %)*
in millions of euros		a	b	c	d	e
1	Central governments or central banks	6,422	376,365	87%	12%	2%
1.1	*of which regional governments or local authorities*		46,999	37%	63%	0%
1.2	*of which Public sector entities*		24,506	52%	47%	0%
2	Institutions	35,824	58,032	20%	18%	62%
3	Corporate customers	305,291	423,853	7%	21%	72%
3.1	*of which Corporates – Specialized financing, excluding slotting approach*		85,851	0%	56%	44%
3.2	*of which Corporates – Specialized financing under slotting approach*		192	0%	50%	50%
4	Retail	523,869	546,279	3%	2%	96%
4.1	*of which Retail – Secured by SME real estate*		71,454	0%	2%	98%
4.2	*of which Retail – Secured by non-SME real estate*		326,271	0%	6%	94%
4.3	*of which Retail – Eligible revolving exposures*		33,476	0%	0%	100%
4.4	*of which Retail – Other SMEs*		43,463	0%	2%	98%
4.5	*of which Retail – Other non-SMEs*		71,615	0%	2%	98%
5	Equities	12,366	12,366	0%	0%	100%
6	Other non-credit obligation assets	15,203	21,843	30%	0%	70%
7	**OVERALL**	**898,973**	**1,438,739**	**27%**	**11%**	**62%**

		12/31/2023				
		Exposure value as defined in Article 166 of the CRR for exposures subject to the IRB approach	**Total exposure value for exposures subject to the standardized approach and to the IRB approach**	**Percentage of total exposure value subject to the permanent partial use of the SA** *(in %)*	**Percentage of total exposure value subject to a roll-out plan** *(in %)*	**Percentage of total exposure value subject to IRB approach** *(in %)*
in millions of euros		**a**	**b**	**c**	**d**	**e**
1	Central governments or central banks	209,559	381,836	11%	34%	55%
1.1	*of which regional governments or local authorities*		46,359	35%	65%	0%
1.2	*of which Public sector entities*		24,600	*52%*	*47%*	*0%*
2	Institutions	30,193	54,420	25%	19%	55%
3	Corporate customers	260,017	391,929	7%	27%	66%
3.1	*of which Corporates – Specialized financing, excluding slotting approach*		67,914	0%	54%	46%
3.2	*of which Corporates – Specialized financing under slotting approach*		212	*0%*	*50%*	*50%*
4	Retail	528,832	537,808	1%	0%	98%
4.1	*of which Retail – Secured by SME real estate*		73,407	*0%*	8%	92%
4.2	*of which Retail – Secured by non-SME real estate*		381,448	*0%*	19%	81%
4.3	*of which Retail – Eligible revolving exposures*		52,715	*0%*	41%	59%
4.4	*of which Retail – Other SMEs*		81,202	*0%*	43%	57%
4.5	*of which Retail – Other non-SMEs*		501,437	*0%*	*85%*	*15%*
5	Equities	12,012	12,015	0%	0%	100%
6	Other non-credit obligation assets	13,949	19,466	28%	0%	72%
7	**OVERALL**	**1,054,562**	**1,397,475**	**7%**	**18%**	**75%**

EU CR7 – IRB approach – Effect on risk-weighted assets of credit derivatives used as credit risk mitigation techniques

		12/31/2024	
		Risk-weighted assets before credit derivatives	Actual risk-weighted assets
in millions of euros		a	b
1	**Exposures under foundation IRB approach**	**45,560**	**45,570**
2	Central governments and central banks	48	48
3	Institutions	1,392	1,392
4	Corporate customers	44,121	44,131
4.1	*of which Corporates – SME*	20,506	20,506
4.2	*of which Corporates – Specialized financing*	62	62
5	**Exposures under advanced IRB approach**	**143,064**	**144,104**
6	Central governments and central banks	-	-
7	Institutions	1,974	1,974
8	Corporate customers	69,214	69,214
8.1	*of which Corporates – SME*	10,239	10,239
8.2	*of which Corporates – Specialized financing*	8,898	8,898
9	Retail	71,876	72,916
9.1	*of which Retail – SME – Guaranteed by real estate collateral*	18,942	18,942
9.2	*of which Retail – non-SME – Guaranteed by real estate collateral*	23,018	23,018
9.3	*of which Retail – Eligible revolving exposures*	3,119	3,769
9.4	*of which Retail – SME – Other*	12,329	12,329
9.5	*of which Retail – non-SME – Other*	14,467	14,857
10	**TOTAL (INCLUDING FOUNDATION AND ADVANCED IRB EXPOSURE APPROACHES)**	**188,624**	**189,675**

		12/31/2023	
		Risk-weighted assets before credit derivatives	Actual risk-weighted assets
in millions of euros		a	b
1	**Exposures under foundation IRB approach**	**59,308**	**59,298**
2	Central governments and central banks	281	281
3	Institutions	1,142	1,142
4	Corporate customers	57,885	57,875
4.1	*of which Corporates – SME*	26,282	26,282
4.2	*of which Corporates – Specialized financing*	80	80
5	**Exposures under advanced IRB approach**	**116,680**	**117,756**
6	Central governments and central banks	475	475
7	Institutions	1,598	1,598
8	Corporate customers	43,486	43,486
8.1	*of which Corporates – SME*	3,767	3,767
8.2	*of which Corporates – Specialized financing*	7,628	7,628
9	Retail	71,120	72,196
9.1	*of which Retail – SME – Guaranteed by real estate collateral*	18,541	18,541
9.2	*of which Retail – non-SME – Guaranteed by real estate collateral*	22,819	22,819
9.3	*of which Retail – Eligible revolving exposures*	2,856	3,513
9.4	*of which Retail – SME – Other*	12,866	12,866
9.5	*of which Retail – non-SME – Other*	14,038	14,457
10	**TOTAL (INCLUDING FOUNDATION AND ADVANCED IRB EXPOSURE APPROACHES)**	**175,988**	**177,054**

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

A-IRB *in millions of euros*		12/31/2023 Total exposures	Credit risk mitigation techniques Credit protection funded Part of exposures covered by financial collaterals (in %)	Part of exposures covered by other eligible collaterals (in %)	Part of exposures covered by immovable property collaterals (in %)	Part of exposures covered by receivables (in %)	Part of exposures covered by other physical collateral (in %)	Part of exposures covered by other funded credit protection (in %)	Part of exposures covered by cash on deposit (in %)	Part of exposures covered by life insurance policies (in %)	Part of exposures covered by instruments held by a third party (in %)	Credit protection unfunded Part of exposures covered by guarantees (in %)	Part of exposures covered by credit derivatives (in %)	Risk-weighted assets with substitution effects (reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	n
1	Central governments and central banks	2,523	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-
2	Institutions	8,677	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.00%	0.00%	0.00%	0.00%	1,974
3	Corporate customers	158,794	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.63%	0.00%	0.00%	0.00%	0.00%	69,214
3.1	*of which Corporates – SME*	18,358	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10,239
3.2	*of which Corporates – Specialized financing*	24,440	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.44%	0.00%	0.00%	0.00%	0.00%	8,898
3.3	*of which Corporates – Other*	115,996	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.14%	0.00%	0.00%	0.00%	0.00%	50,077
4	Retail	516,306	0.00%	72.05%	71.05%	0.12%	0.87%	0.04%	0.04%	0.00%	0.00%	3.35%	0.00%	72,916
4.1	*of which Retail – SME Real estate*	70,027	0.00%	90.40%	90.40%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18,942
4.2	*of which Retail – Non-SME Real estate*	307,749	0.00%	98.63%	98.63%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	23,018
4.3	*of which Retail – Eligible revolving exposures*	26,568	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3,769
4.4	*of which Retail – Other SMEs*	41,742	0.00%	7.76%	0.00%	0.70%	7.07%	0.30%	0.30%	0.00%	0.00%	27.54%	0.00%	12,329
4.5	*of which Retail – Other non-SMEs*	70,219	0.00%	2.72%	0.00%	0.49%	2.23%	0.08%	0.08%	0.00%	0.00%	8.24%	0.00%	14,857
5	**OVERALL**	**686,300**	**0.00%**	**54.20%**	**53.45%**	**0.09%**	**0.66%**	**0.03%**	**0.41%**	**0.00%**	**0.00%**	**2.52%**	**0.00%**	**144,104**

A-IRB *in millions of euros*		12/31/2023 Total exposures	Credit risk mitigation techniques Credit protection funded Part of exposures covered by financial collaterals (in %)	Part of exposures covered by other eligible collaterals (in %)	Part of exposures covered by immovable property collaterals (in %)	Part of exposures covered by receivables (in %)	Part of exposures covered by other physical collateral (in %)	Part of exposures covered by other funded credit protection (in %)	Part of exposures covered by cash on deposit (in %)	Part of exposures covered by life insurance policies (in %)	Part of exposures covered by instruments held by a third party (in %)	Credit protection unfunded Part of exposures covered by guarantee s (in %)	Part of exposures covered by credit derivatives (in %)	Risk-weighted assets with substitution effects (reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	n
1	Central governments and central banks	67	0.00%	32.17%	32.17%	0.00%	0.00%	6.12%	6.12%	0.00%	0.00%	0.00%	0.00%	48
2	Institutions	6,568	0.00%	0.01%	0.00%	0.01%	0.00%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	1,392
3	Corporate customers	61,038	0.00%	21.05%	17.06%	1.64%	2.35%	1.26%	1.26%	0.00%	0.00%	0.00%	0.00%	44,131
3.1	*of which Corporates – SME*	31,289	0.00%	30.78%	24.96%	1.98%	3.83%	1.85%	1.85%	0.00%	0.00%	0.00%	0.00%	20,506
3.2	*of which Corporates – Specialized financing*	96	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	62
3.3	*of which Corporates – Other*	29,654	0.00%	10.86%	8.77%	1.29%	0.80%	0.65%	0.65%	0.00%	0.00%	0.00%	0.00%	23,563
4	**OVERALL**	**67,673**	**0.00%**	**19.02%**	**15.42%**	**1.48%**	**2.12%**	**1.15%**	**1.15%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**45,570**

A-IRB		12/31/2023												
			Credit risk mitigation techniques											
			Credit protection funded									Credit protection unfunded		
		Total exposures	Part of exposures covered by financial collaterals (in %)	Part of exposures covered by other eligible collaterals (in %)	Part of exposures covered by immovable property collaterals (in %)	Part of exposures covered by receivables (in %)	Part of exposures covered by other physical collateral (in %)	Part of exposures covered by other funded credit protection (in %)	Part of exposures covered by cash on deposit (in %)	Part of exposures covered by life insurance policies (in %)	Part of exposures covered by instruments held by a third party (in %)	Part of exposures covered by guarantees (in %)	Part of exposures covered by credit derivatives (in %)	Risk-weighted assets with substitution effects (reduction and substitution effects)
in millions of euros		a	b	c	d	e	f	g	h	i	j	k	l	n
1	Central governments and central banks	70,124	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	475
2	Institutions	6,968	0%	0%	0%	0%	0%	3%	3%	0%	0%	0%	0%	1,598
3	Corporate customers	113,043	2%	24%	8%	10%	7%	1%	1%	0%	0%	0%	0%	43,486
3.1	*of which Corporates – SME*	6,735	*0%*	40%	11%	2%	27%	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	3,767
3.2	*of which Corporates – Specialized financing*	20,758	*0%*	92%	30%	50%	12%	*1%*	*1%*	*0%*	*0%*	*0%*	*0%*	7,628
3.3	*of which Corporates – Other*	85,550	*3%*	7%	2%	*1%*	*4%*	*1%*	*1%*	*0%*	*0%*	*0%*	*0%*	32,091
4	Retail	520,493	0%	16%	13%	0%	3%	0%	0%	0%	0%	51%	0%	72,196
4.1	*of which Retail – SME Real estate*	67,847	*0%*	40%	36%	*0%*	*4%*	0%	0%	0%	0%	45%	0%	18,541
4.2	*of which Retail – Non-SME Real estate*	308,983	*0%*	13%	13%	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*69%*	0%	22,819
4.3	*of which Retail – Eligible revolving exposures*	23,933	*0%*	46%	*0%*	*0%*	46%	*0%*	*0%*	*0%*	*0%*	*0%*	0%	3,513
4.4	*of which Retail – Other SMEs*	45,191	*1%*	7%	*0%*	*0%*	7%	*1%*	*0%*	*0%*	*0%*	33%	0%	12,866
4.5	*of which Retail – Other non-SMEs*	74,539	*1%*	*1%*	*0%*	*0%*	*1%*	*1%*	*0%*	*0%*	*0%*	10%	0%	14,457
5	**OVERALL**	**710,629**	**0.41%**	**15.74%**	**10.52%**	**1.58%**	**3.64%**	**0.34%**	**0.14%**	**0.00%**	**0.00%**	**37.54%**	**0.00%**	**117,756**

A-IRB		12/31/2023												
			Credit risk mitigation techniques											
			Credit protection funded									Credit protection unfunded		
		Total exposures	Part of exposures covered by financial collaterals (in %)	Part of exposures covered by other eligible collaterals (in %)	Part of exposures covered by immovable property collaterals (in %)	Part of exposures covered by receivables (in %)	Part of exposures covered by other physical collateral (in %)	Part of exposures covered by other funded credit protection (in %)	Part of exposures covered by cash on deposit (in %)	Part of exposures covered by life insurance policies (in %)	Part of exposures covered by instruments held by a third party (in %)	Part of exposures covered by guarantees (in %)	Part of exposures covered by credit derivatives (in %)	Risk-weighted assets with substitution effects (reduction and substitution effects)
in millions of euros		a	b	c	d	e	f	g	h	i	j	k	l	n
1	Central governments and central banks	135,437	0.00%	0.05%	0.02%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	281
2	Institutions	4,040	0.00%	4.06%	1.03%	0.10%	2.92%	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	1,142
3	Corporate customers	74,324	0.00%	23.84%	15.18%	2.05%	6.61%	0.90%	0.90%	0.00%	0.00%	0.00%	0.00%	57,875
3.1	*of which Corporates – SME*	38,448	0.00%	32.40%	21.00%	2.42%	8.98%	1.35%	1.35%	*0.00%*	*0.00%*	*0.00%*	*0.00%*	26,282
3.2	*of which Corporates – Specialized financing*	113	*0.00%*	4.90%	*0.00%*	4.90%	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	80
3.3	*of which Corporates – Other*	35,764	0.00%	14.71%	8.98%	1.65%	4.08%	0.43%	0.43%	*0.00%*	*0.00%*	*0.00%*	*0.00%*	31,513
4	**OVERALL**	**213,802**	**0.00%**	**8.40%**	**5.31%**	**0.72%**	**2.37%**	**0.32%**	**0.32%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**59,298**

EU CR8 – Statement of risk-weighted flows relating to credit risk exposures under the IRB approach

in millions of euros		Risk-Weighted Assets
		a
1	**12/31/2023**	**177,054**
2	Asset size (+/-)	9,281
3	Asset quality (+/-)	(1,363)
4	Model updates (+/-)	6,072
5	Methodology and policies (+/-)	(1,140)
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	1,034
8	Other (+/-)	(1,264)
9	**12/31/2024**	**189,675**

EU CR9_IRB approach – *Ex-post* control of PDs by exposure class (fixed PD scale)

A-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	69	-	0%	0%	0%	0%
	0.00 to <0.10	69	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	5	-	0%	0%	0%	0%
	0.25 to <0.50	8	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	0%	0%	0%
	0.75 to <2.50	-	-	0%	0%	0%	0%
	0.75 to <1.75	-	-	0%	0%	0%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	6	-	0%	0%	3%	0%
	2.5 to <5	6	-	0%	0%	3%	0%
	5 to <10	-	-	0%	0%	0%	0%
	10.00 to <100.00	7	-	0%	0%	25%	3%
	10 to <20	-	-	0%	0%	0%	0%
	20 to <30	7	-	0%	0%	25%	3%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	8	-	0%	0%	100%	100%
INSTITUTIONS	0.00 to <0.15	232	-	0%	0%	0%	0%
	0.00 to <0.10	232	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	-	-	0%	0%	0%	0%
	0.25 to <0.50	94	-	0%	0%	0%	0%
	0.50 to <0.75	47	-	0%	1%	1%	1%
	0.75 to <2.50	-	-	0%	0%	0%	0%
	0.75 to <1.75	-	-	0%	0%	0%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	80	-	0%	1%	5%	0%
	2.5 to <5	43	-	0%	1%	4%	0%
	5 to <10	37	-	0%	4%	6%	0%
	10.00 to <100.00	5	-	0%	0%	11%	0%
	10 to <20	5	-	0%	1%	11%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	5	-	0%	52%	100%	100%

A-IRB	12/31/2024						
		Number of obligors at the end of the previous year					
Exposure classes *in millions of euros*	PD range		o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CORPORATES – SME	0.00 to <0.15	291	-	0%	0%	0%	1%
	0.00 to <0.10	78	-	0%	0%	0%	1%
	0.10 to <0.15	213	-	0%	0%	0%	0%
	0.15 to <0.25	65	1	2%	0%	0%	0%
	0.25 to <0.50	197	1	1%	0%	0%	1%
	0.50 to <0.75	2,324	7	0%	1%	1%	0%
	0.75 to <2.50	3,426	36	1%	2%	1%	1%
	0.75 to <1.75	3,401	36	1%	1%	1%	1%
	1.75 to <2.5	25	-	0%	2%	2%	1%
	2.50 to <10.00	5,242	188	4%	5%	4%	3%
	2.5 to <5	4,608	147	3%	4%	4%	2%
	5 to <10	634	41	7%	7%	7%	6%
	10.00 to <100.00	1,206	103	9%	21%	25%	7%
	10 to <20	468	68	15%	13%	15%	6%
	20 to <30	2	-	0%	21%	25%	16%
	30.00 to <100.00	736	35	5%	30%	31%	8%
	100.00 (default)	731	-	0%	99%	100%	100%
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	95	-	0%	0%	0%	0%
	0.00 to <0.10	95	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	98	-	0%	0%	0%	0%
	0.25 to <0.50	481	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	0%	0%	0%
	0.75 to <2.50	298	-	0%	1%	1%	1%
	0.75 to <1.75	298	-	0%	1%	1%	1%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	96	3	3%	5%	6%	5%
	2.5 to <5	31	2	7%	5%	5%	5%
	5 to <10	65	1	2%	6%	6%	5%
	10.00 to <100.00	50	10	20%	24%	22%	16%
	10 to <20	27	5	19%	14%	14%	13%
	20 to <30	3	1	33%	22%	22%	33%
	30.00 to <100.00	20	4	20%	33%	33%	20%
	100.00 (default)	43	-	0%	100%	100%	100%

A-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CORPORATES – OTHER	0.00 to <0.15	778	-	0%	0%	0%	0%
	0.00 to <0.10	737	-	0%	0%	0%	0%
	0.10 to <0.15	41	-	0%	0%	0%	0%
	0.15 to <0.25	48	-	0%	0%	0%	0%
	0.25 to <0.50	551	1	0%	0%	0%	0%
	0.50 to <0.75	527	3	1%	1%	1%	1%
	0.75 to <2.50	1,263	13	1%	1%	1%	1%
	0.75 to <1.75	1,217	13	1%	1%	1%	1%
	1.75 to <2.5	46	-	0%	2%	2%	2%
	2.50 to <10.00	3,223	85	3%	4%	5%	2%
	2.5 to <5	2,625	76	3%	4%	4%	2%
	5 to <10	598	9	2%	6%	7%	5%
	10.00 to <100.00	830	47	6%	15%	27%	5%
	10 to <20	217	31	14%	12%	15%	4%
	20 to <30	3	1	33%	6%	25%	18%
	30.00 to <100.00	610	15	3%	21%	31%	5%
	100.00 (default)	426	-	0%	97%	100%	100%
RETAIL – SME REAL ESTATE	0.00 to <0.15	52,640	56	0%	0%	0%	0%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	52,640	56	0%	0%	0%	0%
	0.15 to <0.25	41,696	39	0%	0%	0%	0%
	0.25 to <0.50	25,898	56	0%	0%	0%	0%
	0.50 to <0.75	57,951	170	0%	1%	1%	0%
	0.75 to <2.50	92,120	400	0%	1%	1%	0%
	0.75 to <1.75	58,646	210	0%	1%	1%	0%
	1.75 to <2.5	33,474	190	1%	2%	2%	1%
	2.50 to <10.00	60,354	909	2%	5%	5%	1%
	2.5 to <5	34,662	312	1%	3%	3%	1%
	5 to <10	25,692	597	2%	7%	7%	2%
	10.00 to <100.00	29,510	3,079	10%	21%	21%	9%
	10 to <20	17,998	981	6%	14%	15%	4%
	20 to <30	7,026	711	10%	24%	24%	7%
	30.00 to <100.00	4,486	1,387	31%	44%	44%	26%
	100.00 (default)	11,231	-	0%	100%	100%	100%

A-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
RETAIL – NON-SME REAL ESTATE	0.00 to <0.15	1,847,838	703	0%	0%	0%	0%
	0.00 to <0.10	1,716,191	579	0%	0%	0%	0%
	0.10 to <0.15	131,647	124	0%	0%	0%	0%
	0.15 to <0.25	394,096	494	0%	0%	0%	0%
	0.25 to <0.50	342,101	777	0%	0%	0%	0%
	0.50 to <0.75	84,539	303	0%	1%	1%	0%
	0.75 to <2.50	273,864	2,429	1%	1%	1%	1%
	0.75 to <1.75	206,296	1,456	1%	1%	1%	1%
	1.75 to <2.5	67,568	973	1%	2%	2%	1%
	2.50 to <10.00	113,056	3,896	3%	5%	5%	2%
	2.5 to <5	69,275	1,599	2%	3%	3%	1%
	5 to <10	43,781	2,297	5%	7%	7%	3%
	10.00 to <100.00	29,723	5,499	19%	23%	23%	10%
	10 to <20	20,077	2,197	11%	14%	14%	6%
	20 to <30	4,224	1,052	25%	26%	26%	8%
	30.00 to <100.00	5,422	2,250	42%	53%	53%	34%
	100.00 (default)	29,862	-	0%	100%	100%	100%
RETAIL – ELIGIBLE REVOLVING EXPOSURES	0.00 to <0.15	11,812,323	2,025	0%	0%	0%	0%
	0.00 to <0.10	11,414,573	1,798	0%	0%	0%	0%
	0.10 to <0.15	397,750	227	0%	0%	0%	0%
	0.15 to <0.25	2,594,979	1,812	0%	0%	0%	0%
	0.25 to <0.50	2,965,294	3,257	0%	0%	0%	0%
	0.50 to <0.75	926,739	2,342	0%	0%	1%	0%
	0.75 to <2.50	2,584,533	14,285	1%	1%	2%	0%
	0.75 to <1.75	1,718,857	7,924	1%	1%	1%	0%
	1.75 to <2.5	865,676	6,361	1%	2%	2%	1%
	2.50 to <10.00	1,719,278	39,508	2%	4%	5%	1%
	2.5 to <5	842,986	13,638	2%	3%	4%	1%
	5 to <10	876,292	25,870	3%	4%	7%	2%
	10.00 to <100.00	355,425	41,797	12%	17%	21%	5%
	10 to <20	251,958	16,867	7%	11%	14%	4%
	20 to <30	44,322	7,480	17%	21%	25%	4%
	30.00 to <100.00	59,145	17,450	30%	30%	51%	26%
	100.00 (default)	135,618	-	0%	58%	100%	100%

A-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
RETAIL – OTHER SMES	0.00 to <0.15	127,779	136	0%	0%	0%	0%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	127,779	136	0%	0%	0%	0%
	0.15 to <0.25	181,951	259	0%	0%	0%	0%
	0.25 to <0.50	245,575	641	0%	0%	0%	0%
	0.50 to <0.75	217,513	981	1%	1%	1%	0%
	0.75 to <2.50	553,168	4,722	1%	1%	1%	1%
	0.75 to <1.75	363,652	2,597	1%	1%	1%	1%
	1.75 to <2.5	189,516	2,125	1%	2%	2%	1%
	2.50 to <10.00	471,577	11,245	2%	5%	5%	2%
	2.5 to <5	287,889	4,105	1%	3%	3%	1%
	5 to <10	183,688	7,140	4%	7%	7%	4%
	10.00 to <100.00	195,179	27,274	14%	21%	22%	12%
	10 to <20	110,426	9,497	9%	15%	15%	7%
	20 to <30	55,344	7,568	14%	23%	25%	10%
	30.00 to <100.00	29,409	10,209	35%	44%	45%	30%
	100.00 (default)	103,585	-	0%	100%	100%	100%
RETAIL – OTHER NON-SMES	0.00 to <0.15	2,815,256	889	0%	0%	0%	0%
	0.00 to <0.10	2,695,880	792	0%	0%	0%	0%
	0.10 to <0.15	119,376	97	0%	0%	0%	0%
	0.15 to <0.25	813,051	1,002	0%	0%	0%	0%
	0.25 to <0.50	666,124	1,524	0%	0%	0%	0%
	0.50 to <0.75	332,913	1,209	0%	1%	1%	0%
	0.75 to <2.50	838,743	7,505	1%	1%	1%	1%
	0.75 to <1.75	617,753	4,607	1%	1%	1%	1%
	1.75 to <2.5	220,990	2,898	1%	2%	2%	1%
	2.50 to <10.00	560,630	20,111	4%	5%	5%	2%
	2.5 to <5	302,736	7,341	2%	3%	4%	2%
	5 to <10	257,894	12,770	5%	7%	8%	4%
	10.00 to <100.00	142,130	25,580	18%	22%	21%	11%
	10 to <20	99,058	9,814	10%	14%	14%	6%
	20 to <30	21,042	4,871	23%	26%	26%	13%
	30.00 to <100.00	22,030	10,895	50%	46%	51%	43%
	100.00 (default)	140,922	-	0%	96%	100%	100%

F-IRB	12/31/2024						
		Number of obligors at the end of the previous year					
Exposure classes *in millions of euros*	PD range		o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	47	-	0%	0%	0%	0%
	0.00 to <0.10	44	-	0%	0%	0%	0%
	0.10 to <0.15	3	-	0%	0%	0%	0%
	0.15 to <0.25	2	-	0%	0%	0%	0%
	0.25 to <0.50	2	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	0%	0%	0%
	0.75 to <2.50	2	-	0%	1%	1%	0%
	0.75 to <1.75	2	-	0%	1%	1%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	9	-	0%	0%	4%	0%
	2.5 to <5	7	-	0%	0%	3%	0%
	5 to <10	2	-	0%	0%	6%	0%
	10.00 to <100.00	1	-	0%	19%	19%	0%
	10 to <20	1	-	0%	19%	19%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	1	-	0%	0%	100%	100%
INSTITUTIONS	0.00 to <0.15	97	-	0%	0%	0%	0%
	0.00 to <0.10	97	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	-	-	0%	0%	0%	0%
	0.25 to <0.50	45	-	0%	0%	0%	1%
	0.50 to <0.75	22	-	0%	0%	1%	0%
	0.75 to <2.50	-	-	0%	0%	0%	0%
	0.75 to <1.75	-	-	0%	0%	0%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	65	-	0%	0%	5%	1%
	2.5 to <5	24	-	0%	1%	4%	1%
	5 to <10	41	-	0%	0%	6%	2%
	10.00 to <100.00	5	-	0%	1%	10%	0%
	10 to <20	5	-	0%	1%	10%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	4	-	0%	0%	100%	100%

F-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CORPORATES – SME	0.00 to <0.15	117	-	0%	0%	0%	1%
	0.00 to <0.10	73	-	0%	0%	0%	1%
	0.10 to <0.15	44	-	0%	0%	0%	0%
	0.15 to <0.25	2,454	1	0%	0%	0%	0%
	0.25 to <0.50	1,009	-	0%	0%	0%	0%
	0.50 to <0.75	21,219	60	0%	1%	1%	0%
	0.75 to <2.50	31,321	319	1%	1%	1%	1%
	0.75 to <1.75	31,193	318	1%	1%	1%	1%
	1.75 to <2.5	128	1	1%	2%	2%	1%
	2.50 to <10.00	30,764	1,106	4%	4%	4%	3%
	2.5 to <5	19,932	487	2%	3%	3%	2%
	5 to <10	10,832	619	6%	7%	7%	4%
	10.00 to <100.00	6,943	831	12%	20%	24%	9%
	10 to <20	3,760	469	13%	14%	14%	7%
	20 to <30	647	114	18%	24%	24%	14%
	30.00 to <100.00	2,536	248	10%	41%	38%	13%
	100.00 (default)	4,208	-	0%	96%	100%	100%
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	-	-	0%	0%	0%	0%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	-	-	0%	0%	0%	0%
	0.25 to <0.50	-	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	0%	0%	0%
	0.75 to <2.50	-	-	0%	0%	0%	0%
	0.75 to <1.75	-	-	0%	0%	0%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	-	-	0%	0%	0%	0%
	2.5 to <5	-	-	0%	0%	0%	0%
	5 to <10	-	-	0%	0%	0%	0%
	10.00 to <100.00	-	-	0%	0%	0%	0%
	10 to <20	-	-	0%	0%	0%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	-	-	0%	0%	0%	0%

F-IRB	12/31/2024						
Exposure classes *in millions of euros*	PD range	Number of obligors at the end of the previous year	o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CORPORATES – OTHER	0.00 to <0.15	919	7	1%	0%	0%	1%
	0.00 to <0.10	740	5	1%	0%	0%	0%
	0.10 to <0.15	179	2	1%	0%	0%	1%
	0.15 to <0.25	671	1	0%	0%	0%	0%
	0.25 to <0.50	1,510	3	0%	0%	0%	0%
	0.50 to <0.75	2,708	7	0%	1%	1%	0%
	0.75 to <2.50	7,433	43	1%	1%	1%	1%
	0.75 to <1.75	7,008	41	1%	1%	1%	1%
	1.75 to <2.5	425	2	1%	2%	2%	1%
	2.50 to <10.00	7,522	129	2%	4%	4%	2%
	2.5 to <5	5,414	59	1%	3%	3%	1%
	5 to <10	2,108	70	3%	6%	7%	3%
	10.00 to <100.00	2,926	89	3%	18%	28%	4%
	10 to <20	593	34	6%	14%	14%	2%
	20 to <30	121	10	8%	19%	25%	11%
	30.00 to <100.00	2,212	45	2%	33%	32%	7%
	100.00 (default)	4,093	-	0%	97%	100%	100%

A-IRB		12/31/2023					
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	57	-	0%	0%	0%	0%
	0.00 to <0.10	57	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	3	-	0%	0%	0%	0%
	0.25 to <0.50	3	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	3%	0%	0%
	0.75 to <2.50	-	-	0%	0%	0%	0%
	0.75 to <1.75	-	-	0%	0%	0%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	7	-	0%	0%	3%	0%
	2.5 to <5	7	-	0%	1%	3%	0%
	5 to <10	-	-	0%	0%	0%	0%
	10.00 to <100.00	7	-	0%	1%	25%	3%
	10 to <20	-	-	0%	0%	0%	0%
	20 to <30	7	-	0%	5%	25%	3%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	8	-	0%	24%	100%	100%
INSTITUTIONS	0.00 to <0.15	237	-	0%	0%	0%	0%
	0.00 to <0.10	237	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	39	-	0%	0%	0%	0%
	0.25 to <0.50	33	-	0%	0%	0%	0%
	0.50 to <0.75	22	-	0%	1%	1%	1%
	0.75 to <2.50	40	-	0%	0%	1%	0%
	0.75 to <1.75	33	-	0%	0%	1%	0%
	1.75 to <2.5	7	-	0%	0%	2%	1%
	2.50 to <10.00	91	-	0%	1%	4%	0%
	2.5 to <5	76	-	0%	1%	3%	0%
	5 to <10	15	-	0%	1%	6%	0%
	10.00 to <100.00	1	-	0%	2%	11%	0%
	10 to <20	1	-	0%	2%	11%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	6	-	0%	59%	100%	100%

A-IRB	12/31/2023						
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
CORPORATES – SME	0.00 to <0.15	161	1	1%	0%	0%	1%
	0.00 to <0.10	91	-	0%	0%	0%	1%
	0.10 to <0.15	70	1	1%	0%	0%	1%
	0.15 to <0.25	177	-	0%	0%	0%	0%
	0.25 to <0.50	125	-	0%	0%	0%	0%
	0.50 to <0.75	2,379	5	0%	1%	1%	0%
	0.75 to <2.50	3,334	13	0%	1%	1%	1%
	0.75 to <1.75	3,293	13	0%	1%	1%	1%
	1.75 to <2.5	41	-	0%	2%	2%	1%
	2.50 to <10.00	4,559	83	2%	4%	4%	3%
	2.5 to <5	3,721	63	2%	4%	4%	2%
	5 to <10	838	20	2%	7%	7%	5%
	10.00 to <100.00	879	51	6%	23%	16%	6%
	10 to <20	759	29	4%	16%	13%	5%
	20 to <30	23	4	17%	26%	25%	17%
	30.00 to <100.00	97	18	19%	28%	42%	17%
	100.00 (default)	550	-	0%	100%	100%	100%
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	59	-	0%	0%	0%	0%
	0.00 to <0.10	59	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	71	-	0%	0%	0%	0%
	0.25 to <0.50	138	-	0%	0%	0%	0%
	0.50 to <0.75	283	-	0%	0%	1%	0%
	0.75 to <2.50	372	1	0%	1%	1%	2%
	0.75 to <1.75	305	1	0%	1%	1%	1%
	1.75 to <2.5	67	-	0%	0%	2%	3%
	2.50 to <10.00	140	3	2%	5%	4%	6%
	2.5 to <5	73	1	1%	5%	3%	5%
	5 to <10	67	2	3%	6%	6%	8%
	10.00 to <100.00	2	-	0%	22%	10%	0%
	10 to <20	2	-	0%	14%	10%	0%
	20 to <30	-	-	0%	22%	0%	0%
	30.00 to <100.00	-	-	0%	33%	0%	0%
	100.00 (default)	28	-	0%	100%	100%	100%

A-IRB	12/31/2023						
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
CORPORATES – OTHER	0.00 to <0.15	535	-	0%	0%	0%	0%
	0.00 to <0.10	496	-	0%	0%	0%	0%
	0.10 to <0.15	39	-	0%	0%	0%	0%
	0.15 to <0.25	329	-	0%	0%	0%	1%
	0.25 to <0.50	274	1	0%	0%	0%	0%
	0.50 to <0.75	725	2	0%	1%	1%	1%
	0.75 to <2.50	1,446	6	0%	1%	1%	1%
	0.75 to <1.75	1,319	6	1%	1%	1%	1%
	1.75 to <2.5	127	-	0%	2%	2%	2%
	2.50 to <10.00	3,217	55	2%	4%	4%	3%
	2.5 to <5	2,808	36	1%	3%	4%	2%
	5 to <10	409	19	5%	6%	7%	7%
	10.00 to <100.00	638	23	4%	14%	15%	4%
	10 to <20	573	18	3%	13%	12%	3%
	20 to <30	15	2	13%	25%	24%	13%
	30.00 to <100.00	50	3	6%	14%	41%	16%
	100.00 (default)	382	-	0%	94%	100%	100%
RETAIL – SME REAL ESTATE	0.00 to <0.15	-	-	0%	0%	0%	0%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	50,458	11	0%	0%	0%	0%
	0.25 to <0.50	50,532	22	0%	0%	0%	0%
	0.50 to <0.75	15,477	17	0%	1%	1%	0%
	0.75 to <2.50	120,174	191	0%	1%	1%	0%
	0.75 to <1.75	93,712	127	0%	1%	1%	0%
	1.75 to <2.5	26,462	64	0%	2%	2%	1%
	2.50 to <10.00	75,300	371	1%	5%	5%	1%
	2.5 to <5	42,959	115	0%	3%	4%	1%
	5 to <10	32,341	256	1%	7%	7%	2%
	10.00 to <100.00	28,744	1,590	6%	21%	24%	8%
	10 to <20	13,304	271	2%	15%	15%	4%
	20 to <30	10,916	423	4%	24%	24%	6%
	30.00 to <100.00	4,524	896	20%	44%	50%	24%
	100.00 (default)	10,418	-	0%	100%	100%	100%

A-IRB		12/31/2023					
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	b	c	d	e	f	g	h
RETAIL – NON-SME REAL ESTATE	0.00 to <0.15	1,506,658	156	0%	0%	0%	0%
	0.00 to <0.10	885,744	68	0%	0%	0%	0%
	0.10 to <0.15	620,914	88	0%	0%	0%	0%
	0.15 to <0.25	524,144	153	0%	0%	0%	0%
	0.25 to <0.50	252,478	94	0%	0%	0%	0%
	0.50 to <0.75	351,678	278	0%	1%	1%	0%
	0.75 to <2.50	230,732	645	0%	1%	2%	1%
	0.75 to <1.75	156,317	287	0%	1%	1%	1%
	1.75 to <2.5	74,415	358	1%	2%	2%	1%
	2.50 to <10.00	142,196	883	1%	5%	4%	1%
	2.5 to <5	110,180	569	1%	3%	3%	1%
	5 to <10	32,016	314	1%	7%	7%	2%
	10.00 to <100.00	67,404	3,859	6%	23%	21%	9%
	10 to <20	37,517	1,100	3%	14%	12%	6%
	20 to <30	23,289	1,012	4%	26%	24%	8%
	30.00 to <100.00	6,598	1,747	27%	53%	61%	34%
	100.00 (default)	28,913	-	0%	100%	100%	100%
RETAIL – ELIGIBLE REVOLVING EXPOSURES	0.00 to <0.15	8,261,155	337	0%	0%	0%	0%
	0.00 to <0.10	4,451,187	96	0%	0%	0%	0%
	0.10 to <0.15	3,809,968	241	0%	0%	0%	0%
	0.15 to <0.25	2,619,787	240	0%	0%	0%	0%
	0.25 to <0.50	1,261,177	236	0%	0%	0%	0%
	0.50 to <0.75	5,350,591	1,485	0%	0%	1%	0%
	0.75 to <2.50	2,082,504	2,923	0%	1%	2%	0%
	0.75 to <1.75	1,430,104	1,162	0%	1%	1%	0%
	1.75 to <2.5	652,400	1,761	0%	2%	2%	1%
	2.50 to <10.00	1,716,212	6,134	0%	4%	4%	1%
	2.5 to <5	1,368,389	4,035	0%	3%	3%	1%
	5 to <10	347,823	2,099	1%	5%	7%	2%
	10.00 to <100.00	1,125,178	32,551	3%	18%	19%	6%
	10 to <20	641,608	9,650	2%	12%	12%	4%
	20 to <30	414,470	8,469	2%	20%	24%	4%
	30.00 to <100.00	69,100	14,432	21%	35%	61%	28%
	100.00 (default)	131,993	-	0%	61%	100%	100%

A-IRB	12/31/2023						
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
RETAIL – OTHER SMES	0.00 to <0.15	1	-	0%	0%	0%	83%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	1	-	0%	0%	0%	0%
	0.15 to <0.25	127,522	38	0%	0%	0%	0%
	0.25 to <0.50	347,903	287	0%	0%	0%	0%
	0.50 to <0.75	150,087	93	0%	1%	1%	0%
	0.75 to <2.50	703,955	1,979	0%	1%	1%	1%
	0.75 to <1.75	501,834	1,095	0%	1%	1%	0%
	1.75 to <2.5	202,121	884	0%	2%	2%	1%
	2.50 to <10.00	426,017	4,865	1%	5%	5%	2%
	2.5 to <5	264,615	1,651	1%	3%	4%	1%
	5 to <10	161,402	3,214	2%	7%	7%	3%
	10.00 to <100.00	194,192	16,067	8%	22%	25%	11%
	10 to <20	90,474	3,643	4%	15%	16%	6%
	20 to <30	69,953	4,062	6%	25%	24%	9%
	30.00 to <100.00	33,765	8,362	25%	44%	49%	29%
	100.00 (default)	95,914	-	0%	100%	100%	100%
RETAIL – OTHER NON-SMES	0.00 to <0.15	2,415,600	317	0%	0%	0%	0%
	0.00 to <0.10	1,211,786	101	0%	0%	0%	0%
	0.10 to <0.15	1,203,814	216	0%	0%	0%	0%
	0.15 to <0.25	604,500	139	0%	0%	0%	0%
	0.25 to <0.50	455,479	191	0%	0%	0%	0%
	0.50 to <0.75	1,032,413	971	0%	1%	1%	0%
	0.75 to <2.50	726,422	2,482	0%	1%	2%	1%
	0.75 to <1.75	424,059	776	0%	1%	1%	1%
	1.75 to <2.5	302,363	1,706	1%	2%	2%	1%
	2.50 to <10.00	526,073	3,288	1%	5%	4%	2%
	2.5 to <5	424,620	2,280	1%	3%	3%	1%
	5 to <10	101,453	1,008	1%	7%	7%	3%
	10.00 to <100.00	345,217	16,501	5%	22%	18%	11%
	10 to <20	228,113	5,084	2%	14%	12%	6%
	20 to <30	98,164	5,181	5%	26%	23%	14%
	30.00 to <100.00	18,940	6,236	33%	45%	60%	42%
	100.00 (default)	145,267	-	0%	96%	100%	100%

F-IRB		12/31/2023					
		Number of obligors at the end of the previous year					
Exposure classes *in millions of euros*	PD range		o/w number of obligors who defaulted during the year	Average observed default rate *(in %)*	Weighted average PD *(in %)*	Average PD *(in %)*	Average historical annual default rate *(in %)*
a	b	c	d	e	f	g	h
CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	46	-	0%	0%	0%	0%
	0.00 to <0.10	43	-	0%	0%	0%	0%
	0.10 to <0.15	3	-	0%	0%	0%	0%
	0.15 to <0.25	2	-	0%	0%	0%	0%
	0.25 to <0.50	6	-	0%	0%	0%	0%
	0.50 to <0.75	1	-	0%	0%	1%	0%
	0.75 to <2.50	1	-	0%	0%	2%	0%
	0.75 to <1.75	1	-	0%	0%	2%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	9	-	0%	0%	3%	0%
	2.5 to <5	9	-	0%	0%	3%	0%
	5 to <10	-	-	0%	0%	0%	0%
	10.00 to <100.00	1	-	0%	1%	12%	0%
	10 to <20	1	-	0%	1%	12%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	1	-	0%	0%	100%	100%
INSTITUTIONS	0.00 to <0.15	116	-	0%	0%	0%	0%
	0.00 to <0.10	116	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	17	-	0%	0%	0%	1%
	0.25 to <0.50	14	-	0%	0%	0%	1%
	0.50 to <0.75	9	-	0%	1%	1%	1%
	0.75 to <2.50	25	-	0%	0%	1%	1%
	0.75 to <1.75	19	-	0%	0%	1%	1%
	1.75 to <2.5	6	-	0%	0%	2%	2%
	2.50 to <10.00	55	-	0%	3%	3%	1%
	2.5 to <5	53	-	0%	2%	3%	1%
	5 to <10	2	-	0%	4%	6%	5%
	10.00 to <100.00	-	-	0%	1%	0%	0%
	10 to <20	-	-	0%	3%	0%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	5	-	0%	1%	100%	100%

F-IRB		12/31/2023					
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
CORPORATES – SME	0.00 to <0.15	205	-	0%	0%	0%	0%
	0.00 to <0.10	95	-	0%	0%	0%	1%
	0.10 to <0.15	110	-	0%	0%	0%	0%
	0.15 to <0.25	2,101	-	0%	0%	0%	0%
	0.25 to <0.50	995	2	0%	0%	0%	0%
	0.50 to <0.75	21,037	19	0%	1%	1%	0%
	0.75 to <2.50	28,483	103	0%	1%	1%	1%
	0.75 to <1.75	28,323	101	0%	1%	1%	1%
	1.75 to <2.5	160	2	1%	2%	2%	1%
	2.50 to <10.00	27,898	423	2%	4%	4%	2%
	2.5 to <5	18,795	205	1%	3%	3%	2%
	5 to <10	9,103	218	2%	7%	7%	4%
	10.00 to <100.00	5,853	349	6%	22%	20%	8%
	10 to <20	4,461	192	4%	14%	13%	6%
	20 to <30	364	29	8%	22%	24%	14%
	30.00 to <100.00	1,028	128	13%	38%	49%	15%
	100.00 (default)	4,077	-	0%	97%	100%	100%
CORPORATES – SPECIALIZED FINANCING	0.00 to <0.15	-	-	0%	0%	0%	0%
	0.00 to <0.10	-	-	0%	0%	0%	0%
	0.10 to <0.15	-	-	0%	0%	0%	0%
	0.15 to <0.25	2	-	0%	0%	0%	0%
	0.25 to <0.50	5	-	0%	0%	0%	0%
	0.50 to <0.75	-	-	0%	0%	0%	0%
	0.75 to <2.50	6	-	0%	0%	1%	0%
	0.75 to <1.75	6	-	0%	0%	1%	0%
	1.75 to <2.5	-	-	0%	0%	0%	0%
	2.50 to <10.00	-	-	0%	0%	0%	0%
	2.5 to <5	-	-	0%	0%	0%	0%
	5 to <10	-	-	0%	0%	0%	0%
	10.00 to <100.00	-	-	0%	0%	0%	0%
	10 to <20	-	-	0%	0%	0%	0%
	20 to <30	-	-	0%	0%	0%	0%
	30.00 to <100.00	-	-	0%	0%	0%	0%
	100.00 (default)	-	-	0%	0%	0%	0%

F-IRB	12/31/2023						
Exposure classes *in millions of euros*	**PD range**	**Number of obligors at the end of the previous year**	**o/w number of obligors who defaulted during the year**	**Average observed default rate** *(in %)*	**Weighted average PD** *(in %)*	**Average PD** *(in %)*	**Average historical annual default rate** *(in %)*
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
CORPORATES – OTHER	0.00 to <0.15	692	1	0%	0%	0%	0%
	0.00 to <0.10	483	1	0%	0%	0%	0%
	0.10 to <0.15	209	-	0%	0%	0%	1%
	0.15 to <0.25	1,258	-	0%	0%	0%	0%
	0.25 to <0.50	1,062	3	0%	0%	0%	0%
	0.50 to <0.75	4,870	7	0%	1%	1%	0%
	0.75 to <2.50	13,766	29	0%	1%	2%	1%
	0.75 to <1.75	13,270	29	0%	1%	2%	1%
	1.75 to <2.5	496	-	0%	2%	2%	1%
	2.50 to <10.00	11,689	90	1%	4%	5%	2%
	2.5 to <5	8,725	42	1%	3%	4%	1%
	5 to <10	2,964	48	2%	6%	7%	3%
	10.00 to <100.00	4,583	93	2%	25%	17%	4%
	10 to <20	3,883	46	1%	14%	12%	2%
	20 to <30	193	11	6%	23%	24%	11%
	30.00 to <100.00	507	36	7%	31%	48%	13%
	100.00 (default)	4,197	-	0%	99%	100%	100%

BPCE16 – Average PD and LGD broken down by geographic area

	12/31/2024		
in millions of euros	Performing exposures	Average PD	Average LGD
France	605,988	1.5%	17.5%
European Institutions	0		
Europe excluding France	53,539	1.1%	29.6%
North & South America	46,649	1.3%	28.7%
Asia	14,645	1.0%	40.4%
Africa & the Middle East	6,460	0.9%	40.8%
Oceania	3,205	0.5%	37.9%
IRBA	**730,485**	**1.0%**	**32.5%**
France	75,947	2.6%	
European Institutions	0		
Europe excluding France	6,204	1.2%	
North & South America	1,774	0.1%	
Asia	139	0.6%	
Africa & the Middle East	317	1.4%	
Oceania	138	0.2%	
IRBF	**84,519**	**1.0%**	
OVERALL	**815,005**		

	12/31/2023		
in millions of euros	Performing exposures	Average PD	Average LGD
France	576,780	1.4%	16.8%
European Institutions	47,642	0.0%	7.1%
Europe excluding France	46,121	1.0%	29.6%
North & South America	49,301	0.8%	21.5%
Asia	14,494	0.2%	38.5%
Africa & the Middle East	8,026	1.0%	33.8%
Oceania	2,528	0.4%	35.0%
IRBA	**744,891**	**0.7%**	**26.1%**
France	119,855	1.8%	
European Institutions	86,795	0.0%	
Europe excluding France	8,628	1.0%	
North & South America	12,622	0.1%	
Asia	1,401	1.0%	
Africa & the Middle East	545	2.5%	
Oceania	88	2.2%	
IRBF	**229,933**	**1.2%**	
OVERALL	**974,824**		

BPCE17 – *Ex-post* control of LGDs by exposure class

	12/31/2024					
Portfolio	**Actual default rate**	**Estimated probability of default**	**Estimated LGD**	**Actual LGD**	**Actual EAD/ Estimated EAD**	**Actual CCF/ Estimated CCF**
Sovereigns	0.20%	1.38%	93.84%	51.67%	N/A	69.47%
Banks	0.11%	0.40%	64.27%	38.64%	N/A	69.47%
Very large corporates	0.74%	1.18%	32.60%	30.37%	N/A	69.47%
Small and medium-sized companies	2.81%	3.61%	26.97%	17.98%	N/A	N/A
Retail Professional	3.94%	4.92%	24.61%	19.15%	75.87%	46.51%
Retail Individual	1.08%	1.54%	27.84%	18.44%	81.42%	53.32%

This table provides an overall summary of the system's performance but differs from the Group's annual backtesting exercises, which are carried out on a model-by-model basis and not globally by portfolio. The table nevertheless allows a comparison between the estimates and the actual results for each internal parameter over a long-term period and on a significant and representative part of each exposure class. The results are derived from the data warehouses used for modeling from the set of performing customers for the default rate and PD, and from the set of defaulting customers for the LGD and EAD concepts.

Specialized financing

EU CR10 – Specialized and equity financing exposures subject to the simple weighting method

CR10.1	12/31/2024						
	Specialized financing: Project finance (Slotting approach)						
Regulatory classes *in millions of euros*	**Residual maturity**	**On-balance sheet exposures**	**Off-balance sheet exposures**	**Risk weight**	**Value at Risk**	**Risk-Weighted Assets**	**Expected loss amounts**
		a	**b**	**c**	**d**	**e**	**f**
Class 1	Less than 2.5 years	-	-	50%	-	-	-
	Greater than or equal to 2.5 years	18	-	70%	18	12	0
Class 2	Less than 2.5 years	-	-	70%	-	-	-
	Greater than or equal to 2.5 years	18	1	90%	18	16	0
Class 3	Less than 2.5 years	-	-	115%	-	-	-
	Greater than or equal to 2.5 years	-	-	115%	-	-	-
Class 4	Less than 2.5 years	-	-	250%	-	-	-
	Greater than or equal to 2.5 years	-	-	250%	-	-	-
Class 5	Less than 2.5 years	-	-		-	-	-
	Greater than or equal to 2.5 years	-	-		-	-	-
	LESS THAN 2.5 YEARS	**-**	**-**		**-**	**-**	**-**
OVERALL	**GREATER THAN OR EQUAL TO 2.5 YEARS**	**35**	**1**		**36**	**29**	**0**

CR10.1	12/31/2023						
	Specialized financing: Project finance (Slotting approach)						
Regulatory classes *in millions of euros*	**Residual maturity**	**On-balance sheet exposures**	**Off-balance sheet exposures**	**Risk weight**	**Value at Risk**	**Risk-Weighted Assets**	**Expected loss amounts**
		a	**b**	**c**	**d**	**e**	**f**
Class 1	Less than 2.5 years	0	-	50%	0	0	-
	Greater than or equal to 2.5 years	26	-	70%	26	18	0
Class 2	Less than 2.5 years	-	-	70%	-	-	-
	Greater than or equal to 2.5 years	19	1	90%	19	17	0
Class 3	Less than 2.5 years	-	-	115%	-	-	-
	Greater than or equal to 2.5 years	-	-	115%	-	-	-
Class 4	Less than 2.5 years	-	-	250%	-	-	-
	Greater than or equal to 2.5 years	-	-	250%	-	-	-
Class 5	Less than 2.5 years	-	-		-	-	-
	Greater than or equal to 2.5 years	-	-		-	-	-
	LESS THAN 2.5 YEARS	**0**	**-**		**0**	**0**	**-**
OVERALL	**GREATER THAN OR EQUAL TO 2.5 YEARS**	**44**	**1**		**45**	**35**	**0**

CR10.2	12/31/2024						
Specialized financing: Income-producing real estate and high volatility commercial real estate (Slotting approach)							
Regulatory classes *in millions of euros*	**Residual maturity**	**On-balance sheet exposures** a	**Off-balance sheet exposures** b	**Risk weight** c	**Value at Risk** d	**Risk-Weighted Assets** e	**Expected loss amounts** f
Class 1	Less than 2.5 years	43	1	50%	44	22	-
	Greater than or equal to 2.5 years	16	-	70%	16	11	0
Class 2	Less than 2.5 years	-	-	70%	-	-	-
	Greater than or equal to 2.5 years	-	-	90%	-	-	-
Class 3	Less than 2.5 years	-	-	115%	-	-	-
	Greater than or equal to 2.5 years	-	-	115%	-	-	-
Class 4	Less than 2.5 years	-	-	250%	-	-	-
	Greater than or equal to 2.5 years	-	-	250%	-	-	-
Class 5	Less than 2.5 years	-	-		-	-	-
	Greater than or equal to 2.5 years	-	-		-	-	-
	LESS THAN 2.5 YEARS	**43**	**1**		**44**	**22**	**-**
OVERALL	GREATER THAN OR EQUAL TO 2.5 YEARS	16	-		16	11	0

CR10.2	12/31/2023						
Specialized financing: Income-producing real estate and high volatility commercial real estate (Slotting approach)							
Regulatory classes *in millions of euros*	**Residual maturity**	**On-balance sheet exposures** a	**Off-balance sheet exposures** b	**Risk weight** c	**Value at Risk** d	**Risk-Weighted Assets** e	**Expected loss amounts** f
Class 1	Less than 2.5 years	48					
	Greater than or equal to 2.5 years	43	-	70%	43	30	0
Class 2	Less than 2.5 years	-	-	70%	-	-	-
	Greater than or equal to 2.5 years	-	-	90%	-	-	-
Class 3	Less than 2.5 years	-	-	115%	-	-	-
	Greater than or equal to 2.5 years	-	-	115%	-	-	-
Class 4	Less than 2.5 years	-	-	250%	-	-	-
	Greater than or equal to 2.5 years	-	-	250%	-	-	-
Class 5	Less than 2.5 years	-	-		-	-	-
	Greater than or equal to 2.5 years	-	-		-	-	-
	LESS THAN 2.5 YEARS	**17**	**-**		**17**	**8**	**-**
OVERALL	**GREATER THAN OR EQUAL TO 2.5 YEARS**	**43**	**-**		**43**	**30**	**0**

CR10.5	12/31/2024					
	Equity exposures under the simple risk-weighted approach					
Regulatory classes *in millions of euros*	On-balance sheet exposures	Off-balance sheet exposures	Risk weight	Value at Risk	Weighted-exposure amount	Expected loss amounts
	a	b	c	d	e	f
Private equity exposures	3,444	169	190%	3,613	6,864	29
Exchange-traded equity exposures	1,604	-	290%	1,604	4,652	13
Other equity exposures	7,028	-	370%	7,028	26,004	169
OVERALL	**12,076**	**169**		**12,245**	**37,521**	**210**

CR10.5	12/31/2023					
	Equity exposures under the simple risk-weighted approach					
Regulatory classes *in millions of euros*	On-balance sheet exposures	Off-balance sheet exposures	Risk weight	Value at Risk	Weighted-exposure amount	Expected loss amounts
	a	b	c	d	e	f
Private equity exposures	3,329	168	190%	3,497	6,644	28
Exchange-traded equity exposures	1,469	-	290%	1,469	4,261	12
Other equity exposures	6,857	-	370%	6,857	25,370	165
OVERALL	**11,655**	**168**		**11,823**	**36,276**	**204**

6 COUNTERPARTY RISK

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6.1 Counterparty risk management

Counterparty risk is the credit risk generated on market, investment and/or settlement transactions. It is the risk of the counterparty not being able to meet its obligations to Group institutions.

It is also related to the cost of replacing a derivative instrument if the counterparty defaults, and is similar to market risk given default.

Counterparty risk also arises on cash management and market activities conducted with customers, and on clearing activities *via* a clearing house or external clearing agent.

Exposure to counterparty risk is measured using the internal ratings-based approach and standardized approach.

Measuring counterparty risk

In economic terms, Groupe BPCE and its subsidiaries measure counterparty risk for derivative instruments (swaps or structured products, for instance) using the internal model method for the Global Financial Services (GFS) scope, or the mark-to-market method for the other institutions. In order to perfect the economic measurement of the current and potential risk inherent in derivatives, a tracking mechanism based on a standardized economic measurement is currently being instituted throughout Groupe BPCE.

GFS uses an internal model to measure and manage its own counterparty risk. Using Monte Carlo simulations for the main risk factors, this model measures the positions on each counterparty and for the entire lifespan of the exposure, taking netting and collateralization criteria into account.

The model thus determines the Expected Positive Exposure (EPE) profile and the Potential Future Exposure (PFE) profile, the latter being the main indicator used by GFS for assessing counterparty risk exposure. This indicator is calculated as the 97.7% percentile of the distribution of exposures for each counterparty.

Since 2021, the counterparty risk assessment model developed by GFS (PFE) has been deployed on the Group's exposures beyond GFS. In particular, 2022 made the assessment more reliable. The Group's entities, excluding GFS, continue to use the standard model for assessing the capital requirements for counterparty risk.

Counterparty risk mitigation techniques

Group ceilings and limits regulate counterparty risk. These are validated by the Group Credit and Counterparty Committee.

Use of clearing houses and forward financial instruments (daily margin calls under ISDA agreements, for example) govern relations with the main customers (mainly GFS/Natixis). Accordingly, the Group has implemented the EMIR requirements.

The principles of counterparty risk management are based on:	• a risk measurement determined according to the type of instrument in question, the term of the transactions, and whether or not any netting and collateralization agreements are in place; • counterparty risk limits and allocation procedures; • a value adjustment in respect of counterparty risk: the CVA (Credit Value Adjustment) represents the market value of a counterparty's default risk (see section below); • incorporation of wrong-way risk: wrong-way risk refers to the risk that a given counterparty exposure is heavily correlated with the counterparty's probability of default.
From a regulatory standpoint, counterparty risk is represented by:	• specific wrong-way risk, *i.e.* the risk generated when, due to the nature of the transactions entered into with a counterparty, there is a direct link between its credit quality and the amount of the exposure; • general wrong-way risk, *i.e.* the risk generated when there is a correlation between the counterparty's credit quality and general market factors.

GFS complies with Article 291.6 of the European regulation of June 26, 2013, including the obligation to report wrong-way risk (WWR), which specifies that the bank must have policies, processes and procedures in place to identify and monitor WWR. The goal is to enable the bank to better understand the exposure to counterparty credit risk and thus improve the management of such exposure.

Specific wrong-way risk is subject to a specific capital requirement (Article 291.5 of the European regulation of June 26, 2013 on prudential requirements for credit institutions and investment firms), while general wrong-way risk is assessed using the WWR stress scenarios defined for each asset class.

In the event the Bank's external credit rating is downgraded, it may be required to provide additional cash or collateral to investors under agreements that include rating triggers. In particular, in calculating the liquidity coverage ratio (LCR), the amounts of these additional cash outflows and additional collateral requirements are measured. These amounts comprise the payment the bank would have to make within 30 calendar days in the event its credit rating were downgraded by as much as three notches.

Credit valuation adjustment (CVA)

The valuation of financial instruments traded over-the-counter by Groupe BPCE with external counterparties in its capital markets businesses (mainly GFS) and ALM activities include credit valuation adjustments. The CVA is an adjustment to the valuation of the trading book aimed at factoring in counterparty credit risks. It thus reflects the expectation of loss in fair value terms on the existing exposure to a counterparty due to the potential positive value of the contract, the counterparty's probability of default and the estimated collection rate.

The level of the CVA varies according to changes in exposure to existing counterparty risk and in the counterparty's credit rating, which may trigger changes in the Credit Default Swaps (CDS) spread used to determine the probability of default.

6.2 Quantitative information

BPCE18 – Breakdown of gross counterparty risk exposures by asset class (excluding other assets) and method

	12/31/2024							12/31/2023		
	Standard			IRB			Overall	Overall		
in millions of euros	Exposure	EAD	RWA	Exposure	EAD	RWA	Exposure	Exposure	EAD	RWA
Central banks and other sovereign exposures	3,014	3,014	40	(0)	(0)	(0)	3,014	3,864	3,864	97
Central administrations	5,927	5,927	342	3,971	3,971	0	9,898	9,166	9,166	64
Public sector and similar entities	1,246	1,246	62	(0)	(0)	(0)	1,246	634	634	44
Financial institutions	14,364	14,364	720	19,837	19,837	5,367	34,201	33,543	33,571	6,365
Corporate customers	1,262	1,262	775	23,579	23,579	5,629	24,841	18,395	18,395	5,638
Retail	35	35	26	2	2	1	37	19	19	14
Equities	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Securitization	(0)	(0)	(0)	(0)	(0)	(0)	1,174	1,185	1,185	264
OVERALL	**25,849**	**25,849**	**1,965**	**47,389**	**47,389**	**10,997**	**73,238**	**66,805**	**66,834**	**12,487**

BPCE19 – Breakdown by exposure class of risk-weighted assets for the credit valuation adjustment (CVA)

in millions of euros	12/31/2024	12/31/2023
Central banks and other sovereign exposures		
Central administrations		1
Public sector and similar entities		
Financial institutions	1,532	2,018
Corporate customers	120	537
Retail		
Equities		
Securitization		
Other assets		
OVERALL	**1,652**	**2,556**

BPCE20 – Securities exposed to counterparty risk on derivative transactions and repurchase agreements

in millions of euros	12/31/2024			12/31/2023		
	Standard	**IRB**	**Overall**	**Standard**	**IRB**	**Overall**
Derivatives						
Central banks and other sovereign exposures	555		555		258	258
Central administrations	2,400	3,869	6,269	109	4,621	4,730
Public sector and similar entities	700		700	571	39	610
Financial institutions	10,656	9,001	19,658	11,484	8,597	20,081
Corporate customers	728	13,814	14,541	366	9,185	9,551
Retail	35	2	37	16	3	19
Securitization			1,174	84	1,100	1,185
TOTAL	**15,075**	**26,685**	**41,760**	**12,631**	**23,802**	**36,432**
Repurchase agreements						
Central banks and other sovereign exposures	2,460		2,460	229	3,377	3,606
Central administrations	3,527	102	3,629	1	4,435	4,436
Public sector and similar entities	546		546	24		24
Institutions	3,708	10,835	14,543	3,994	9,469	13,462
Corporate customers	535	9,765	10,300	304	8,540	8,844
Retail						
Securitization						
TOTAL	**10,775**	**20,703**	**31,478**	**4,552**	**25,820**	**30,373**

BPCE21 – Notional amount of derivatives

in millions of euros	12/31/2024	12/31/2023
TOTAL NOTIONAL AMOUNT OF OUTSTANDING DERIVATIVES	**18,494,997**	**13,627,206**
– o/w notional amount of derivatives traded with central counterparties	16,578,645	11,434,354
Notional amount of OTC derivatives	**1,916,352**	**2,192,852**
– o/w interest rate derivatives	826,634	928,563
– o/w equity derivatives	95,187	105,229
– o/w currency derivatives	902,666	1,131,023
– o/w credit derivatives	44,327	14,775
Notional amount of cleared derivatives	**16,578,645**	**11,434,354**
– o/w interest rate derivatives	16,276,324	11,226,711
– o/w equity derivatives	133,112	146,345
– o/w currency derivatives	35,997	36,289
– o/w credit derivatives	122,637	21,376

6.3 Detailed quantitative information

The detailed quantitative information on counterparty risk in the following tables enhances the information in the previous section, in respect of Pillar III.

EU CCR1 – Analysis of counterparty risk exposure by approach

		12/31/2024							
		a	b	c	d	e	f	g	h
in millions of euros		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Value at Risk before CRM	Value at Risk after CRM	Value at Risk	Risk-Weighted Assets
EU-1	EU – Original exposure method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU – Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	1,610	2,970		1.4	13,080	6,477	6,477	2,554
2	IMM (for derivatives and SFTs)			22,254	1.5	40,884	34,272	34,272	5,967
2a	Of which securities financing transaction netting sets			6,296		9,759	9,759	9,759	847
2b	Of which derivative & long settlement transaction netting sets			15,958		31,125	24,513	24,513	5,120
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					18,246	18,246	18,246	2,115
5	VaR for SFTs					-	-	-	-
6	**OVERALL**					**72,211**	**58,995**	**58,995**	**10,636**

		12/31/2023							
		a	b	c	d	e	f	g	h
in millions of euros		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Value at Risk before CRM	Value at Risk after CRM	Value at Risk	Risk-Weighted Assets
EU-1	EU – Original exposure method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU – Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	2,264	3,320		1.4	23,900	6,725	6,725	2,901
2	IMM (for derivatives and SFTs)			12,375	1.4	543	17,325	17,325	4,038
2a	Of which securities financing transaction netting sets			-		-	-	-	-
2b	Of which derivative & long settlement transaction netting sets			12,375		543	17,325	17,325	4,038
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					26,615	26,615	26,615	2,353
5	VaR for SFTs					-	-	-	-
6	**OVERALL**					**51,058**	**50,664**	**50,664**	**9,292**

EU CCR2 – Capital requirement for credit valuation adjustment (CVA)

		12/31/2024	
		a	b
in millions of euros		Value at Risk	Risk-Weighted Assets
1	Total transactions subject to the advanced method	9,669	385
2	i) VaR component (including the 3× multiplier)		48
3	ii) Stressed VaR component (including the 3× multiplier)		337
4	Transactions subject to the standardized method	4,021	1,267
EU-4	Transactions subject to the alternative approach (based on the original exposure method)	-	-
5	**TOTAL TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK**	**13,690**	**1,652**

		12/31/2023	
		a	b
in millions of euros		Value at Risk	Risk-Weighted Assets
1	Total transactions subject to the advanced method	6,396	998
2	i) VaR component (including the 3× multiplier)		132
3	ii) Stressed VaR component (including the 3× multiplier)		866
4	Transactions subject to the standardized method	4,839	1,558
EU-4	Transactions subject to the alternative approach (based on the original exposure method)	-	-
5	**TOTAL TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK**	**11,235**	**2,556**

EU CCR3 – Standardized approach – Counterparty risk exposures by regulatory exposure category and risk weighting

		12/31/2024											
		Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
Exposure classes *in millions of euros*		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	Total exposure value
1	Central governments or central banks	7,522	0	0	0	1,279	189	0	0	31	0	0	9,022
2	Regional governments or local authorities	306	0	0	0	6	0	0	0	0	0	0	311
3	Public sector entities	439	0	0	0	122	16	0	0	18	0	0	596
4	Multilateral development banks	0	0	0	0	0	0	0	0	6	0	0	6
5	International organizations	0	0	0	0	0	0	0	0	0	0	0	0
6	Institutions	645	11,140	2,242	0	262	294	0	0	1	0	0	14,584
7	Corporate customers	263	35	0	0	12	102	0	0	616	41	0	1,069
8	Retail	0	0	0	0	0	0	0	35	0	0	0	35
9	Institutions and corporates with a short-term credit assessment	0	0	0	0	180	21	0	0	10	0	0	212
10	Other items	0	0	0	0	0	0	0	0	0	14	0	14
11	**TOTAL EXPOSURE VALUE**	**9,176**	**11,175**	**2,242**	**0**	**1,862**	**622**	**0**	**35**	**682**	**56**	**0**	**25,849**

		12/31/2023											
		Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
Exposure classes *in millions of euros*		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	Total exposure value
1	Central governments or central banks	340	0	0	0	0	0	0	0	1	0	0	341
2	Regional governments or local authorities	0	0	0	0	123	0	0	0	0	0	0	123
3	Public sector entities	440	0	0	0	96	7	0	0	10	0	0	553
4	Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0
5	International organizations	0	0	0	0	0	0	0	0	0	0	0	0
6	Institutions	46	14,416	0	0	333	270	0	0	104	0	0	15,168
7	Corporate customers	292	0	0	0	10	131	0	0	370	38	0	841
8	Retail	0	0	0	0	0	0	0	16	0	0	0	16
9	Institutions and corporates with a short-term credit assessment	0	0	0	0	54	2	0	0	1	0	0	57
10	Other items	0	0	0	0	0	0	0	0	3	11	0	14
11	**TOTAL EXPOSURE VALUE**	**1,117**	**14,416**	**0**	**0**	**615**	**410**	**0**	**16**	**490**	**49**	**0**	**17,112**

EU CCR4 – IRB approach– COUNTERPARTY RISK exposures by exposure class and PD scale

			12/31/2024						
			a	b	c	d	e	f	g
A-IRB *in millions of euros*		**PD scale**	**Value at Risk**	**Weighted average PD** *(in %)*	**Number of obligors**	**Weighted average LGD** *(in %)*	**Weighted average maturity** *(in years)*	**Risk-Weighted Assets**	**RWA density**
1	CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	3,945	0.00%	11	13.89%	4	-	0.00%
2		0.15 to <0.25	-	0.00%	-	0.00%	-	-	0.00%
3		0.25 to <0.50	-	0.00%	-	0.00%	-	-	0.00%
4		0.50 to <0.75	-	0.00%	-	0.00%	-	-	0.00%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	-	0.00%	-	0.00%	-	-	0.00%
7		10.00 to <100.00	-	0.00%	-	0.00%	-	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		3,945	0.00%	11	13.89%	4	-	0.00%
1	INSTITUTIONS	0.00 to <0.15	13,904	0.00%	0	32.36%	0	1,625	11.69%
2		0.15 to <0.25	-	0.00%	-	0.00%	-	-	0.00%
3		0.25 to <0.50	2,159	0.00%	0	46.41%	0	1,222	56.61%
4		0.50 to <0.75	212	0.00%	0	54.75%	0	188	88.78%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	81	0.00%	0	86.81%	0	213	262.49%
7		10.00 to <100.00	-	0.00%	-	0.00%	-	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		16,356	0.00%	1	34.78%	0	3,248	19.86%
1	CORPORATE CUSTOMERS	0.00 to <0.15	15,710	0.04%	854	29.30%	1	1,372	8.73%
2		0.15 to <0.25	140	0.23%	122	18.62%	4	49	35.06%
3		0.25 to <0.50	3,487	0.29%	793	33.02%	1	1,250	35.83%
4		0.50 to <0.75	1,304	0.69%	269	36.43%	1	661	50.66%
5		0.75 to <2.50	1,005	1.14%	687	34.62%	2	752	74.80%
6		2.50 to <10.00	497	4.66%	716	34.73%	1	602	121.18%
7		10.00 to <100.00	121	20.20%	296	24.35%	1	248	203.95%
8		100.00 (default)	13	90.65%	65	36.78%	1	16	121.56%
	Sub-total		22,278	0.43%	3,802	30.57%	1	4,949	22.22%
1	RETAIL	0.00 to <0.15	-	0.00%	-	0.00%	-	-	0.00%
2		0.15 to <0.25	0	0.21%	14	45.00%	-	0	19.97%
3		0.25 to <0.50	0	0.43%	18	45.00%	-	0	31.52%
4		0.50 to <0.75	0	0.68%	7	45.00%	-	0	40.34%
5		0.75 to <2.50	1	1.49%	35	45.00%	-	0	55.82%
6		2.50 to <10.00	0	4.73%	28	45.00%	-	0	69.48%
7		10.00 to <100.00	0	26.44%	9	45.00%	-	0	113.67%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		2	2.84%	111	45.00%	-	1	56.11%
	OVERALL		**42,581**		**3,925**			**8,199**	

A-IRB *in millions of euros*		PD scale	a Value at Risk	b Weighted average PD (in %)	c Number of obligors	d Weighted average LGD (in %)	e Weighted average maturity (in years)	f Risk-Weighted Assets	g RWA density
			12/31/2023						
1	CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	12,649	0.00%	110	14.92%	0	39	0.31%
2		0.15 to <0.25	291	0.21%	7	37.10%	-	63	21.51%
3		0.25 to <0.50	45	0.37%	5	46.31%	0	20	44.05%
4		0.50 to <0.75	-	0.00%	-	0.00%	-	-	0.00%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	11	5.92%	14	103.50%	0	1	9.75%
7		10.00 to <100.00	13	20.93%	1	57.10%	0	39	300.45%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		13,009	0.03%	137	15.64%	0	162	1.24%
1	INSTITUTIONS	0.00 to <0.15	12,891	0.00%	0	33.51%	0	1,794	13.91%
2		0.15 to <0.25	-	0.00%	-	0.00%	-	-	0.00%
3		0.25 to <0.50	1,880	0.00%	0	45.25%	0	1,175	62.49%
4		0.50 to <0.75	141	0.00%	0	62.24%	0	119	84.39%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	5	0.00%	0	57.92%	0	9	167.77%
7		10.00 to <100.00	-	0.00%	-	0.00%	-	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		14,917	0.00%	1	35.27%	0	3,096	20.76%
1	CORPORATE CUSTOMERS	0.00 to <0.15	11,661	0.04%	792	33.00%	0	1,175	10.08%
2		0.15 to <0.25	150	0.25%	67	16.12%	0	33	22.08%
3		0.25 to <0.50	2,801	0.27%	717	33.06%	0	1,089	38.86%
4		0.50 to <0.75	747	0.65%	295	33.58%	0	370	49.58%
5		0.75 to <2.50	745	1.21%	484	33.05%	0	530	71.20%
6		2.50 to <10.00	636	4.66%	697	36.47%	0	765	120.34%
7		10.00 to <100.00	188	13.96%	438	27.77%	0	381	203.02%
8		100.00 (default)	7	98.09%	47	47.25%	0	9	123.43%
	Sub-total		16,934	0.53%	3,537	32.97%	0	4,352	25.70%
1	RETAIL	0.00 to <0.15	0	0.03%	9	45.00%	-	0	5.14%
2		0.15 to <0.25	0	0.21%	15	45.00%	0	0	19.97%
3		0.25 to <0.50	1	0.38%	29	45.00%	0	0	29.06%
4		0.50 to <0.75	0	0.67%	4	45.00%	0	0	40.20%
5		0.75 to <2.50	0	1.47%	32	45.00%	0	0	55.40%
6		2.50 to <10.00	1	5.64%	30	45.00%	0	0	71.11%
7		10.00 to <100.00	1	16.49%	13	45.00%	0	1	97.66%
8		100.00 (default)	0	100.00%	3	45.00%	0	-	0.00%
	Sub-total		3	7.02%	135	45.00%	0	2	62.53%
	OVERALL		**44,863**		**3,810**			**7,612**	

		12/31/2024							
			a	b	c	d	e	f	g
F-IRB *in millions of euros*		**PD scale**	**Value at Risk**	**Weighted average PD** *(in %)*	**Number of obligors**	**Weighted average LGD** *(in %)*	**Weighted average maturity** *(in years)*	**Risk-Weighted Assets**	**RWA density**
1	CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	24	0.00%	0	45.00%	3	-	0.00%
2		0.15 to <0.25	-	0.00%	-	0.00%	0	-	0.00%
3		0.25 to <0.50	-	0.00%	-	0.00%	0	-	0.00%
4		0.50 to <0.75	-	0.00%	-	0.00%	0	-	0.00%
5		0.75 to <2.50	-	0.00%	-	0.00%	0	-	0.00%
6		2.50 to <10.00	-	0.00%	-	0.00%	0	-	0.00%
7		10.00 to <100.00	-	0.00%	-	0.00%	0	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	0	-	0.00%
	Sub-total		24	0.00%	0	45.00%	3	-	0.00%
1	INSTITUTIONS	0.00 to <0.15	2,878	0.04%	0	45.00%	0	426	14.81%
2		0.15 to <0.25	-	0.00%	-	0.00%	0	-	0.00%
3		0.25 to <0.50	787	0.25%	0	45.00%	0	334	42.44%
4		0.50 to <0.75	69	0.70%	0	45.00%	0	53	76.78%
5		0.75 to <2.50	-	0.00%	-	0.00%	0	-	0.00%
6		2.50 to <10.00	-	0.00%	-	0.00%	0	-	0.00%
7		10.00 to <100.00	-	0.00%	-	0.00%	0	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	0	-	0.00%
	Sub-total		3,734	0.10%	0	45.00%	0	813	21.78%
1	CORPORATE CUSTOMERS	0.00 to <0.15	831	0.03%	0	17.85%	0	133	15.98%
2		0.15 to <0.25	1	0.21%	0	45.00%	0	1	43.86%
3		0.25 to <0.50	84	0.29%	0	45.00%	0	44	52.31%
4		0.50 to <0.75	33	0.68%	0	45.00%	0	21	62.55%
5		0.75 to <2.50	52	1.38%	0	45.00%	0	53	100.84%
6		2.50 to <10.00	44	5.62%	0	43.96%	0	68	154.70%
7		10.00 to <100.00	4	20.27%	0	45.00%	0	8	228.68%
8		100.00 (default)	0	100.00%	0	45.00%	0	-	0.00%
	Sub-total		1,049	0.48%	1	23.45%	0	327	31.14%
	OVERALL		**4,808**		**1**			**1,140**	

F-IRB *in millions of euros*		PD scale	a Value at Risk	b Weighted average PD *(in %)*	c Number of obligors	d Weighted average LGD *(in %)*	e Weighted average maturity *(in years)*	f Risk-Weighted Assets	g RWA density
			12/31/2023						
1	CENTRAL GOVERNMENTS AND CENTRAL BANKS	0.00 to <0.15	21	0.01%	0	45.00%	0	-	0.00%
2		0.15 to <0.25	-	0.00%	-	0.00%	-	-	0.00%
3		0.25 to <0.50	0	0.39%	0	45.00%	0	0	66.00%
4		0.50 to <0.75	-	0.00%	-	0.00%	-	-	0.00%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	2	5.92%	0	45.00%	0	-	0.00%
7		10.00 to <100.00	-	0.00%	-	0.00%	-	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		23	0.56%	0	45.00%	0	0	0.62%
1	INSTITUTIONS	0.00 to <0.15	3,088	0.04%	0	40.20%	0	408	13.22%
2		0.15 to <0.25	-	0.00%	-	0.00%	-	-	0.00%
3		0.25 to <0.50	276	0.25%	0	9.34%	0	127	46.05%
4		0.50 to <0.75	3	0.70%	0	45.00%	0	2	86.11%
5		0.75 to <2.50	-	0.00%	-	0.00%	-	-	0.00%
6		2.50 to <10.00	88	5.91%	0	0.00%	0	151	172.83%
7		10.00 to <100.00	-	0.00%	-	0.00%	-	-	0.00%
8		100.00 (default)	-	0.00%	-	0.00%	-	-	0.00%
	Sub-total		3,454	0.21%	0	36.72%	0	689	19.95%
1	CORPORATE CUSTOMERS	0.00 to <0.15	924	0.02%	0	20.19%	0	151	16.37%
2		0.15 to <0.25	4	0.23%	0	45.00%	0	2	48.16%
3		0.25 to <0.50	122	0.27%	0	43.29%	0	62	50.73%
4		0.50 to <0.75	80	0.69%	0	45.00%	0	50	62.06%
5		0.75 to <2.50	48	1.48%	0	45.00%	0	48	100.73%
6		2.50 to <10.00	35	4.42%	0	45.00%	0	49	139.82%
7		10.00 to <100.00	21	20.36%	0	45.00%	0	51	238.64%
8		100.00 (default)	1	100.00%	0	45.00%	0	-	0.00%
	Sub-total		1,235	0.73%	1	26.27%	0	413	33.39%
	OVERALL		**4,713**		**1**			**1,102**	

EU CCR5 – Composition of collateral for counterparty risk exposures

Collateral type *in millions of euros*		12/31/2024							
		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	7,494	277	10,302	-	3,742	-	14,350
2	Cash – other currencies	-	5,107	220	3,933	-	4,978	-	4,431
3	Domestic sovereign debt	0	-	-	-	-	3,021	-	6,378
4	Other sovereign debt	2,638	523	-	188	-	93,318	-	142,862
5	Government agency debt	1,232	688	-	253	-	39,152	-	29,538
6	Corporate bonds	1,141	144	-	324	-	36,226	-	26,475
7	Equities	1,635	7	-	-	-	175,492	-	37,167
8	Other collateral	201	25	-	-	-	1,013	-	286
9	**OVERALL**	**6,848**	**13,988**	**496**	**15,000**	**-**	**356,941**	**-**	**261,485**

Collateral type *in millions of euros*		12/31/2023							
		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	7,630	-	13,188	-	743	-	1,043
2	Cash – other currencies	-	1,303	-	2,003	-	6,819	-	2,468
3	Domestic sovereign debt	-	6	-	-	-	59	-	0
4	Other sovereign debt	1,582	205	-	4	-	75,056	-	101,404
5	Government agency debt	810	647	-	55	-	33,010	-	36,322
6	Corporate bonds	1,156	53	-	185	-	27,203	-	28,116
7	Equities	934	16	-	-	-	22,158	-	54,333
8	Other collateral	20	34	-	-	-	11,916	-	11,909
9	**OVERALL**	**4,501**	**9,895**	**-**	**15,435**	**-**	**176,964**	**-**	**235,595**

EU CCR6 – Credit derivative exposures

		12/31/2024	
		a	b
in millions of euros		Protection purchased	Protection sold
	Notional amounts		
1	Single-name credit default swaps	34,061	39,426
2	Index credit default swaps	47,699	41,676
3	TRS	3,224	123
4	Credit options	-	-
5	Other credit derivatives	-	-
6	**TOTAL NOTIONAL AMOUNTS**	**84,984**	**81,225**
	Fair value		
7	Positive fair value (asset)	436	1,954
8	Negative fair value (liability)	(1,951)	(233)

		12/31/2023	
		a	b
in millions of euros		Protection purchased	Protection sold
	Notional amounts		
1	Single-name credit default swaps	16,759	16,497
2	Index credit default swaps	32,868	27,850
3	TRS	1,856	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	**TOTAL NOTIONAL AMOUNTS**	**51,482**	**44,347**
	Fair value		
7	Positive fair value (asset)	235	938
8	Negative fair value (liability)	(1,100)	(90)

EU CCR7 – Risk-weighted asset flow statements for counterparty risk exposures under the IMM

		Risk-Weighted Assets
in millions of euros		a
1	**12/31/2023**	**3,685**
2	Asset size	2,123
3	Credit quality of counterparties	(301)
4	Model updates (IMM only)	466
5	Methodology and policy (IMM only)	(26)
6	Acquisitions and disposals	-
7	Foreign exchange movements	-
8	Other	35
9	**12/31/2024**	**5,982**

CCR8 – Exposure to central counterparties (CCP)

		12/31/2024	
		a	b
in millions of euros		Value at Risk	Risk-Weighted Assets
1	**Exposures to QCCPs (total)**		**1,100**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	8,829	219
3	i) OTC derivatives	5,356	150
4	ii) Exchange-traded derivatives	-	-
5	iii) Securities financing transaction (SFT)	3,473	69
6	iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	177	
8	Non-segregated initial margin	9,165	535
9	Prefunded default fund contributions	909	346
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		**-**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	i) OTC derivatives	-	-
14	ii) Exchange-traded derivatives	-	-
15	iii) Securities financing transaction (SFT)	-	-
16	iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

		12/31/2023	
		a	b
in millions of euros		Value at Risk	Risk-Weighted Assets
1	**Exposures to QCCPs (total)**		**580**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	9,008	180
3	i) OTC derivatives	5,222	104
4	ii) Exchange-traded derivatives	-	-
5	iii) Securities financing transaction (SFT)	3,787	76
6	iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	150	3
9	Prefunded default fund contributions	781	397
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		**-**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	i) OTC derivatives	-	-
14	ii) Exchange-traded derivatives	-	-
15	iii) Securities financing transaction (SFT)	-	-
16	iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

7 SECURITIZATION TRANSACTIONS

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7.1 Regulatory framework and accounting methods

Regulatory framework

Two European regulations aimed at facilitating the development of the securitization market, preventing risks and ensuring the stability of the financial system, were published in the Official Journal of the European Union on December 28, 2017. The objective of both regulations is to govern securitization transactions in the European Union.

Regulation (EU) No. 2017/2402 (1)

Sets a general framework for securitization (the previous rules were spread out in three different directives and two regulations). Establishes appropriate due diligence, risk retention and transparency requirements for parties to securitization transactions, sets loan approval criteria, lays down requirements for selling securitizations to retail clients, and prohibits re-securitization.

This regulation establishes a specific framework for STS (simple, transparent, and standardized) securitization by defining the criteria for transactions to meet in order to qualify as securitizations and the obligations arising from such qualification, such as the obligation to notify European Securities and Markets Authority's securitization programs.

Regulation (EU) No. 2017/2401 (2)

It amends the provisions of Regulation (EU) No. 575/2013 pertaining to securitization, including in particular the prudential requirements applicable to credit institutions and investment firms acting as originators, sponsors or investors in securitization transactions. Deals in particular with:

- STS securitizations, and the method for calculating the associated risk-weighted exposure amounts;
- the hierarchy of methods for calculating RWAs and determining the related parameters;
- external credit assessments (performed by external rating agencies).

Regulatory capital requirements (OFR)

Hierarchy of methods: securitization capital requirements are calculated in accordance with a hierarchy of methods applied in the order of priority set by the European Commission:

- SEC-IRBA (Securitization Internal Ratings Based Approach): uses the bank's internal rating models, which shall have been approved beforehand by the supervisor. SEC-IRBA calculates regulatory capital requirements in relation to underlying exposures as if these had not been securitized, and then applies certain pre-defined inputs;
- SEC-SA (Securitization Standardized Approach): this method is the last chance to use a formula defined by the supervisor, using as an input the capital requirements that would be calculated under the current Standardized Approach (calculates regulatory capital requirements in relation to underlying exposures – based on their class – and then applies the ratio of defaulted underlying exposures to the total amount of underlying exposures);
- SEC-ERBA (Securitization External Ratings Based Approach): based on the credit ratings of securitization tranches determined by external rating agencies.

If none of these three methods is applicable (SEC-IRBA, SEC-ERBA, SEC-SA), then the risk weight applied to the securitization is 1,250%.

Details:

- introduction of new risk inputs: maturity and thickness of the tranche;
- higher risk weight floor: 15%;
- preferential regulatory treatment for STS securitization exposures;
- risk weight floor lowered to 10% (*versus* 15%);
- SEC-ERBA: STS differentiated risk weight table.

The European regulation defining the new general framework for securitization and creating a clear set of criteria for Simple, Transparent and Standardized (STS) securitizations, as well as the related amendments to the CRR, were published in the Official Journal of the European Union on December 28, 2017, with an effective date of January 2019.

Accounting methods

Securitization transactions in which Groupe BPCE is an investor (*i.e.* the Group invests directly in some securitization positions, provides liquidity, and is a counterparty for derivatives exposures or guarantees) are recognized in accordance with the Group's accounting principles, as referred to in the notes to the consolidated financial statements.

Securitization positions are predominantly recorded under "Securities at amortized cost" and "Financial assets at fair value through other comprehensive income".

Securitization positions classified as "Securities at amortized cost" are measured after their initial recognition at amortized cost based on the effective interest rate. Any position booked to "Securities at amortized cost" is impaired under "Cost of credit risk" in respect of Stage 1 or Stage 2 expected credit losses following a significant increase in credit risk.

Where a position booked to "Securities at amortized cost" is transferred to Stage 3 (defaulted exposures), the impairment is recorded under "Cost of credit risk" (Note 7.1.2 to the financial statements – "Change in gross carrying amounts and expected credit losses on financial assets and commitments").

In the event of disposal, the Group recognizes the gains (losses) on disposal in the income statement under "Net gains (losses) arising from the derecognition of financial assets at amortized cost". Except in the case where the receivable is in default: in the latter case, it is recognized under "Cost of credit risk".

Securitization positions classified as "Financial assets at fair value through other comprehensive income" are remeasured at their fair value at the closing date.

Interest income accrued or received on debt instruments is recognized in income based on the effective interest rate under "Interest and similar income" in net banking income (NBI), while changes in fair value (excluding revenues) are recorded on a separate line in other comprehensive income under "Gains and losses recognized directly in other comprehensive income". They are impaired in respect of Stage 1, 2 or 3 expected credit losses, in accordance with the same methodology used for positions classified as "Securities at amortized cost". This impairment is recorded on the liabilities side of the balance sheet under other comprehensive income recyclable to profit or loss, with a corresponding entry to "Cost of credit risk" in the income statement (Note 7.1.2 to the financial statements – "Change in gross carrying amounts and expected credit losses on financial assets and commitments").

If the position is sold, the Group recognizes the capital gains (losses) on disposal in profit or loss under "Gains (losses) on financial assets measured at fair value through other comprehensive income before tax" unless the position is in Stage 3. In such a case, the loss is recognized in "Cost of credit risk".

Securitization positions classified as "Financial assets at fair value through profit or loss" are measured at fair value, at both the initial recognition date and the reporting date. Changes in fair value over the period, interest, and gains (losses) on disposals related to securitization positions are recognized in "Gains (losses) on financial instruments at fair value through profit or loss".

Synthetic securitization transactions such as Credit Default Swaps are subject to accounting recognition rules specific to trading derivatives (Note 5.2 to the financial statements – "Financial assets and liabilities at fair value through profit or loss").

In accordance with IFRS 9, securitized assets are derecognized when Groupe BPCE has transferred substantially all of the risks and rewards of ownership of the asset.

If the Group transfers the cash flows of a financial asset but neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and has not retained control of the financial asset, the Group derecognizes the financial asset and then recognizes separately, if necessary, as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains control of the financial asset, it continues to recognize the financial asset to the extent of its continuing involvement in the financial asset.

When a financial asset at amortized cost or at fair value through other comprehensive income is fully derecognized, a gain or loss on disposal is recorded in the income statement. The amount is equal to the difference between the carrying amount of the asset and the value of the consideration received, corrected for impairment, and where applicable for any unrealized profit or loss previously recognized directly in other comprehensive income.

Given the relatively low value of the assets in question and relative infrequency of securitization transactions, assets pending securitization continue to be recognized in their original portfolio. Specifically, they continue to be recognized under "Loans and advances to customers at amortized cost" when that is their original classification. For synthetic securitization transactions, assets are not derecognized as long as the institution retains control over them. The assets continue to be recognized in accordance with their original classification and valuation method. Consolidation or non-consolidation of securitization vehicles is analyzed in accordance with IFRS 10 based on the institution's ties with the vehicle. These principles are reiterated in Note 3.2.1 to the financial statements – "Entities controlled by the Group".

Scope of the programs:

- originator: either an entity which, on its own or through affiliates, was directly or indirectly involved in the original agreement which created the obligations (or contingent obligations) of the obligor, giving rise to the securitization transaction or arrangement; or an entity that purchases a third party's on-balance sheet exposures and then securitizes them.
- sponsor: an institution other than an originator institution that establishes and manages an asset-backed commercial paper program or other securitization scheme that purchases exposures from third-party entities.
- investor: the Group's position when it holds securitization positions in which it has invested, but in which it does not act as originator or sponsor. These are mainly tranches acquired in programs initiated or managed by external banks.

Terminology

Traditional securitization: the economic transfer to investors of financial assets such as loans or advances, transforming these loans into financial securities issued on the capital market *via* SSPEs (securitization special purpose entities).

Synthetic securitization: in a synthetic transaction, ownership of the asset is not transferred but the risk is transferred through a financial instrument, *i.e.* the credit derivative.

Re-securitization: a securitization in which the credit risk associated with a portfolio of underlying assets is divided into tranches and for which at least one of the underlying asset exposures is a securitization position.

Tranche: a contractually established segment of the credit risk associated with an exposure or number of exposures.

Securitization position: an exposure to a securitization.

Liquidity facility: the securitization position arising from a contractual agreement to provide funding to ensure timeliness of cash flows to investors.

Originator: either an entity which, on its own or through affiliates, was directly or indirectly involved in the original agreement which created the obligations (or contingent obligations) of the obligor, giving rise to the securitization transaction or arrangement; or an entity that purchases a third party's on-balance sheet exposures and then securitizes them.

Sponsor: an institution other than an originator institution that establishes and manages an asset-backed *commercial paper* program or other securitization scheme that purchases exposures from third-party entities.

Investor: the Group's position when it holds securitization positions in which it has invested, but in which it does not act as originator or sponsor. These are mainly tranches acquired in programs initiated or managed by external banks.

7.2 Securitization management at Groupe BPCE

Since 2014, Groupe BPCE has had a residential real estate loan securitization program to ensure the sustainability of its stock of collateral eligible for the Eurosystem, providing it with liquidity reserves.

The banking book EAD (final securitization) amounted to €21.7 billion on December 31, 2024 up by €0.9 billion year-on-year).

The positions were mainly carried by GFS (€17.4 billion), BRED (€2.8 billion) and BPCE SA (€1.4 billion, positions arising from the transfer of a portfolio of home loans and public asset securitizations from Crédit Foncier in September 2014).

The trading book EAD amounted to €610 million at December 31, 2024, and were mainly carried by GFS (€442 million) and BRED (€168 million).

The increase in EAD of the banking book was mainly due to:

- activities under long-term management of GFS (+€1.0 billion), particularly in sponsorship (+€1.3 billion), investor (+€0.6 billion) and originator (-€0.9 billion) euros);
- an increase in outstandings on the BRED scope amounting to +€0.2 billion;
- the decrease in exposures on the BPCE SA portfolio managed in run off for -€0.3 billion;
- the workout portfolio exposures of the Corporate & Investment Banking division (formerly GAPC) and BPCE are managed under a run-off method, whereby positions are gradually amortized but still managed (including disposals) in order to safeguard the Group's interests by actively reducing positions under acceptable pricing conditions.

Breakdown of EAD by entity

GFS: €17.8 billion EAD securitization (banking + trading book)

The GFS exposure is mainly positioned in the banking book (€17.4 billion).

The exposure of the banking book carried by GFS as Sponsor is €11.4 billion:

- the portfolio consists of 40 lines, mainly transactions carried out through the ABCP Magenta sub-funds (€4.6 billion), and a Versailles liquidity line (€6.8 billion) issued by GFS as a guarantee;
- the average WAL (Weighted Average Life) is 1.9 years;
- RWA are calculated mainly using the SEC-SA approach;
- the portfolio is 100% senior with 15% STS.

The exposure of the banking book carried by GFS as Originator is €2.1 billion, of which 94% in senior and 100% non-STS:

- the exposure comes from a total of 222 lines, of which 8 lines amounting to €1.8 billion in synthetic securitizations issued by GFS through the Kibo and Lhotse SPVs. These SPVs are subject to Significant Risk Transfer;
- the average WAL (Weighted Average Life) is 4.9 years;
- traditional securitizations represented €0.3 billion, spread over 214 lines;
- the main approach used to calculate RWA is the SEC-IRBA method.

The exposure of the banking book carried by GFS as Investor is €4.3 billion, of which €0.4 billion in the trading book:

- the exposure as an investor is spread over 260 lines on the banking book and 161 lines on the trading book;
- the main approach used to calculate RWA is the SEC-SA.
- on the banking book, which is totally non-STS (97%), the portfolio is 93% senior and 7% mezzanine.
- on the trading book, the positions are mainly as an investor, with an average WAL (Weighted Average Life) of 2.8 years. The portfolio, which is at 77% non-STS, is at 88% mezzanine and 12% senior.

RWAs of €3.8 billion (€3.5 billion in the banking book and €0.3 billion in the trading book) are mainly calculated according to the SEC-SA approach (€2.4 billion) then the default approach (€489 million), SEC-IRBA (€321 million), SEC-ERBA (€529 million) and NPE (€113 million). In the SEC-ERBA approach, 77% of the exposure comes from lines rated at least A, of which 69% are rated AAA.

BRED: €3 billion EAD investor securitization (banking + trading book)

BRED's investor exposure is essentially positioned in the banking book.

Concerning this **banking book** exposure:

- It consists of 307 lines, for an EAD of €2.8 billion, mainly housed in the NJR replacement subsidiary (80% of the volume);
- These lines are of excellent quality; 99.9% of the positions in volume are rated at least A; 89% are rated AAA. The portfolio is 99% senior with 81% STS;
- The average WAL (Weighted Average Life) is 1.6 years.

The trading book stands at €168 million in EAD for 70 lines:

- the quality is also high; the securities are at least AA-rated, including 89% AAA in volume;
- the portfolio is 100% senior, with 47% of STS securities in volume;
- the average WAL is 0.9 years.

There are no synthetic positions or re-securitizations in either portfolio.

The RWAs are calculated using the SEC-ERBA approach.

The portfolios are regularly subjected to baseline and stress scenarios that demonstrate their full resilience.

BPCE: €1.4 billion EAD investor securitization

BPCE SA's investor exposure is exclusively positioned in the banking book.

As a reminder, Crédit Foncier's securitization positions, which boast solid credit quality, were sold to BPCE at balance sheet value, with no impact on the Group's consolidated financial statements (more than 90% of the securitization portfolio was transferred to BPCE on September 25, 2014). These exposures are recognized in loans and advances ("L&A") and did not present a significant risk of loss on completion, as confirmed by the external audit carried out at the time of the transfer.

BPCE SA therefore acts as an Investor (securitization positions in which the Group entity has invested, but in which the Group does not act as originator or sponsor. This includes tranches acquired in programs initiated or managed by third-party banks) and this portfolio is subject to extinctive management. It is composed of:

- 22 securitization positions in European RMBS and US Student Loans;
- with a legal maturity of more than five years and an average WAL (Weighted Average Life) of 4.1 years;
- recognized at amortized cost;
- composed only of Senior tranches, non-STS;
- high quality, with 88% of the portfolio being Investment Grade;
- no synthetic securitization or re-securitization.

The risk-weighted assets are calculated according to the SEC-ERBA approach.

This portfolio is monitored through quarterly internal stress tests (RWA and losses to completion) and demonstrates the robustness of the portfolio's credit quality.

The various relevant portfolios are specially monitored by the entities and subsidiaries, and by the central institution. Depending on the scope involved, special management or steering committees regularly review the main positions and management strategies.

The central institution's Group Risk division regularly reviews securitization exposures (quarterly mapping), changes in portfolio structure, risk-weighted assets and potential losses. Regular assessments of potential losses are discussed by the Umbrella Committee, as are disposal opportunities.

At the same time, special purpose surveys are conducted by the teams on potential losses and changes in risk-weighted assets through internal stress scenarios (risk-weighted assets and loss on completion).

Finally, the Group Risk division controls risks associated with at-risk securitization positions by identifying ratings downgrades and monitoring changes in exposures (valuation, detailed analysis). Major exposures are systematically submitted to the Group Watchlist and Provisions Committee, which meets quarterly to determine the appropriate level of provisioning.

7.3 Risks related to securitization transactions

Groupe BPCE networks

For originator banks, description of the internal process for assessing deconsolidating transactions from a prudential point of view, supported by an audit trail and the procedures for monitoring the transfer of risk over time through a periodic review.

Since May 2014, Groupe BPCE has implemented a securitization program for loans originated by the Caisses d'Epargne and Banque Populaire networks in order to manage and optimize two elements of Groupe BPCE:

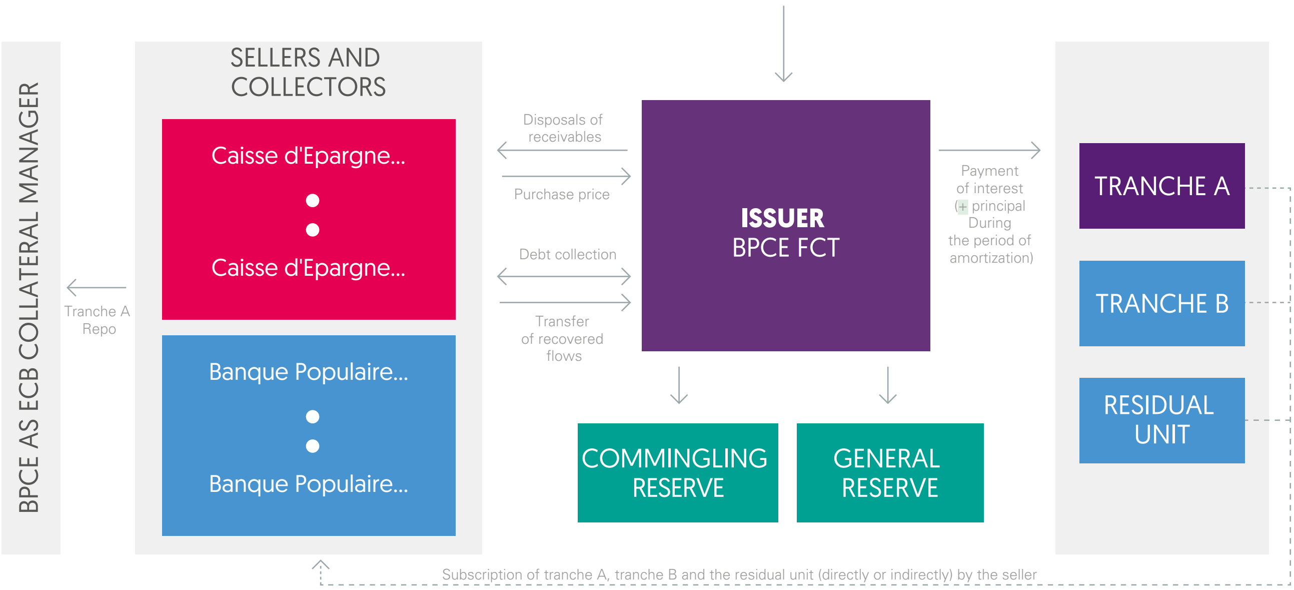
- the Group's liquidity reserves, through "self-owned" securitization transactions;
- the Group's refinancing, through securitization transactions placed on the market or with a limited number of investors.

Self-owned securitization transactions

These transactions aim to ensure the sustainability of the collateral stock eligible for the Eurosystem in the form of securities and thus contribute to the creation of the Group's liquidity reserves.

Loans granted by the BP and CEP networks are securitized by selling them to a French securitization fund (*Fonds Commun de Titrisation* – FCT).

BPCE	NATIXIS	FRANCE SECURITIZATION	BNP PARIBAS SECURITIES SERVICES
• Arranger • Reserve contributor • Agency keeping the accounts of the FCT • Transaction agent	• Custodian	• Day-to-day management of the FCT	• Listing agent • Paying agent • Data protection agent



The loan transfer operation is carried out in three stages:

1) the participants, the "Sellers", assign their receivables to the FCT;
2) the FCT issues bonds: Senior (used for liquidity purposes) and Subordinated (carrying risks) as well as Residual Units (carrying the results of the activity);
3) the Sellers subscribe for the Senior and Subordinated bonds as well as the Residual Units and then upload the Senior bonds to BPCE, which can use them and value them as liquidity reserves for the Group, in accordance with the Group's collateral centralization policy.

In this arrangement, no securities are placed outside the Group. The Sellers are the subscribers of all the securities and therefore retain all the risks and rewards of the receivables sold. In this way, the receivables removed from the balance sheet of the Sellers under French standards are reintegrated under IFRS due to the consolidation of the FCT.

It should be noted that a "demutualization FCT" has been introduced in the Subordinated Bonds and Residual Units circuit for accounting reasons: the purpose of the Demutualization FCT is to break down the quantity of Subordinated Bonds and Residual Units by institution as well as the income from these securities.

Thus, each Seller is faced with a "FCT silo" which includes its assigned receivables on the assets side and the Senior, Subordinated and Residual Units that it has subscribed on the liabilities side, in a scheme equivalent to the securitization that it would have implemented if it had acted alone.

The receivables sold continue to live according to their usual life cycle (evolution of the CRD) and their management/collection continues to be ensured by the Sellers.

In the event of a "reloadable" transaction, the FCT can regularly buy back new receivables in order to maintain its outstanding amount.

Its proper functioning is ensured by an FCT management company (France Titrisation or EuroTitrisation), together with a custodian, GFS, in compliance with the regulations of the FCT.

In addition, the Senior bonds are rated AAA by two rating agencies, which continue to monitor the transaction on an annual basis.

The loans sold in these transactions are either home loans, personal loans or equipment loans (without mixing within the same FCT) originated by the networks.

The table at the end of the presentation shows the characteristics of the transactions as well as the amounts of the securities subscribed and loans sold for the institution.

The transactions classified as "self-owned" refer to the description above.

Securitization financing transactions

After gaining expertise in securitization transactions, the Group launched operations to provide refinancing.

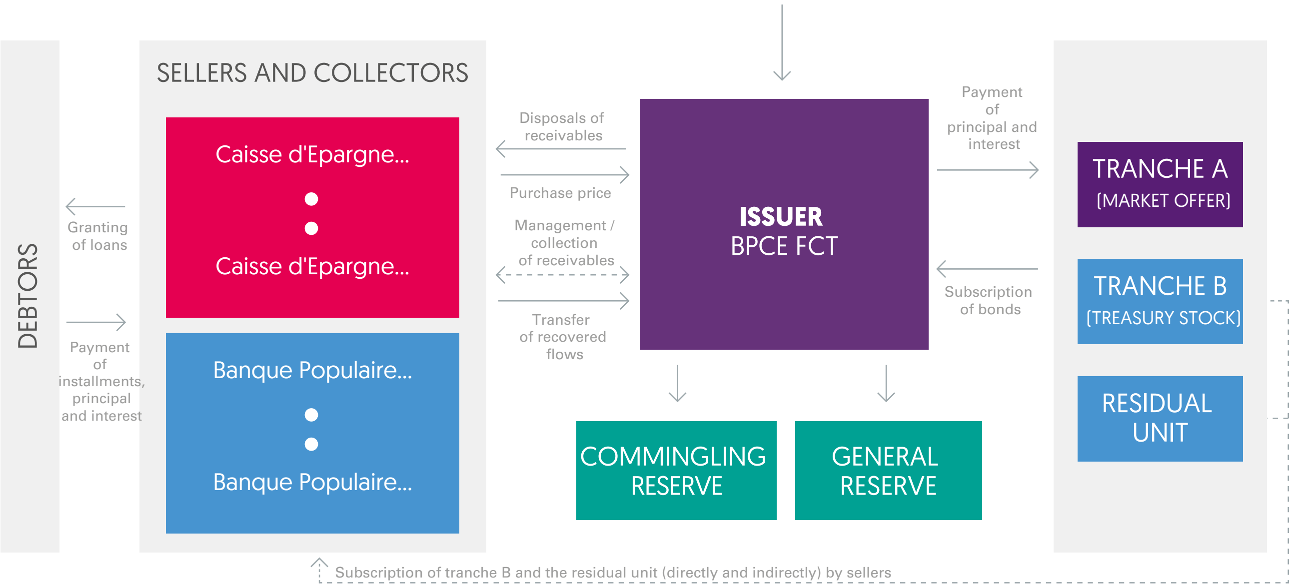
This refinancing is based on the proper repayment of the loan portfolio provided to the FCT and does not use BPCE's signature.

Generally, the price of this refinancing is below that of BPCE's unsecured refinancing.

Receivables can be contributed to the FCT in two ways:

- directly sold to the FCT:

BPCE	[NATIXIS]	[FRANCE SECURITIZATION]	[BNP PARIBAS SECURITIES SERVICES]
• Arranger • Reserve contributor • Agency keeping the accounts of the FCT • Transaction agent	• Custodian • Swap counterparty	• Day-to-day management of the FCT	• Listing agent • Paying agent • Data protection agent



The disposal operation is carried out in three stages:

1) the participants, the "Sellers", assign their receivables to the FCT;
2) to acquire the receivables, the FCT issues Senior bonds (rated AAA) and Subordinated bonds (carrying risks) as well as Residual Units (carrying the results of the activity);
3) the markets underwrite the Senior bonds, the proceeds of which are paid to the Sellers, who subscribe to the Subordinated bonds as well as the Residual Units: the risks and rewards of the loans.

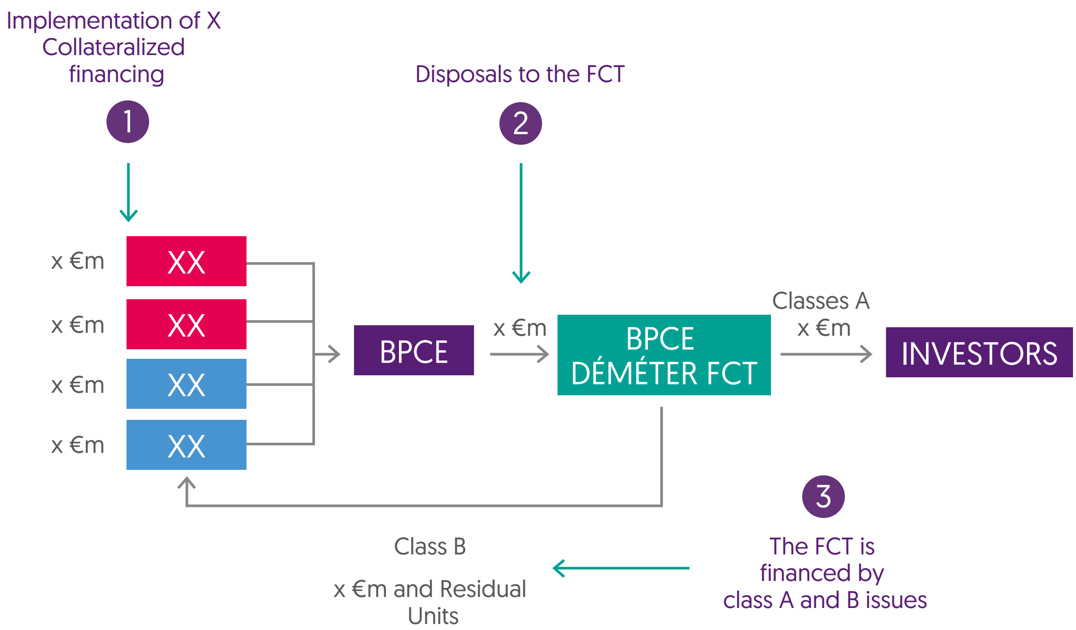
When the receivables sold are remunerated at a fixed rate, as well as the Subordinated bonds, and the Senior bonds are issued at a variable rate, then the FCT enters into a swap with GFS whereby the FCT pays a fixed rate and receives a variable rate in order to hedge the interest rate risk related to the Senior bonds. In addition, GFS processes a back-swap with each of the sellers in proportion to its shareholding.

The accounting behavior of this type of transaction is similar to that described above.

The same applies to the management/recovery of receivables.

Transactions classified as "Refinancing" and "Disposals" in the table at the end of the presentation refer to the description above.

- as collateral for loans assigned to the FCT:



The disposal operation is carried out in three stages:

1) each of the participating institutions enters into a loan (CL or collateralized loan) with BPCE;

2) each CL is immediately transferred to the FCT;

3) the FCT issues senior and subordinated notes to finance the acquisition of the CLs.

Each CL is covered by a portfolio of loans as collateral, in accordance with Article L. 211-38 of the French Monetary and Financial Code Where appropriate, the loan may be covered by cash.

In the event of BPCE's default, the CL becomes repayable immediately and the CLs are transferred to the FCT.

During the reloading period, collateralized loans in default lead to a replenishment of performing loans.

The accounting behavior of this type of transaction is similar to that described above.

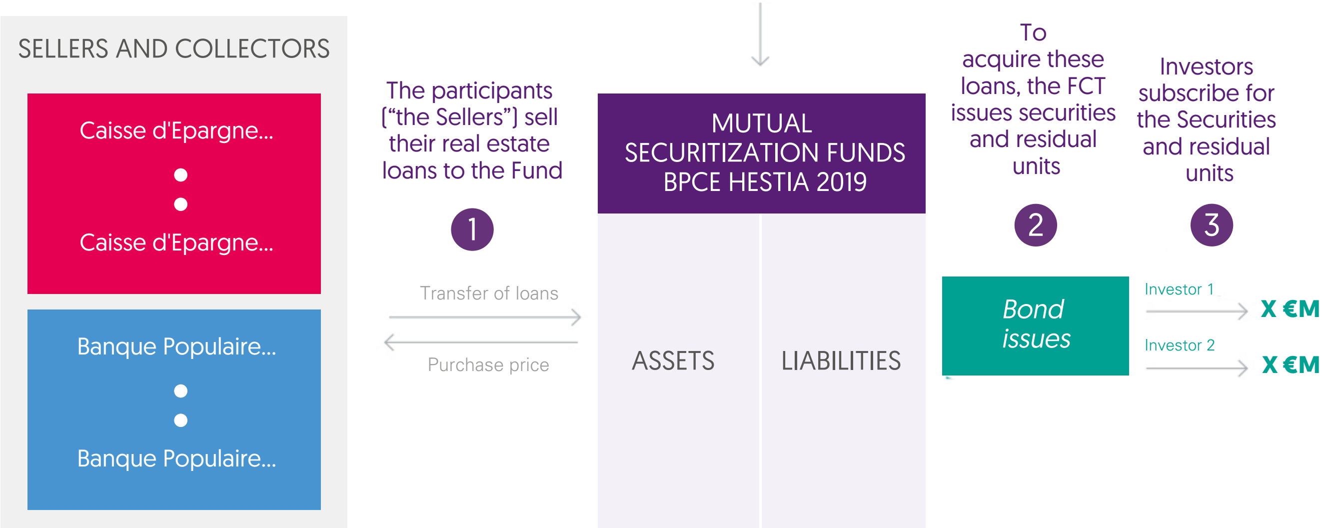
The same applies to the management/recovery of receivables.

Transactions classified as "Refinancing" and "Collateralization" in the table at the end of the presentation refer to the description above.

Supplement concerning the HESTIA transaction, which uses securitization tools but is not a securitization transaction from a regulatory point of view.

In September 2020, BPCE had completed a private transaction for the sale of receivables: FCT HESTIA 2019.

BPCE	NATIXIS	FRANCE SECURITIZATION	BNP PARIBAS SECURITIES SERVICES
• Arranger • Reserve contributor • Agency keeping the accounts of the FCT	• Custodian	• Day-to-day management of the FCT	• Paying agent • Data protection agent



This is a deconsolidating transaction for the selling institutions:

1) the sale to the FCT of €500 million of residential real estate loans originated by four Caisses d'Epargne (CEPAC, CEAPC, CECAZ, CEBPL) which continue to manage these loans on behalf of the FCT;

2) to finance its acquisition, the FCT issues Senior bonds (Class A), Subordinated bonds (Class B) and Residual Units;

3) all the securities are subscribed by the investors to whom all the risks associated with the loans sold are definitively transferred.

In the absence of any tranching in the FCT's liabilities, this transaction is not considered as a securitization transaction from a regulatory point of view (not subject to the provisions of regulation 2017/2402 of the European Parliament of December 12, 2017).

The HESTIA transaction appears in the table at the end of the presentation with the qualification of "Refinancing" and "PTF disposal".

Summary of securities

DAR of 12/31/2024							Participating institutions		Amounts issued per transaction			Assigned / collateralized receivables
Transaction name (FCT)	Label STS Y / N	Treasury shares/ Refinancing	Type of receivables	Launch date	Rechargeable Y / N	Disposal/ Collateralization	CEP	BP	Seniors	Subordinates	Residual units	
									in €	in €	in €	in €
BPCE Master Home Loans FCT	N	Treasury shares	Residential real estate	May 2014	Y	Disposal	15	12	88,200,000,000	5,629,788,000	10,200	93,829,771,819
BPCE CONSUMER LOANS FCT 2016	Y	Treasury shares	Personal loans	May 2016	Y	Disposal	15	11	3,325,000,000	831,294,559	16,000	4,152,990,066
BPCE HOME LOANS FCT 2017	N	Treasury shares	Residential real estate	May 2017	N	Disposal	15	11	2,762,322,540	880,240,800	14,000	3,642,576,607
BPCE DEMETER UNO FCT	N	Refinancing	Personal loans	Apr. 2023	Y	Collateralization	10	0	1,000,000,000	176,400,000	1,500	1,176,530,196
BPCE HOME LOANS FCT 2019	Y	Refinancing	Residential real estate	Oct. 2019	N	Disposal	15	11	344,015,005	100,000,000	13,000	444,028,076
FCT HESTIA 2019	N	Refinancing	Residential real estate	Sept. 2019	N	Disposal PTF	4	0	326,146,944	-	300	324,744,414
BPCE HOME LOANS FCT 2020	Y	Refinancing	Residential real estate	Oct. 2020	N	Disposal	15	11	592,265,900	90,000,000	13,000	682,278,903
BPCE DEMETER DUO FCT	Y	Refinancing	Personal loans	Feb. 2021	Y	Collateralization	4	0	400,000,000	70,600,000	600	470,704,019
BPCE DEMETER TRIA FCT	Y	Refinancing	Personal loans	Jul. 2021	Y	Collateralization	3	7	750,000,000	243,430,000	1,500	993,564,993
BPCE HOME LOANS FCT 2021 Green UoP	Y	Refinancing	Residential real estate	Oct. 2021	N	Disposal	15	11	1,117,001,700	120,000,000	13,000	1,237,014,617
BPCE CONSUMER LOANS FCT 2022	Y	Refinancing	Personal loans	Jul. 2022	Y	Disposal	15	11	1,000,000,000	219,500,000	13,000	1,219,392,220
BPCE ELIOS I FCT	N	Refinancing	Equipment loans	Dec. 2022	Y	Collateralization	1	0	400,000,000	133,334,000	300	534,091,346
BPCE HOME LOANS FCT 2023	Y	Refinancing	Residential real estate	Oct. 2023	N	Disposal	15	12	884,268,090	67,500,000	13,500	951,781,552
BPCE MERCURE MASTER SME FCT	Y	Treasury shares	Equipment loans	Nov. 2023	Y	Disposal	15	12	13,500,000,000	5,383,257,000	4,050	18,868,311,204

DAR of 12/31/2024							Participating institutions		Amounts issued per transaction			Assigned / collateralized receivables
Transaction name (FCT)	Label STS Y / N	Treasury shares/ Refinancing	Type of receivables	Launch date	Rechargeable Y / N	Disposal/ Collateralization	CEP	BP	Seniors *in €*	Subordinates *in €*	Residual units *in €*	*in €*
BPCE DEMETER TETRA FCT	Y	Refinancing	Personal loans	Mar. 2024	Y	Collateralization	15	10	900,000,00	300,000,007	7,500	1,201,179,023
BPCE CONSUMER LOANS FCT 2024	Y	Refinancing	Personal loans	May 2024	Y	Disposal	15	11	750,000,000	142,900,000	13,000	829,980,276
BPCE OPHELIA MASTER SME FCT	Y	Refinancing	Equipment loans	Jul. 2024	Y	Disposal	15	12	1,300,000	530,989,000	4,050	1,826,988,132
BPCE HOME LOANS FCT 2024 Green UoP	Y	Refinancing	Residential real estate	Oct. 2024	N	Disposal	15	12	740,372,625	52,500,000	13,500	792,886,111

Note 1: the BPCE Master Home Loans FCT transaction already includes the effects, on the assets and liabilities side, of the reissuance/redemption of €18 billion net carried out on January 31, 2024 (from the Investor Report dated December 31, 2023).

Note 2: the FCT HESTIA 2019 transaction uses securitization tools but is not a securitization transaction from a regulatory point of view.

BRED securitization transactions

BRED Banque Populaire regularly securitizes its advances. The securities issued are kept on the balance sheet to strengthen its mobilization capacities at the ECB. The underlying advances are generally home loans and occasionally equipment or professional loans. The stock of eligible securities depends on the rate of securitization. The objective for the bank is not to transfer credit risk but to improve its liquidity.

The control of risks related to securitization transactions is based on several principles:

- the constitution of the pool of advances is determined by the Finance division under the supervision of the project manager. A detailed analysis of the composition of the deposit is carried out;
- the pool of advances is passed through the centralized IT filter;
- the deposit is systematically analyzed in great detail by two rating agencies (S&P and Fitch Ratings in general).

The deposit is generally audited by a recognized and independent firm.

For information, BRED Banque Populaire carried out an STS securitization transaction in 2024 of a portfolio of residential real estate loans, for a value of nearly €2 billion:

- the shares are held in treasury and therefore have no accounting impact in the consolidated financial statements;
- the program has a dual purpose: to strengthen the purchasing power at the ECB and to generate LCR *via* securities exchanges.

In addition, BRED Banque Populaire liquidated the ELIDE 2014 sub-fund in 2024.

Summary of securities

						Participating institutions		Amounts subscribed by the ETB				
Creation name	**Treasury shares/ Refinancing**	**Type of receivables**	**Launch date**	**Reloadable Y/N**	**Disposal/ Collateralization**	**CE**	**BP**	**Seniors** *in €m*	**Subordinated** *in €*	**Residual units** *in €*	**Initial assigned/ collateralized receivables**	**Assigned/ collateralized receivables in DAR**
ELIDE 2014	Treasury shares	Residential real estate	11/18/2014	N	Disposal		1			Liquidated		
ELIDE 2017-01	Treasury shares	Residential real estate	02/02/2017	N	Disposal		1	1,722,500,000	87,500,000	300	1,842,301,251	318,597,377
ELIDE 2017-02	Treasury shares	Residential real estate	04/27/2017	N	Disposal		1	956,000,000	76,100,000	300	1,050,595,774	252,873,416
ELIDE 2018-01	Treasury shares	Residential real estate	05/29/2018	N	Disposal		1	1,167,300,000	198,000,000	300	1,389,011,569	495,564,726
ELIDE 2021-01	Treasury shares	Residential real estate	03/25/2021	N	Disposal		1	2,584,300,000	312,400,000	300	2,920,133,058	1,801,484,964
ELIDE 2022-01	Treasury shares	Residential real estate	11/24/2022	N	Disposal		1	2,260,000,000	230,000,000	300	2,500,026,552	1,954,119,594
ELIDE 2024-01	Treasury shares	Residential real estate	05/23/2024	N	Disposal		1	1,870,000,000	122,000,000	300	2,000,004,227	1,891,586,414

7.4 Quantitative information

Breakdown of exposures and risk-weighted assets

BPCE22 – Breakdown of exposures by type of securitization

	12/31/2024		12/31/2023	
in millions of euros	Exposures	EAD	Exposures	EAD
Banking book	**23,013**	**21,663**	**21,970**	**20,742**
Traditional securitization	20,987	19,856	18,998	18,050
Synthetic securitization	2,026	1,807	2,972	2,693
Trading book	**610**	**610**	**609**	**609**
OVERALL	**23,623**	**22,273**	**22,579**	**21,351**

BPCE23 – Breakdown of EAD and RWA by type of portfolio

	12/31/2024		12/31/2023		Change	
in millions of euros	EAD	Risk-Weighted Assets	EAD	Risk-Weighted Assets	EAD	Risk-Weighted Assets
Banking book	**21,663**	**4,694**	**20,742**	**4,529**	**920**	**165**
Investor	8,109	2,145	7,559	1,906	550	239
Originator	2,109	869	3,019	1,089	(910)	(221)
Sponsor	11,445	1,681	10,164	1,534	1,280	146
Trading book	**610**	**350**	**609**	**377**	**1**	**(27)**
Investor	610	350	609	377	1	(27)
Sponsor	0	0	0	0	0	0
TOTAL	**22,273**	**5,044**	**21,351**	**4,907**	**921**	**137**

Breakdown by rating

BPCE24 – Breakdown of investor securitization exposures in the banking book

	12/31/2024		12/31/2023	
as a %	Standard & Poor's equivalent rating	Banking book	Standard & Poor's equivalent rating	Banking book
Investment grade	AAA	35%	AAA	36%
	AA+	13%	AA+	17%
	AA	3%	AA	4%
	AA-	2%	AA-	2%
	A+	1%	A+	2%
	A	0%	A	0%
	A-	0%	A-	0%
	BBB+	0%	BBB+	2%
	BBB	3%	BBB	0%
	BBB-	0%	BBB-	0%
Non-investment grade	BB+	2%	BB+	3%
	BB	0%	BB	0%
	BB-	0%	BB-	0%
	B+	0%	B+	0%
	B	0%	B	0%
	B-	0%	B-	0%
	CCC+	0%	CCC+	0%
	CCC	0%	CCC	0%
	CCC-	0%	CCC-	0%
	CC	0%	CC	0%
	C	0%	C	0%
Not rated	Not Rated	41%	Not Rated	35%
Default	D	0%	D	0%
OVERALL		**100%**		**100%**

BPCE25 – Breakdown of investor and sponsor securitization exposures in the trading book

as a %	12/31/2024		12/31/2023	
	Standard & Poor's equivalent rating	Trading portfolio	Standard & Poor's equivalent rating	Trading portfolio
Investment grade	AAA	70%	AAA	70%
	AA+	4%	AA+	2%
	AA	11%	AA	13%
	AA-	1%	AA-	3%
	A+	0%	A+	1%
	A	4%	A	4%
	A-	0%	A-	0%
	BBB+	0%	BBB+	0%
	BBB	1%	BBB	1%
	BBB-	2%	BBB-	2%
Non-investment grade	BB+	0%	BB+	0%
	BB	0%	BB	0%
	BB-	2%	BB-	1%
	B+	0%	B+	0%
	B	0%	B	0%
	B-	0%	B-	0%
	CCC+	0%	CCC+	0%
	CCC	0%	CCC	0%
	CCC-	0%	CCC-	0%
	CC	0%	CC	0%
	C	1%	C	0%
Not rated	Not Rated	4%	Not Rated	1%
Default	D	0%	D	0%
OVERALL		**100%**		**100%**

7.5 Detailed quantitative information

Banking book

EU SEC1 – Banking book – Securitization exposures

	12/31/2024											
	a	c	e	g	h	i	j	k	l	m	n	o
	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
in millions of euros	STS	Non-STS			STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES		**302**	**1,807**	**2,109**	**1,692**	**9,752**	**-**	**11,445**	**2,425**	**5,683**	**0**	**8,109**
2 Retail (total)		**-**	**-**	**-**	**255**	**2,006**	**-**	**2,261**	**2,411**	**2,941**	**0**	**5,352**
3 Residential mortgage loans		-	-	-	-	1,217	-	1,217	2,313	174	0	2,487
4 Credit cards		-	-	-	255	449	-	704	-	2,395	-	2,395
5 Other retail exposures		-	-	-	-	340	-	340	99	371	-	469
6 Re-securitization		-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)		**302**	**1,807**	**2,109**	**1,437**	**7,747**	**-**	**9,184**	**14**	**2,743**	**-**	**2,757**
8 Corporate loans		39	1,807	1,846	-	6,797	-	6,797	-	1,281	-	1,281
9 Commercial mortgage loans		264	-	264	-	-	-	-	-	309	-	309
10 Leases and advances		-	-	-	1,437	562	-	1,999	-	825	-	825
11 Other wholesale exposures		-	-	-	-	388	-	388	14	314	-	328
12 Re-securitization		-	-	-	-	-	-	-	-	13	-	13

		12/31/2023										
	a	c	e	g	h	i	j	k	l	m	n	o
	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
in millions of euros	STS	Non-STS			STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES	**-**	**326**	**2,693**	**3,019**	**1,256**	**8,908**	**-**	**10,164**	**2,165**	**5,394**	**-**	**7,559**
2 *Retail (total)*	**-**	**20**	**-**	**20**	**-**	**2,117**	**-**	**2,117**	**2,070**	**2,818**	**-**	**4,887**
3 Residential mortgage loans	-	20	-	20	-	1,062	-	1,062	2,066	438	-	2,503
4 Credit cards	-	-	-	-	-	765	-	765	-	2,298	-	2,298
5 Other retail exposures	-	-	-	-	-	290	-	290	4	82	-	86
6 Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-
7 *Wholesale (total)*	**-**	**307**	**2,693**	**2,999**	**1,256**	**6,791**	**-**	**8,048**	**96**	**2,576**	**-**	**2,672**
8 Corporate loans	-	46	2,693	2,738	-	5,617	-	5,617	82	1,574	-	1,655
9 Commercial mortgage loans	-	261	-	261	-	-	-	-	-	43	-	43
10 Leases and advances	-	-	-	-	1,256	686	-	1,942	-	291	-	291
11 Other wholesale exposures	-	-	-	-	-	489	-	489	14	655	-	669
12 Re-securitization	-	-	-	-	-	-	-	-	-	13	-	13

EU SEC3 Banking book – Securitization exposures and associated regulatory capital requirements (originator and sponsor positions)

		12/31/2024																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Values at risk (by RW bands/deductions)					Values at risk (by regulatory approach)				Risk-Weighted Assets (by regulatory approach)				Capital requirement after application of the cap			
in millions of euros		≤20% RW	>20% to ≤50% RW	>50% to ≤100% RW	>100% to <1,250 % RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions
1	**TOTAL EXPOSURES**	**12,332**	**1,135**	**13**	**34**	**39**	**1,965**	**301**	**11,250**	**39**	**321**	**85**	**1,655**	**488**	**26**	**7**	**132**	**39**
2	**Traditional transactions**	**10,525**	**1,135**	**13**	**34**	**39**	**158**	**301**	**11,250**	**39**	**50**	**85**	**1,655**	**488**	**4**	**7**	**132**	**39**
3	Securitization	10,525	1,135	13	34	39	158	301	11,250	39	50	85	1,655	488	4	7	132	39
4	Retail	1,438	823	-	-	-	-	-	2,261	(0)	-	-	345	-	-	-	28	-
5	Of which STS	255	-	-	-	-	-	-	255	-	-	-	25	-	-	-	2	-
6	Wholesale	9,087	312	13	34	39	158	301	8,989	39	50	85	1,310	488	4	7	105	39
7	Of which STS	1,437	-	-	-	-	-	-	1,437	-	-	-	141	-	-	-	11	-
8	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic transactions**	**1,807**	**-**	**-**	**0**	**-**	**1,807**	**-**	**-**	**-**	**271**	**-**	**-**	**-**	**22**	**-**	**-**	**-**
10	Securitization	1,807	-	-	0	-	1,807	-	-	-	271	-	-	-	22	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	1,807	-	-	0	-	1,807	-	-	-	271	-	-	-	22	-	-	-
13	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		12/31/2023																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Values at risk (by RW bands/deductions)					Values at risk (by regulatory approach)				Risk-Weighted Assets (by regulatory approach)				Capital requirement after application of the cap			
	in millions of euros	≤20% RW	>20% to ≤50% RW	>50% to ≤100% RW	>100% to <1,250 % RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250 % RW/ deductions
1	**TOTAL EXPOSURES**	**11,915**	**1,177**	**12**	**34**	**46**	**2,846**	**281**	**10,011**	**46**	**454**	**80**	**1,517**	**573**	**36**	**6**	**121**	**46**
2	**Traditional transactions**	**9,222**	**1,177**	**12**	**34**	**46**	**154**	**281**	**10,011**	**46**	**50**	**80**	**1,517**	**573**	**4**	**6**	**121**	**46**
3	Securitization	9,222	1,177	12	34	46	154	281	10,011	46	50	80	1,517	573	4	6	121	46
4	Retail	1,296	840	-	-	-	-	-	2,136	(0)	-	-	400	-	-	-	32	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	7,926	337	12	34	46	154	281	7,874	46	50	80	1,117	573	4	6	89	46
7	Of which STS	1,256	-	-	-	-	-	-	1,256	-	-	-	123	-	-	-	10	-
8	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic transactions**	**2,693**	**0**	**-**	**-**	**0**	**2,693**	**-**	**0**	**0**	**404**	**-**	**0**	**0**	**32**	**-**	**0**	**0**
10	Securitization	2,693	0	-	-	0	2,693	-	0	0	404	-	0	0	32	-	0	0
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	2,693	0	-	-	0	2,693	-	0	0	404	-	0	0	32	-	0	0
13	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

EU SEC4 – Banking book – Securitization exposures and associated regulatory capital requirements (investor positions)

		12/31/2024																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Values at risk (by RW bands/deductions)					Values at risk (by regulatory approach)				Risk-Weighted Assets (by regulatory approach)				Capital requirements after cap			
	in millions of euros	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1,250 % RW	1,250% RW	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%
1	**TOTAL EXPOSURES**	**5,750**	**1,726**	**275**	**357**	**0**	**-**	**4,610**	**3,385**	**0**	**-**	**1,499**	**646**	**0**	**-**	**120**	**52**	**0**
2	**Traditional securitization**	**5,750**	**1,726**	**275**	**357**	**0**	**-**	**4,610**	**3,385**	**0**	**-**	**1,499**	**646**	**0**	**-**	**120**	**52**	**0**
3	Securitization	5,750	1,726	262	357	0	-	4,610	3,372	-	-	1,499	633	-	-	120	51	-
4	Retail underlying	3,437	1,444	139	332	-	-	4,419	933	-	-	1,406	145	-	-	112	12	-
5	Of which STS	2,411	0	-	-	-	-	2,313	99	-	-	278	10	-	-	22	1	-
6	Wholesale	2,314	282	123	25	0	-	191	2,439	-	-	93	488	-	-	7	39	-
7	Of which STS	14	-	-	-	-	-	-	14	-	-	-	1	-	-	-	0	-
8	Re-securitization	-	-	13	-	0	-	-	13	0	-	-	13	0	-	-	1	0
9	**Synthetic securitization**	**-**	**-**	**-**	**-**	**0**	**-**	**-**	**-**	**0**	**-**	**-**	**-**	**0**	**-**	**-**	**-**	**0**
10	Securitization	-	-	-	-	0	-	-	-	0	-	-	-	0	-	-	-	0
11	Retail underlying	-	-	-	-	0	-	-	-	0	-	-	-	0	-	-	-	0
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		12/31/2023																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Values at risk (by RW bands/deductions)					Values at risk (by regulatory approach)				Risk-Weighted Assets (by regulatory approach)				Capital requirements after cap			
	in millions of euros	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1,250% RW	1,250% RW	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%	IRB RBA (including IAA)	IRB SFA	SA/ SSFA	1,250%
1	**TOTAL EXPOSURES**	**5,266**	**1,856**	**209**	**227**	**0**	**-**	**4,516**	**2,976**	**0**	**-**	**1,385**	**520**	**0**	**-**	**111**	**42**	**0**
2	**Traditional securitization**	**5,266**	**1,856**	**209**	**227**	**0**	**-**	**4,516**	**2,976**	**0**	**-**	**1,385**	**520**	**0**	**-**	**111**	**42**	**0**
3	Securitization	5,266	1,856	196	227	0	-	4,516	2,963	0	-	1,385	508	0	-	111	41	0
4	Retail underlying	2,900	1,583	196	207	0	-	4,151	668	0	-	1,283	153	0	-	103	12	0
5	Of which STS	2,070	-	-	-	-	-	2,066	4	-	-	222	0	-	-	18	0	-
6	Wholesale	2,366	273	-	20	-	-	365	2,294	0	-	102	355	0	-	8	28	0
7	Of which STS	96	-	-	-	-	-	-	96	-	-	-	1	-	-	-	0	-
8	Re-securitization	-	-	13	-	0	-	-	13	0	-	-	13	0	-	-	1	0
9	**Synthetic securitization**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
10	Securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BPCE26 – Banking book – Breakdown of securitization outstandings

	12/31/2024				12/31/2023			
	Securitization	Re-securitization	Securitization	Re-securitization	Securitization	Re-securitization	Securitization	Re-securitization
in millions of euros	EAD	EAD	Risk-Weighted Assets	Risk-Weighted Assets	EAD	EAD	Risk-Weighted Assets	Risk-Weighted Assets
Investor positions	**8,096**	**13**	**2,132**	**13**	**7,546**	**13**	**1,893**	**13**
On-balance sheet exposures	6,936	13	1,837	13	6,441	13	1,707	13
Off-balance sheet exposure and derivatives	1,160	-	295	-	1,105	-	186	-
Originator positions	**2,109**	**-**	**869**	**-**	**3,019**	**-**	**1,089**	**-**
On-balance sheet exposures	2,109	-	868	-	3,019	-	1,088	-
Off-balance sheet exposure and derivatives	0	-	1	-	0	-	1	-
Sponsor positions	**11,445**	**-**	**1,681**	**-**	**10,164**	**-**	**1,534**	**-**
On-balance sheet exposures	68	-	7	-	0	-	8	-
Off-balance sheet exposure and derivatives	11,376	-	1,674	-	10,164	-	1,526	-
TOTAL	**21,650**	**13**	**4,681**	**13**	**20,729**	**13**	**4,516**	**13**

Trading book

EU SEC 2 – Trading book – Securitization exposures

	12/31/2024								
	a	c	d	e	g	h	i	k	l
	Institution acts as originator			Institution acts as sponsor			Institution acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
in millions of euros	STS			STS			STS		
1 TOTAL EXPOSURES							**610**		**610**
2 Retail (total)							**287**	**-**	**287**
3 Residential mortgage loans							89	-	89
4 Credit cards							120	-	120
5 Other retail exposures							78	-	78
6 Re-securitization							-	-	-
7 Wholesale (total)							**322**	**-**	**322**
8 Corporate loans							265	-	265
9 Commercial mortgage loans							-	-	-
10 Leases and advances							40	-	40
11 Other wholesale exposures							-	-	-
12 Re-securitization							18	-	18

	12/31/2023								
	a	c	d	e	g	h	i	k	l
	Institution acts as originator			Institution acts as sponsor			Institution acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
in millions of euros	STS			STS			STS		
1 TOTAL EXPOSURES	**-**	**-**	**-**	**-**		**-**	**609**	**-**	**609**
2 Retail (total)	**-**	**-**	**-**	**-**		**-**	**326**		**326**
3 Residential mortgage loans	-	-	-	-		-	127		127
4 Credit cards	-	-	-	-		-	105		105
5 Other retail exposures	-	-	-	-		-	95		95
6 Re-securitization	-	-	-	-		-	-		-
7 Wholesale (total)	**-**	**-**	**-**	**-**		**-**	**283**		**283**
8 Corporate loans	-	-	-	-		-	183		183
9 Commercial mortgage loans	-	-	-	-		-	2		2
10 Leases and advances	-	-	-	-		-	57		57
11 Other wholesale exposures	-	-	-	-		-	22		22
12 Re-securitization	-	-	-	-		-	18		18

EU SEC5 – Securitization exposures – Exposures in default and adjustments for specific credit risk

		12/31/2024		
		a	b	c
		Exposures securitized by the institution – Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
in millions of euros			Of which exposures in default	
1	**TOTAL EXPOSURES**	**17,578**	**85**	**-**
2	**Retail (total)**	**1,952**	**25**	**-**
3	Residential mortgage loans	1,087	2	-
4	Credit cards	569	-	-
5	Other retail exposures	296	23	-
6	Re-securitization	-	-	-
7	**Wholesale (total)**	**15,626**	**59**	**-**
8	Corporate loans	6,889	12	-
9	Commercial mortgage loans	6,837	-	-
10	Leases and advances	1,533	15	-
11	Other wholesale exposures	367	33	-
12	Re-securitization	-	-	-

		12/31/2023		
		a	b	c
		Exposures securitized by the institution – Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
in millions of euros			Of which exposures in default	
1	**TOTAL EXPOSURES**	**17,981**	**37**	**0**
2	**Retail (total)**	**1,841**	**14**	**-**
3	Residential mortgage loans	1,032	1	-
4	Credit cards	635	-	-
5	Other retail exposures	174	13	-
6	Re-securitization	-	-	-
7	**Wholesale (total)**	**16,140**	**23**	**0**
8	Corporate loans	7,667	11	0
9	Commercial mortgage loans	6,420	-	-
10	Leases and advances	1,630	12	-
11	Other wholesale exposures	423	-	-
12	Re-securitization	-	-	-

8 MARKET RISKS

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8.1 Market risk policy

Risk policies governing market transactions are defined by the Risk divisions of institutions with trading activities. These policies are based on a qualitative and forward-looking perspective.

In addition, for the banking book activities, investment policies are defined at Group level. The risk management framework related to this activity is defined in accordance with investment policies and is reviewed annually.

8.2 Market risk management

The Risk division works in the areas of risk measurement, definition and oversight of limits, and supervision of market risks. It is tasked with the following duties:

Management

Risk measurement:

- establishing the principles of market risk measurement, which are then validated by the various appropriate Risk Committees;
- implementing the tools needed to measure risk on a consolidated basis;
- producing risk measurements, including those corresponding to operational market limits, or ensuring that they are produced as part of the Risk Management process;
- determining policies for adjusting values or delegating them to the Risk divisions of the relevant institutions and centralizing the information;
- performing Level 2 validation of operating results and cash valuation methods.

Definition and oversight of limits:

- examining the limit framework and setting limits (global caps and, where necessary, operational limits) adopted by the various appropriate Risk Committees, as part of the comprehensive Risk Management process;
- examining the list of authorized products for the relevant institutions and the conditions to be observed, and submitting them for approval to the appropriate Market Risk Committee;
- examining requests for investments in financial products, or in new capital market products or activities, by the relevant banking institutions;
- harmonizing processes used to manage trading book allocations and medium- to long-term portfolios of the Banque Populaire and Caisse d'Epargne networks (indicators, definition of indicator limits, oversight and control process, and reporting standards).

Monitoring

For the monitoring and control of market risks:

- consolidating the mapping of Group market risks and contributing to the macro-risk mapping of Group and institution risks;
- performing or overseeing daily supervision of positions and risks with respect to allocated limits (overall and operational limits) and established resilience thresholds, organizing the decision-making framework for limit breaches and performing or overseeing permanent supervision of limit breaches and their resolution;
- preparing the consolidated dashboard for the various decision-making bodies;
- defining and performing controls.

Market risk measurement methods

From a prudential standpoint, Groupe BPCE uses the standardized approach to measure market risk. The risk monitoring system relies on three types of indicators used to manage activity, on an overall basis and by similar activity, by focusing on directly observable criteria, including:

- sensitivity to variations in the underlying instrument, variations in volatility or to correlation, nominal amounts, and diversification indicators. The limits corresponding to these qualitative and quantitative operational indicators thus complement the VaR limits and stress tests;
- daily assessment of global market risk measurement through a 99% one-day VaR;
- stress tests to measure potential losses on portfolios in extreme market conditions. The Group system relies on comprehensive stress tests and specific stress tests for each activity.

Special reports on each business line are sent daily to the relevant operational staff and managers. BPCE's Group Risk division also provides a weekly report summarizing all of the Group's market risk, with a detailed breakdown for GFS and BRED Banque Populaire.

In addition, for GFS, global market risk reports are sent to the central institution on a daily basis. The latter produces a weekly summary of market risk indicators and results for the Group's executive management.

Finally, a global review of Groupe BPCE's consolidated market risks (covering VaR measures and hypothetical/historic stress scenarios) is presented to the Group Market Risk Committee, in addition to risk reports prepared for the entities.

In response to the Revised Pillar III Disclosure Requirements (MRB Table: Qualitative disclosures for banks using the Internal Models Approach), the main characteristics of the various models used for market risk are presented in the GFS Registration Document.

The internal market risk and valuation models used by GFS are validated by the Model Risk Management and Wholesale Banking Validation team of Groupe BPCE's Risk division. This independent validation of the models is part of the broader model risk management framework described in Section 6.15.

More specifically for the valuation models, the following aspects are assessed:

- theoretical and mathematical validation of the model, analysis of the assumptions and their justification in the model documentation;
- algorithmic validation and comparison with alternative models (benchmarking);
- analysis of the stability, the convergence of the numerical method, the stability of the model in the event of stressed scenarios;
- study of implicit risk factors and calibration, analysis of input data, and identification of upstream models;
- measurement of the model risk and validation of the associated reserve methodology.

Sensitivities

Each institution's Risk division monitors and verifies compliance with sensitivity limits on a daily basis. If a limit is breached, an alert procedure is triggered in order to define the measures required to return within operational limits.

VaR

Market risk is also monitored and assessed *via* synthetic VaR calculations, which determine potential losses generated by each business line at a given confidence level (99%) and over a given holding period (one day). For calculation purposes, changes in market inputs used to determine portfolio values are modeled using statistical data.

All decisions relating to risk factors using the internal calculation tool are revised regularly by committees involving all of the relevant participants (Risk division, Front Office and Results department). Quantitative and objective tools are also used to measure the relevance of risk factors.

VaR is based on numerical simulations, using a Monte-Carlo method which takes into account possible non-linear portfolio returns based on the different risk factors. It is calculated and monitored daily for all Group trading books, and a VaR limit is defined on a global level and per business line. The calculation tool generates 10,000 scenarios, which provides satisfactory precision levels. For certain complex products, which account for a minor share of the trading books, their inclusion in the VaR calculation is obtained by using sensitivities. VaR backtesting is carried out on approved scopes and confirms the overall robustness of the model used. Extreme risks, which are not included in VaR, are accounted for using stress tests throughout the Group.

This internal VaR model used by GFS was approved by the *Autorité de contrôle prudentiel et de résolution* (ACPR), the French prudential supervisory authority for the banking and insurance sector, in January 2009. GFS thus uses VaR to calculate the capital requirements for market risks in the approved scopes.

Stress tests

Stress tests are calibrated according to severity and occurrence levels, which are consistent with portfolio management objectives:

Trading book stress tests are calibrated over a 10-day period and a 10-year probability of occurrence.

They are based on:

- historical scenarios, which reproduce changes in market conditions observed during past crises, their impacts on current positions and P&Ls. They can be used to assess the exposure of the Group's activities to known scenarios. 12 historical stress tests have been in place since 2010;
- hypothetical scenarios, which involve simulating changes in market conditions in all activities based on plausible assumptions concerning the dissemination of an initial shock. These shocks are based on scenarios defined according to economic criteria (real estate crisis, economic crisis, etc.), geopolitical considerations (terrorist attacks in Europe, toppling of a regime in the Middle East, etc.) or other factors (bird flu, etc.). The group has had seven theoretical stress tests since 2010.

Banking book stress tests are calibrated over a longer period in line with the banking book's management periods:

- a bond stress test calibrated using a mixed hypothetical-historical approach that reproduces a stress on European sovereigns (similar to the 2011 crisis);
- a bond stress test calibrated using a mixed hypothetical-historical approach that reproduces a stress on corporates (similar to the 2008 crisis);
- an equity stress test calibrated over the 2011 historical period, applied to equity investments for the purpose of the liquidity reserve;
- a private equity and real estate stress test, calibrated over the 2008 historical period, applied to the private equity and real estate portfolios.

The different stress tests are subject to limits set by institution and for the Group. These are monitored as part of the recurring control system and through regular reporting.

Control

Independent price verification

The Group has established an organizational structure tasked with independent price verification (IPV) through:

- creation of a Group valuation team in the Market Risk division;
- Group governance to ensure compliance.

The Valuation Team is responsible for:

- measuring regulatory requirements and implementing said requirements while assessing their impacts on the production and verification of new indicators;
- standardizing and harmonizing the production, certification and communication of market inputs used in valuation processes;
- coordinating and overseeing valuation processes Group-wide, in order to guarantee the convergence of IPV methods and principles;
- harmonizing fair value level processes across the Group.

Group governance is based in particular on:

- a supervision system centered on the Group Valuation Committee and the Group Fair Value Level Committee;
- a body of procedures, including the Group IPV procedure, which explains the validation and escalation system.

Risk monitoring

The Group Risk division is responsible for monitoring the risks associated with all Groupe BPCE capital market activities, subject to regular review by the Group Market Risk Committee.

Within the scope of the trading book, market risk is monitored daily by measuring Group Value at Risk (VaR) and performing global and historical stress tests. The proprietary VaR calculation system developed by GFS is used by the Group. This system provides a tool for the measurement, monitoring and control of market risk at the consolidated level and for each institution, on a daily basis and taking account of correlations between the various portfolios. There are certain distinctive characteristics of Groupe BPCE that must be considered, in particular:

- for GFS: given the size of its capital markets business, GFS' risk management system is specifically tailored to this entity;
- for the Banque Populaire network: only BRED Banque Populaire has a capital markets business. It monitors the financial transactions carried out by the Banque Populaire network trading floor and Finance division daily, using 99% one-day Value at Risk, sensitivity, volume and stress scenario indicators;
- for Banque Palatine: daily monitoring of trading book activities is based on the Risk division's supervision of 99% one-day Value at Risk, stress tests and compliance with regulatory limits.

All limits (operational indicators, VaR, and stress tests) are monitored daily by each institution's Risk division. Any limit breaches must be reported and, where applicable, are subject to a Management decision concerning the position in question (close, hedge, hold, etc.).

These supervisory mechanisms also have operational limits and resilience thresholds that determine the Group's risk appetite for trading operations.

Banking book risk is supervised and monitored by activity: liquidity reserves, illiquid assets (private equity, non-operational real estate), securitizations and liquid assets excluding liquidity reserves. Liquidity reserves and liquid assets excluding liquidity reserves are monitored monthly, mainly *via* stress test indicators. Illiquid assets and securitizations are monitored quarterly.

The Group's single treasury and central bank collateral management pool is subject to daily monitoring of risks and economic results for all of its activities, which are mainly related to the banking book.

HIGHLIGHTS

- The Group continued to strengthen its financial risk management during this turbulent period marked by the bankruptcies of US regional banks, that of Credit Suisse, high interest rate volatility, concerns about inflation, the difficulties of the Chinese real estate sector and, finally, the crisis in the Middle East.
- Close monitoring of market activities was continued during this period to ensure that changes in exposures following market movements remained in line with the risk appetite and the regulatory framework.
- In addition, the impacts of the sharp rise in interest rates and high inflation on the banking book activities were assessed *via* specific studies and stress test measures. Closer monitoring of interest rate exposures in retail banking was put in place, thus making it possible to adapt the management of interest rate risk to the new market context.
- Liquidity continued to be closely monitored with, in particular, closer management of commercial liquidity and monitoring of customer behavior in the context of interest rates and inflation.

8.3 Quantitative information

Group VaR (Monte Carlo, 99%, for one day) amounted to €7.9 million at December 31, 2024, compared to €9 million at December 29, 2023.

The Group VaR RAF threshold was respected throughout the year and remained at relatively low levels, despite a maximum reached at the end of April at 76% of the threshold. The first half of 2024 was relatively volatile, particularly in the interest rate market, linked to the change in Japanese monetary policy and political tensions in Europe, particularly in France. In the second half of the year, the VaR stabilized before declining from November onwards in a context of euphoria in the US markets linked to the US elections.

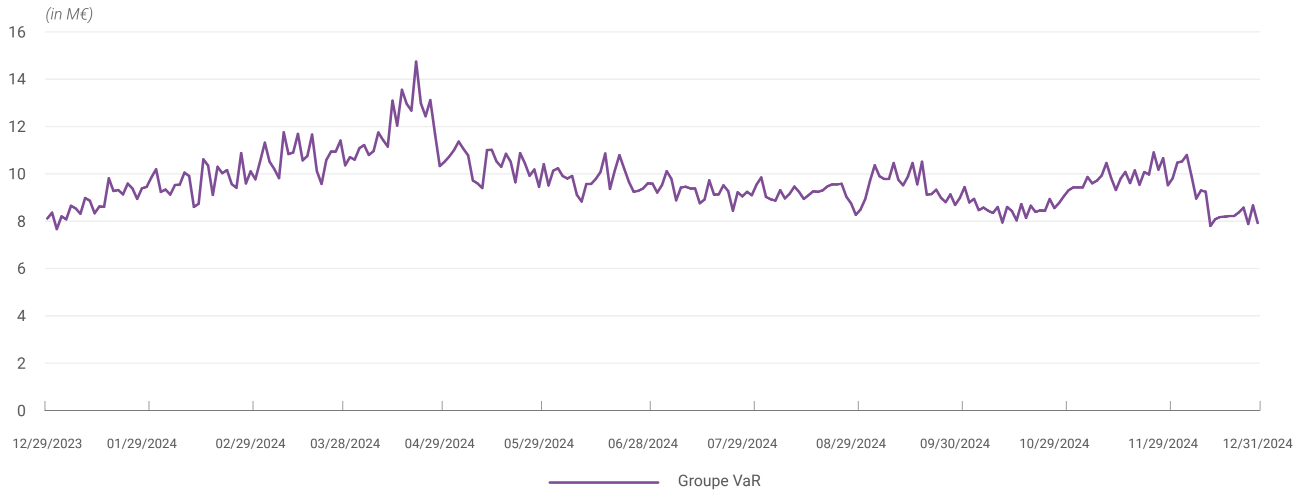
Groupe BPCE VaR

BPCE27 – Breakdown by risk class

	Monte-Carlo VaR 99%				
in millions of euros	12/31/2024	average	min.	max.	12/31/2023
Equity risk	6.1	7.0	5.5	9.1	6.8
Exchange rate risk	1.9	1.8	0.9	3.9	2.0
Commodity risk	0.6	0.8	0.5	1.6	0.5
Credit risk	0.5	1.2	0.5	2.0	1.6
Interest rate risk	4.8	6.4	4.1	11.1	6.2
OVERALL	**13.8**				**17.1**
Compensation effect	6.0				(8.2)
Consolidated VaR	**7.9**	**9.7**	**7.6**	**14.7**	**9.0**

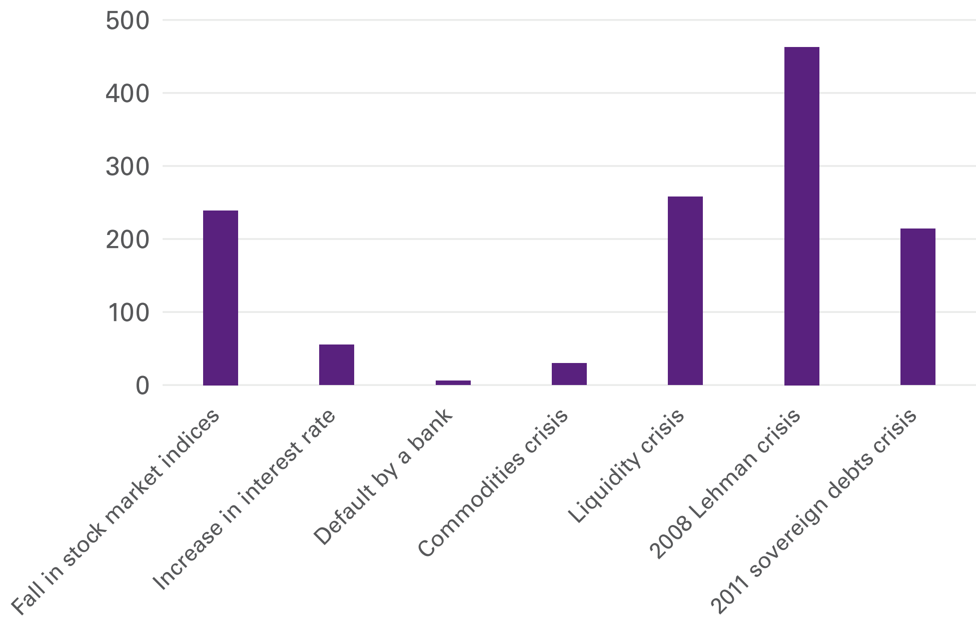
The reporting dates correspond to the last working day of the year.

BPCE28 – Groupe BPCE VaR over the year 2024 *(in millions of euros)*



Trading book stress test results

BPCE29 – Group stress test average over 2024



Risk-weighted assets and capital requirements

BPCE30 – RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENTS BY TYPE OF RISK

	12/31/2024		12/31/2023	
in millions of euros	**Risk-Weighted Assets**	**Capital requirements**	**Risk-Weighted Assets**	**Capital requirements**
Interest rate risk	2,195	176	1,763	141
Equity risk	945	76	659	53
UCI position risk	66	5	3	0
Exchange rate risk	4,613	369	4,201	336
Commodity risk	680	54	709	57
Settlement-delivery risk	0	0	4	0
Major trading book risk	-	-	-	0
Specific risk on securitization positions	350	28	377	30
Internal model approach risk	6,351	508	5,724	458
TOTAL	**15,201**	**1,216**	**13,439**	**1,075**

BPCE31 – Change in risk-weighted assets by impact

in billions of euros

Market risks – 12/31/2023	**15.4**
Standard	16.1
Internal model	6.4
VaR	1.6
SVaR	4.1
IRC	0.6
MARKET RISKS – 12/31/2024	**22.5**

8.4 Detailed quantitative information

The detailed quantitative information relating to market risk in the following tables enhances the information in the previous section in respect of Pillar III.

Breakdown of risk-weighted assets with respect to market risks by approach

EU MR1 – Market risk under the standardized approach

		12/31/2024	12/31/2023
	in millions of euros	Risk-Weighted Assets	Risk-Weighted Assets
	OUTRIGHT PRODUCTS		
1	Interest rate risk (general and specific)	2,088	1,686
2	Equity risk (general and specific)	874	538
3	Exchange rate risk	4,563	4,024
4	Commodity risk	646	695
	OPTIONS		
5	Simplified approach	0	0
6	Delta-plus approach	138	129
7	Scenario approach	191	262
8	Securitization	350	377
9	**TOTAL**	**8,849**	**7,712**

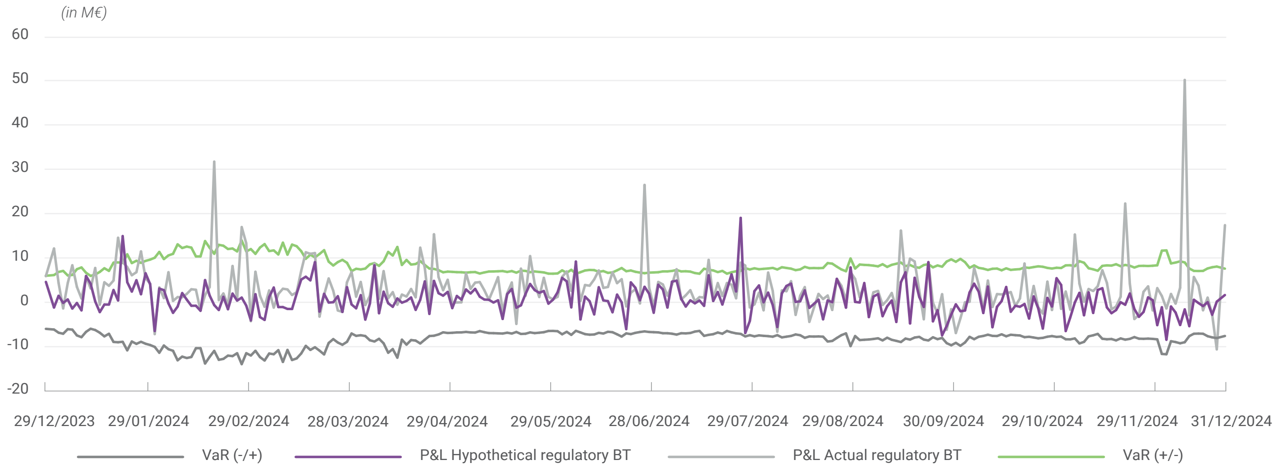
Detailed information on market risks within the Natixis scope

EU MR3 – Internal model approach (IMA) values for trading books

		a	b
	in millions of euros	12/31/2024	12/31/2023
	VAR (10 DAYS 99%)		
1	Maximum value	44.1	49.9
2	Average value	26.5	29.9
3	Minimum value	18.8	18.9
4	Value at end of year	24.0	18.9
	STRESSED VAR (10 DAYS 99%)		
5	Maximum value	88.2	77.7
6	Average value	62.3	58.3
7	Minimum value	42.8	48.3
8	Value at end of year	42.8	58.1
	INCREMENTAL RISK CHARGE (99.9%)		
9	Maximum value	62.7	35.2
10	Average value	36.9	25.2
11	Minimum value	15.8	15.8
12	Value at end of year	22.5	15.8

EU MR4 – Comparison of VaR estimates with profit/loss

The following chart shows the results of backtesting (ex post comparison of potential losses, as calculated ex ante by VaR (99%, 1 day), with hypothetical and actual P&L impacts) on the regulatory scope, and can be used to verify the solidity of the VaR indicator:



In 2024, a backtesting exception was recorded on the effective P&L at December 30, 2024 following month-end adjustments combining fair value and independent price review adjustments on the Fixed Income, Global Securities Financing and Equities desks.

EU MR2A – Market risk under the internal models approach (IMA)

		12/31/2024		12/31/2023	
		a	b	c	d
in millions of euros		RWEA	CAPITAL REQUIREMENTS	RWEA	CAPITAL REQUIREMENTS
1	**VAR (HIGHER OF VALUES A AND B)**	**1,618**	**129**	**1,646**	**132**
a)	Previous day's VaR (VaR t-1)		24		19
b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		129		132
2	**SVaR (higher of values a and b)**	**4,122**	**330**	**3,697**	**296**
a)	Latest available SVaR (SVaR t-1)		43		58
b)	Multiplication factor (ms) x average of previous 60 working days (SVaRavg)		330		296
3	**IRC (higher of values a and b)**	**611**	**49**	**381**	**30**
a)	Most recent IRC measure		28		22
b)	12 weeks average IRC measure		49		30
4	**Comprehensive risk measure (higher of values a, b and c)**	**0**	**0**	**0**	**0**
a)	Most recent risk measure of comprehensive risk measure		0		0
b)	12 weeks average of comprehensive risk measure		0		0
c)	Comprehensive risk measure – Floor		0		0
5	**Other**	**0**	**0**	**0**	**0**
6	**Overall**	**6,351**	**508**	**5,724**	**458**

EU MR2-B – RWA flow statements for market risk exposures under the internal models approach (IMA)

		a	b	c	d	e	f	g
in millions of euros		VaR	SVaR50	IRC	Overall risk measurement	Other	Total RWEA	Total capital requirements
1	**RWA AT THE END OF THE PREVIOUS PERIOD (12/31/2023)**	**1,646**	**3,697**	**381**	**0**	**0**	**5,724**	**458**
1a	*Regulatory adjustments*	(1,410)	(2,971)	(105)	*0*	*0*	(4,485)	(359)
1b	*RWEA at the end of the previous quarter (end of day)*	237	726	276	*0*	*0*	1,239	99
2	Changes in risk levels	63	(191)	76	0	0	(52)	(4)
3	Model updates/modifications							
4	Methodology and policies							
5	Acquisitions and disposals							
6	Foreign exchange movements							
7	Other							
8a	*RWEA at the end of the reporting period (end of day)*	*300*	*535*	*352*	*0*	*0*	*1,187*	*95*
8b	*Regulatory adjustments*	*1,318*	*3,587*	*259*	*0*	*0*	*5,164*	*413*
8	**RWA AT THE END OF THE REPORTING PERIOD (12/31/2024)**	**1,618**	**4,122**	**611**	**0**	**0**	**6,351**	**508**

The effects are defined as follows:

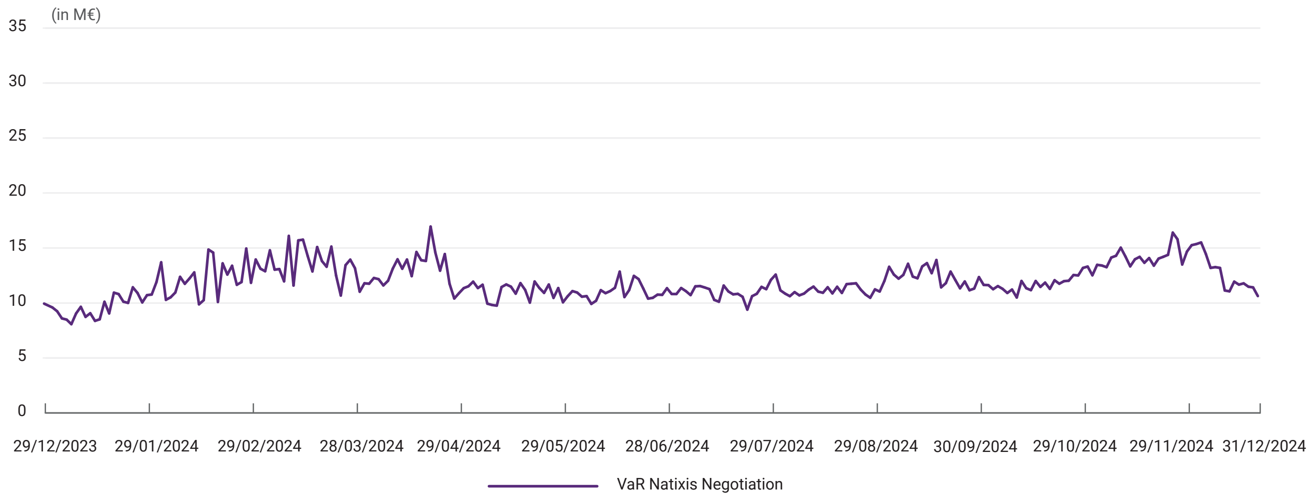
- regulatory adjustment: delta between the RWAs used in the calculation of regulatory RWAs and the RWAs calculated on the last day of the period;
- changes in risk levels: changes related to market characteristics;
- model updates/modifications: changes linked to significant modifications of the model following an update of the calculation perimeter, the methodology, the assumptions or the calibration;
- methodology and policies: changes related to regulatory changes;
- acquisitions and disposals: changes following the purchase or disposal of business lines;
- foreign exchange movements: changes in the exchange rate risk related to the reversal of the value of the VaR if it were exceptionally expressed in a currency other than the euro, the currency in which the VaR is calculated.

BPCE32 – Natixis global VaR with guarantee – trading book (VaR 99% 1 day)

The VaR level for Natixis' trading books averaged €8.5 million, with a minimum of €5.8 million on January 8, 2024 and a peak of €12.1 million on April 25, 2024 and standing at €7.6 million as of December 31, 2024.

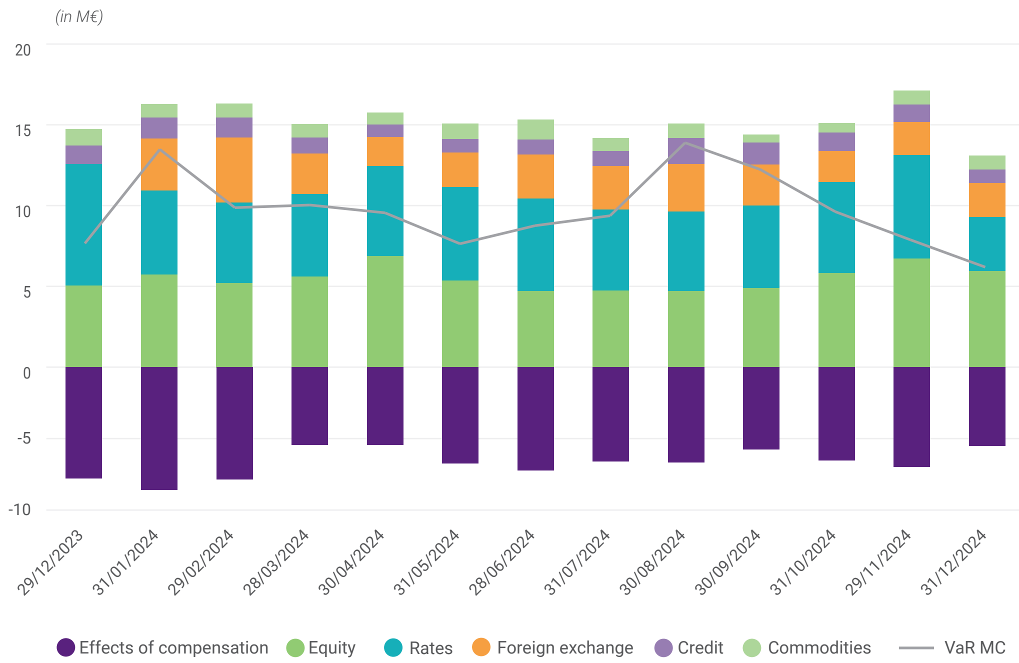
The following chart shows the VaR trading history between December 29, 2023 and December 31, 2024 for the entire scope.

Natixis Global VaR – Trading book (VaR 99% 1 day)



BPCE33 – Breakdown by risk class and netting effect

The breakdown of the VaR by business line provides a picture of the monthly contribution of the main risks and the netting effects in terms of VaR.

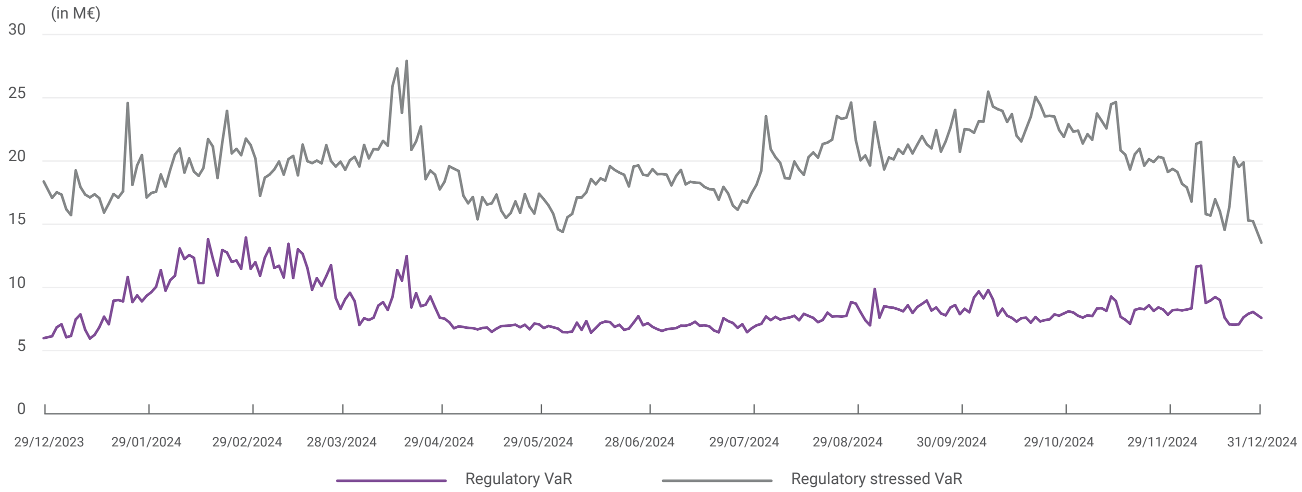


This slight increase is mainly due to theprudent management of positions in line with the previous year, in an unstable geopolitical environment and more sustained commercial activity.

BPCE34 – Natixis stressed VaR

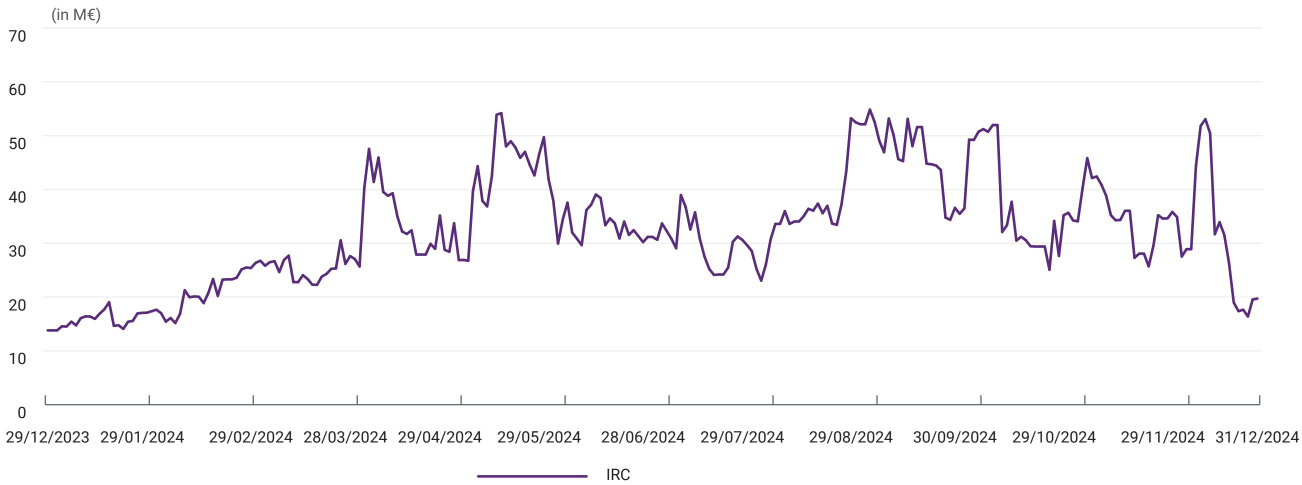
The level of stressed regulatory VaR averaged €19.7 million, with a reported minimum of €13.5 million on December 31, 2024, a maximum of €27.9 million on April 18, 2024, and a level of €13.5 million at December 31, 2024.

Change in regulatory VaR (99%, 1 day) and stressed VaR (SVaR 99%, 1 day):



BPCE35 – IRC indicator

This indicator covers the regulatory scope. Natixis' IRC averaged €36.9 million, bottoming out at €15.8 million on January 2, 2024, with a peak of €62.7 million on September 4, 2024, and stood at €22.5 million at December 31, 2024. IRC is subject to greater variations following a methodological change in the model passed on April 5, 2024 concerning the cash-based CDS component directly incorporated into the IRC amount.

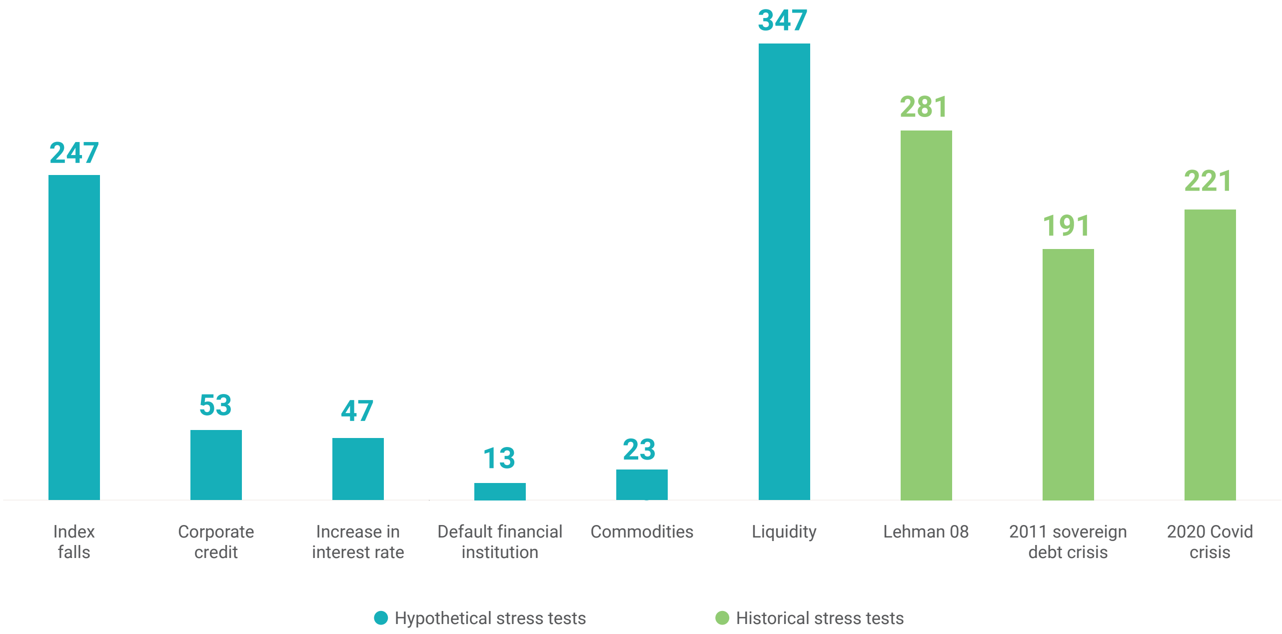


BPCE36 – Results of stress tests on Natixis' scope

Overall stress test levels reached an average level of +€158 million as at December 31, 2024, versus +€167 million as at December 29, 2023.

The hypothetical stress test reproducing the banks' default was the lowest (+€13 million at December 31, 2024).

Overall stress tests at December 31, 2024 (in M€)



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9.1 Governance and structure

Like all credit institutions, Groupe BPCE is exposed to structural liquidity, interest rate and exchange rate risks.

These risks are closely monitored by the Group and its institutions to secure immediate and future income, balance the balance sheets and promote the Group's development.

The Audit Committee and Supervisory Board of Groupe BPCE are consulted on general ALM policy and are informed of major decisions taken regarding liquidity, interest rate and exchange rate risk management. The implementation of the chosen policy is delegated to the Group Asset/Liability Management Committee.

Each year, Supervisory Board of Groupe BPCE validates the main lines of the ALM policy, *i.e.* the principles of market risk measurements and levels of risk tolerance. It also reviews the risk limit system each year.

Each quarter, the Audit Committee of Groupe BPCE is informed of the Group's position through management reports containing the main risk indicators.

The Group Asset/Liability Management Committee, chaired by the Chairman of the Management Board of BPCE, is responsible for the operational implementation of the defined policy. It meets every two months and its main duties are as follows:

- determine the Group's general policy on liquidity and transformation risk;
- examine the consolidated view of the structural risks of the Group and its various entities, as well as changes in the balance sheet;
- define the structural risk limits of the Group and the liquidity pools and monitor them (with the approval of the Risk division);
- approve the allocation to liquidity pools and the limits;
- monitor liquidity consumption at Group and liquidity pool level;
- approve the Groupe BPCE's global MLT and ST annual refinancing program and monitor it overall;
- approve the investment and allocation criteria as well as the desired overall profile of the Group's liquidity reserve.

The structural liquidity, interest rate and exchange rate risk management policy is jointly implemented by the Asset/Liability Management division (oversight of funding plan implementation, management of liquidity reserves, cash management, calculation and monitoring of the various risk indicators) and the Risk division (validation of the control framework, validation of models and agreements, controls of compliance with rules and limits). The Group Financial Management department and the Group Risk division are responsible for adapting this framework to their respective functions.

The adaptation of the operational management framework within each institution is subject to validation by the Board of Directors, the Steering Board and/or the Supervisory Board. Each institution has a special operational committee that oversees implementation of the funding strategy, Asset/Liability management and management of liquidity, interest rate and exchange rate risks for the institution, in line with rules and limits set at Group level. The Banque Populaire and Caisse d'Epargne networks implement the risk management system using a shared Asset/Liability management tool.

9.2 Liquidity risk management policy

Liquidity risk is defined as the risk of the Group being unable to meet its commitments or to settle or offset a position, due to market conditions factors specific to Groupe BPCE, within a specified period and at a reasonable cost. It reflects the risk of not being able to meet net cash outflows, including those related to collateral requirements, over all time horizons, from the short term to the long term.

Liquidity risk is assessed differently over the short-, medium- and long-term:

- in the short-term, it involves assessing an institution's ability to withstand a crisis;
- in the medium-term, liquidity is measured in terms of cash requirements;
- in the long-term, it involves monitoring the institution's maturity transformation level.

Liquidity risk is likely to materialize in the event of a decline in sources of financing that could be caused by a massive withdrawal of customer deposits or by problems in executing the annual financing plan following a widespread crisis of confidence on the markets or events specific to Groupe BPCE. It could also be triggered by an increase in financing requirements due to an increase in drawdowns on loan commitments, an increase in margin calls or a higher collateral requirement.

All liquidity risk factors are accurately mapped, updated annually and presented to the Group Asset/Liability Management Committee. This mapping identifies the various risks as well as their level of materiality, assessed according to various criteria shared between the Asset/Liability Management and Risk divisions.

Objectives and policies

The liquidity management policy aims mainly to refinance all of the Group's business lines in an optimal and sustainable manner.

This mandate involves the following duties:

- ensure a sustainable refinancing plan at the best possible price, making it possible to finance the Group's various activities over a period consistent with the assets created;
- distribute this liquidity between the various business lines and monitor its use and changes in liquidity levels;
- comply with regulatory ratios and internal constraints resulting in particular from stress tests guaranteeing the sustainability of the Group's business model refinancing plan, even in the event of a crisis.

To this end, the Group relies on three mechanisms:

- centralized funding management aimed primarily at supervising the use of short-term funding, spreading out the maturity dates of medium- and long-term funds and diversifying sources of liquidity;
- supervision of each business line's liquidity consumption, predominantly by maintaining a balance between growth in the credit segment and customer deposit inflows;
- the creation of liquidity reserves, both in cash and collateral, in line with future liabilities and the targets set for securing the Group's liquidity.

These systems are managed and overseen by way of a consistent set of indicators, limits and management rules are combined in a centralized framework of standards and rules for the Group's institutions, so as to ensure the measurement and consolidated management of liquidity risk.

Operational management of liquidity risk

To keep track of its liquidity risks and define appropriate management and/or corrective actions, the Group has established a reliable, comprehensive and effective internal liquidity management and oversight system including a set of associated indicators and their limits. Liquidity risk management and monitoring are carried out at the consolidated Group level and within each of its entities. The definition of these indicators, the calculation methodology and any associated limits are covered in a body of consolidated standards that is reviewed and validated by the decision-making bodies of the Group and its institutions.

Liquidity consumption of the business lines

The liquidity consumption of the Group's various business lines and within the entities is governed by an internal liquidity allocation system based, on the one hand, on the setting of a target level of short-term, medium-term and long-term market footprint for the Group and, on the other hand, on its distribution among the Group's various entities *via* a liquidity budget system. The Group's market footprint measures its overall dependence to date on bond and money market funding. The sustainability of the Group's market access is measured on a regular basis. The structure of the Group's market footprint (schedule, type of vehicles, currencies, geographic area, investor categories, etc.) is thus closely monitored to ensure that it is not overly dependent on short-term financing and that sources of funds are diversified.

Each entity is required to meet the liquidity budget allocated to it both in terms of actual liquidity consumption and in terms of the projected vision as part of the budget process and the multi-year forecast. Compliance with the liquidity budget allocated to each entity makes it possible to ensure that the market footprint target set by the Group is correctly sized and to adapt, where necessary, the business line projections. Moreover, this also makes it possible to adjust the implementation rate of the multi-year funding plan based on the needs expressed by the business lines and the Group's capacity to carry out public issues on the market.

The financing needs of the business lines are closely correlated with changes in commercial assets and liabilities (customer loans and deposits) both in terms of the liquidity gap between the average assets and liabilities under management and due to the need for liquidity reserves that it can generate through compliance with the LCR (Liquidity Coverage Ratio).

The liquidity gap resulting from commercial activity is measured using the Customer loan-to-deposit ratio (LTD) at both the consolidated and entity level. This indicator allows a relative measure of the Group's autonomy with regard to the financial markets and monitors changes in the structure of the commercial balance sheet.

Risk indicators

The liquidity risk of the Group and its entities is measured based on regulatory ratios as defined by European regulations, with the LCR (liquidity coverage ratio for short-term liquidity) and the NSFR (Net Stable Funding Ratio for long-term liquidity).

This regulatory approach is complemented by an internal "economic" approach consisting of measuring the liquidity gap over a 10-year horizon. It makes it possible to control the flow of medium and long-term debt and to anticipate the Group's refinancing needs. It is governed by Group and individual entity limits.

The liquidity gap is measured using a so-called static approach, which only takes into account on-balance sheet and off-balance sheet positions to date, and incorporates outflow assumptions for unmatured products. These assumptions are based either on internal modeling (early repayment of loans, closing and deposits on home savings plans or PELs, etc.) or on agreements established for all Group entities (notably for customer deposits with no fixed maturity date, demand deposits and passbook savings accounts). The validation of the models and agreements is based on a process shared between the Asset/Liability management function and the Risk function, which ensures a cross-examination of the relevance of the assumptions used and their suitability with respect to the current limit system.

Stress simulation and liquidity reserve

Liquidity crisis simulations are regularly carried out to test the Group's ability to meet its commitments and continue its day-to-day business in a context of crisis. This stress test system aims to become a tool to support management decisions and to measure the Group's resilience over a defined period of time, as well as the relevance of its management system.

Under normal circumstances, these simulations aim to regularly measure exposure to liquidity risks by playing out a set of different determined stress scenarios. They make it possible to ensure the correct balance between the Group's liquidity reserve and changes in the net liquidity position under stress, as well as the ability to comply with regulatory requirements.

In a crisis situation, they make it possible to simulate possible changes in the instantaneous liquidity position on the basis of tailor-made scenarios, to identify potential impacts and to define the actions to be taken in the short-term.

The stress calculation methodology is based on the projection of the Group's on-balance sheet and off-balance sheet flows with stressed assumptions defined in the context of stress scenarios and on changes in the liquidity reserve taking into account securities transactions and different valuations (Market, ECB haircuts) according to different scenarios. Thus, for example, we assume that we will only be able to partially renew all maturing refinancing operations, will have to cope with requests for early repayment of deposits or unexpected disbursements on off-balance sheet loan commitments, and will incur a loss of customer deposits or a substantial change in their structure, or a loss of liquidity in certain market assets.

Liquidity stressors are based on different scenarios: idiosyncratic (Group-specific), a systemic crisis affecting all financial institutions, and a combined crisis. Different intensity levels are also used to allow sensitivity analyses.

Liquidity risk assessment systems

The Group's consolidated indicators are produced by the Group ALM department based on indicators produced at the level of each entity. The latter are derived from data collected in the entities' information systems in accordance with a Group organization scheme (data collection, correction and validation process).

A first-level control is carried out by the ALM departments of the entities in conjunction with Group ALM, followed by a second-level control carried out by the Risk departments of the entities and the Group.

Contingent Funding System (CFP)

The Group's Contingency Funding Plan (CFP) summarizes the work implemented by the Group to facilitate its management of liquidity crisis situations. The document is updated annually. It is based on a monitoring and alert system *via* a dashboard listing Early Warning Indicators (EWI) likely to enlighten the Group as to whether or not the CFP should be activated. These EWIs are produced on a daily basis and mainly concern funding, liquidity gap and liquidity reserve indicators. Market indicators (interest rates, exchange rates, equities, CDS, etc.) are also monitored in this daily dashboard. In addition to these quantitative approaches, a qualitative assessment in the form of a confidence index is provided by the functions responsible for issues, the Treasury and Central Bank Collateral Management team, and the Asset/Liability Management and Financial Risk Management teams. The CFP can thus be triggered by a specific market environment that may expose the Group's future liquidity position to increased risks.

During the health crisis of March 2020, while the Group's liquidity position was solid both from a cash and regulatory perspective, the Group activated its CFP in a preventive manner, in order to ensure that all business lines within the Group were aligned if actions were to be implemented. During the 2023 SVB and Credit Suisse episode, the CFP was not activated but the Group was on active vigilance.

The triggering of the CFP generates the establishment of a specific Crisis Management Committee with an escalation process based on the perceived magnitude of the crisis. In addition to this committee, which meets frequently, the CFP centralizes certain financial activities normally located at Global Financial Services with the head of the Treasury and Central Bank Collateral Management team.

The CFP also includes an inventory and an analysis ahead of the financial and business lines that the Group can implement, including potential liquidity gains and the associated costs (loss of profitability) and possible obstacles to their implementation. These levers can be grouped into three categories:

1) liquidity collection: The Group comprises many entities, which allows it to collect liquidity on an ad hoc basis and in a diversified manner;

2) reduction in liquidity consumption: Given its activities, the Group could, if necessary, reduce the financing it grants to the economy, particularly on the most controllable activities of its Corporate & Investment Banking in the event of tensions on its liquidity position;

3) the monetization of liquid assets: The Group has significant collateral reserves that can be converted into cash if necessary.

The knowledge gained from the recent crises (first half of 2020, with the activation of CFP, SVB and Credit Suisse without activation) was used to update the system in all of these components, namely the EWI system, the committee procedure and the related escalation process, together with the assessment of the various levers.

Centralized funding management

The Financial Management department organizes, coordinates and supervises the funding of Groupe BPCE on the markets.

The short-term funding of Groupe BPCE is carried out by the Single Treasury and Central Bank Collateral Management team, created following the merger of the BPCE and Natixis cash management teams. This integrated treasury team is capable of managing the Group's cash position more efficiently, particularly during a credit crunch.

The Group has access to short-term market funding through its two main issuers: BPCE and its subsidiary Natixis.

For medium- and long-term funding requirements (more than one year), in addition to deposits from customers of the Banque Populaire and Caisse d'Epargne networks, which are the primary source of funding, the Group also issues bonds on the financial markets with BPCE as principal operator, offering the broadest range of bonds to investors:

- directly as BPCE for subordinated debt issues (Additional Tier-1 and Tier-2), senior non-preferred debt and vanilla senior preferred debt issues, in multiple currencies, with the main currencies being the euro, the United States dollar, the British pound sterling, the Japanese yen, the Australian dollar and the Singapore dollar;
- or as BPCE SFH, the Group's main issuer of covered bonds; this issuer, operated by BPCE, specializes in *obligations de financement de l'habitat* (OH), a category of secured bond guaranteed by French legislation (backed by residential home loans in France).

Groupe BPCE works with two other specialized operators to round out its MLT funding sources:

- Natixis for structured senior preferred debt issues (private placements only) under the Natixis name, and for covered bonds under German law (backed by commercial real estate loans) under the Natixis Pfandbriefbank AG name;
- Crédit Foncier for issues of covered bonds of the type known as *obligations foncières* (OF), under the Compagnie de Financement Foncier name (a subsidiary of Crédit Foncier). OFs are a category of covered bonds based on French legislation (backed by public sector loans and assets, in line with the new positioning decided on in 2018 for this Group issuer, because this issuer's collateral still includes residential home loan outstandings in France previously produced by Crédit Foncier).

It should be noted that BPCE also contributes to the medium- and long-term refinancing of Corporate & Investment Banking hosted by Natixis (in addition to the structured private placements mentioned above and Natixis' own customer collections), which no longer intends to be an issuer on the markets in the form of a public issue.

BPCE has short-term funding programs governed by French law (NEU CP), UK law (Euro Commercial Paper) and New York State law (US Commercial Paper), and MLT funding programs governed by French law (EMTN and Neu MTN), New York State law (US MTN), Japanese law (Samurai) and New South Wales law (AUD MTN).

Lastly, the Group is also able to conduct market securitization transactions (ABS), primarily *via* RMBS with residential home loans issued by the Banque Populaire and Caisse d'Epargne networks.

Internal liquidity pricing

The centralization of the Group's refinancing involves the implementation of liquidity circulation principles within the Group and the rules for pricing this liquidity so that liquidity can circulate in the best possible way between the Group's entities. The principles are validated by the Group's Asset/Liability Management Committee and implemented by the Group's Treasury and Central Bank Collateral Management team. The system is designed to ensure the transparency and consistency of internal prices, guaranteeing fluid liquidity management between the Group's institutions.

In addition to this internal liquidity pricing system, an internal disposal rate system has been developed so that each of the Group's assets and liabilities can be assigned an internal liquidity price. Here again, the principles are decided by the Group's Asset/Liability Management Committee. The respective changes in the liquidity costs of customer deposits and market resources are taken into account in order to ensure the balanced and profitable development of all activities in the Group's various business lines.

Centralized collateral management

In its liquidity management policy, Groupe BPCE attaches great importance to the management and optimization of its collateral. Non-negotiable debt securities (in particular loans originated by the networks) and negotiable debt securities (financial securities, etc.) that are eligible for a funding arrangement, whether Central Bank funding (*via* the 3G pool) or Group funding (covered bonds, securitization, etc.) are classified as collateral.

Three key principles are implemented:

- centralized management of the entities' collateral by the central institution in order to improve oversight and operationality of collateral management. For entities with a 3G Pool (Global Financial Services, Compagnie de Financement Foncier, BRED, Crédit Coopératif, Banque Palatine), each entity is responsible for its own collateral. Nonetheless, these entities cannot directly participate in ECB refinancing operations without prior approval from the central institution;
- a definition of investment and management rules by the central institution, with the entities enjoying autonomy in their decision-making in accordance with Group standards;
- a set of indicators relating to the monitoring of collateral determined at Group level and monitored by the Group's Asset/Liability Management Committee.

Collateral management with respect to non-negotiable debt securities is based on a dedicated information system that makes it possible to identify the receivables and identify their eligibility for the various existing arrangements. A significant portion of these receivables is intended to be secured in order to meet the liquidity reserve requirements as set by the Group, particularly with regard to the stress tests conducted periodically.

The unsecured portion is available to carry out funding operations in the market, either in the form of sales of advances or in the form of mobilization of advances. Groupe BPCE has developed a strong expertise in these refinancing transactions, which has enabled it to structure innovative refinancing mechanisms, thus increasing its ability to diversify its sources of fund-raising from investors.

Adequacy of the institution's liquidity risk management systems

The Group continues to focus on improving risk monitoring through a detailed mapping of liquidity risks and on optimizing the tools and procedures to manage the Group's liquidity position and its balance sheet, on a constant basis, in order to be able to cope with new crises, should they occur.

The work carried out with the review of currency management systems, the diversification of short-term financing, the monitoring of intraday risks and stress tests to increase their operationality play an integral part in ensuring that the systems are more appropriate for monitoring and managing Groupe BPCE's liquidity risks.

To support the strengthening of the various systems, several IT projects aimed at improving the quality of the Group's production have been carried out with the launch of a new ALM management tool and a strengthened capacity to project indicators over time. Significant investments were also launched as part of the management of the Group's collateral with a view to industrializing and securing structured and specialized transactions, to meet the ambitions of ensuring greater diversification of the Group's refinancing.

9.3 Quantitative information

BPCE37 – Liquidity reserves

in millions of euros	12/31/2024	12/31/2023
Cash placed with central banks	127,307	147,107
LCR securities	66,661	57,757
Assets eligible for central bank funding	108,458	97,307
OVERALL	**302,426**	**302,171**

At December 31, 2024, the liquidity reserves covered 177% of short-term funding debt and MLT debt maturing within a year (€171 billion at December 31, 2024) compared to 161% at December 31, 2023 (ST and MLT maturities of €187 billion).

The increase in the coverage ratio is partly related to the repayments of the TLTRO 3 made in March 2024, which had a downward impact on the expiries of the MLT within one year, as well as the decrease in ST refinancing.

The change in the liquidity reserve during 2024 reflects the Group's liquidity management policy with the desire to maintain a high level of hedging of its liquidity risk.

BPCE38 – Liquidity gap

in millions of euros	01/01/2025 to 12/31/2025	01/01/2026 to 12/31/2028	01/01/2029 to 12/31/2032
Liquidity gap	24,278	19,580	16,112

The projected liquidity position shows a structural liquidity surplus over the analysis horizon. Compared with the end of 2023, this surplus is stable over one year and up by €6.0 billion over two to four years and €10.3 billion over five to eight years.

Over the short term, the stability of the Group's liquidity gap is mainly due to the Commercial Banking networks with an increase in customer loans and outflows on demand deposits and home purchase savings plans (PEL). This deterioration in the customer base of the networks is offset by the increase in specialized refinancing.

In the longer term, the liquidity gap improves significantly and still reflects the increase in specialized refinancing by the networks. In addition, the increase in emissions reinforces this improvement. This increase in excess liquidity is limited by the negative contribution of the customer base of the networks with a persistent outflow of demand deposits.

Customer loan-to-deposit ratio

At December 31, 2024, the Group's customer loan-to-deposit ratio remained stable at 128% (also 128% at December 31, 2023).

BPCE39 – Sources and uses of funds by maturity

in millions of euros	Less than 1 month	From 1 month to 3 months	From 3 months at 1 year	From 1 year to 5 years	More than 5 years	Not determined	Total at 12/31/2024
Cash and amounts due from central banks	132,769	23				394	133,186
Financial assets at fair value through profit or loss						230,521	230,521
Financial assets at fair value through other comprehensive income	2,191	795	1,139	25,817	22,902	4,322	57,166
Hedging derivatives						7,624	7,624
Securities at amortized cost	543	908	1,398	11,580	11,404	1,188	27,021
Loans and advances to banks and similar at amortized cost	102,984	9,580	493	1,564	459	782	115,862
Loans and advances to customers at amortized cost	57,309	29,677	74,939	270,945	406,527	12,445	851,843
Revaluation differences on interest rate risk-hedged portfolios, liabilities						(856)	(856)
FINANCIAL ASSETS BY MATURITY	**295,796**	**40,983**	**77,970**	**309,906**	**441,293**	**256,420**	**1,422,368**
Central banks	1						1
Financial liabilities at fair value through profit or loss	722	514	2,661	10,317	23,000	181,749	218,963
Hedging derivatives						14,260	14,260
Debt securities	42,061	30,857	49,508	107,946	76,920	(2,335)	304,957
Amounts due to banks and similar	31,959	11,200	5,826	9,669	11,426	(127)	69,953
Amounts due to customers	582,144	27,504	37,162	61,678	13,172	1,429	723,090
Subordinated debt	944	1,589	274	4,674	11,674	(754)	18,401
Revaluation differences on interest rate risk-hedged portfolios, liabilities						14	14
FINANCIAL LIABILITIES BY MATURITY	**657,832**	**71,665**	**95,431**	**194,284**	**136,192**	**194,236**	**1,349,640**
Loan commitments given to banks	133	90	7	651	279	3	1,163
Loan commitments given to customers	28,842	6,121	22,611	66,065	25,318	5,569	154,527
TOTAL LOAN COMMITMENTS GIVEN	**28,975**	**6,211**	**22,618**	**66,716**	**25,597**	**5,572**	**155,689**
Guarantee commitments given to banks	322	1,050	1,923	489	1,899	49	5,732
Guarantee commitments given to customers	1,923	6,480	12,558	17,763	10,954	2,795	52,471
TOTAL GUARANTEE COMMITMENTS GIVEN	**2,245**	**7,529**	**14,481**	**18,252**	**12,852**	**2,844**	**58,204**

in millions of euros	Less than 1 month	From 1 month to 3 months	From 3 months at 1 year	From 1 year to 5 years	More than 5 years	Not determined	Total at 12/31/2023
Cash and amounts due from central banks	152,408	24				237	152,669
Financial assets at fair value through profit or loss						214,782	214,782
Financial assets at fair value through other comprehensive income	589	608	3,063	21,569	18,754	3,490	48,073
Hedging derivatives						8,855	8,855
Securities at amortized cost	638	317	1,801	10,656	11,916	1,045	26,373
Loans and advances to banks and similar at amortized cost	92,503	8,865	643	5,829	385	406	108,631
Loans and advances to customers at amortized cost	53,737	24,772	71,379	271,949	408,728	8,892	839,457
Revaluation differences on interest rate risk-hedged portfolios, liabilities						(2,626)	(2,626)
FINANCIAL ASSETS BY MATURITY	**299,875**	**34,586**	**76,886**	**310,003**	**439,783**	**235,081**	**1,396,214**
Central banks	2						2
Financial liabilities at fair value through profit or loss	5,502	70	550	949	21,646	175,347	204,064
Hedging derivatives						14,973	14,973
Debt securities	35,294	29,808	63,442	95,525	72,440	(3,911)	292,598
Amounts due to banks and similar	31,406	23,259	9,605	5,836	9,598	(69)	79,634
Amounts due to customers	575,143	19,651	46,396	59,942	9,047	1,479	711,658
Subordinated debt	661	1	2,496	5,707	10,589	(653)	18,801
Revaluation differences on interest rate risk-hedged portfolios, liabilities						159	159
FINANCIAL LIABILITIES BY MATURITY	**648,008**	**72,789**	**122,489**	**167,958**	**123,320**	**187,325**	**1,321,889**
Loan commitments given to banks	26	117	31	667	504	6	1,351
Loan commitments given to customers	27,091	6,376	23,533	62,341	25,619	7,768	152,728
TOTAL LOAN COMMITMENTS GIVEN	**27,117**	**6,493**	**23,564**	**63,008**	**26,123**	**7,774**	**154,079**
Guarantee commitments given to banks	430	848	921	1,050	2,779	36	6,064
Guarantee commitments given to customers	3,019	5,135	9,395	20,566	7,422	2,040	47,577
TOTAL GUARANTEE COMMITMENTS GIVEN	**3,449**	**5,983**	**10,316**	**21,616**	**10,201**	**2,076**	**53,641**

Financial instruments marked to market on the income statement and held in the trading book, variable-income available-for-sale financial assets, non-performing loans, hedging derivatives and revaluation differences on interest rate risk-hedged portfolios are placed in the "Not determined" column. These financial instruments are:

- either held for sale or redeemed prior to their contractual maturity;
- or held for sale or redeemed at an indeterminable date (particularly where they have no contractual maturity);
- or measured on the balance sheet for an amount impacted by revaluation effects.

Accrued interest not yet due is shown in the "Less than one month" column.

The amounts shown are contractual amounts excluding projected interest.

Technical provisions of insurance companies, which, for the most part are equivalent to demand deposits, are not shown in the Table above.

Funding strategy and conditions in 2024

Continuation of the MLT issuance strategy

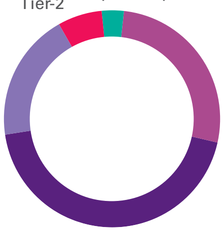
One of the Groupe BPCE's ongoing priorities in terms of medium- and long-term funding in the financial markets is to ensure that sources of funding are properly diversified, in terms of types of investors, types of debt issues, geographic areas and currencies.

Under the 2024 "market" medium- and long-term refinancing program, Groupe BPCE raised a total amount of €38.3 billion in the bond market, of which €27.7 billion excluding structured private placements; public issues represented 66% of the total amount, and private placements represented 34%.

In addition, the Group raised €6.7 billion in ABS in the financial market.

Unsecured bond segment

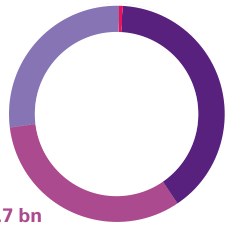
€24.2 billion



In 2024, the amount raised in the unsecured bond segment, excluding structured private placements, was €13.6 billion, of which €1.6 billion in Tier 2, €6.5 billion in the form of senior non-preferred debt and €5.5 billion in the form of senior preferred debt. In addition, €10.6 billion was raised in structured private placements.

Secured bond segment

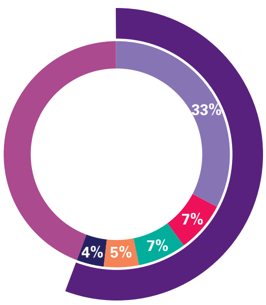
€20.9 billion



In the secured funding segment excluding ABS, the amount raised was €14.2 billion in covered bonds. In addition, €6.7 billion was raised in the form of ABS (mainly RMBS backed by residential mortgage loans granted by the Banque Populaire and Caisse d'Epargne networks).

Diversification of investor base

56%
IN CURRENCIES OTHER THAN THE EURO



The breakdown by currency of unsecured issues excluding completed structured private placements is a good indicator of the diversification of the Group's medium- and long-term funding sources. In all, 56% (compared to 53% in 2023) was issued in currencies other than the euro in 2024; the five largest currencies were the United States dollar (33%), the British pound sterling (7%), the Japanese yen (5%), the Australian dollar (4%) and the Swiss franc (4%).

The average maturity at issuance (including ABS) for Groupe BPCE as a whole was 6.4 years in 2024, compared with an average maturity of 5.9 years in 2023.

The vast majority of medium- and long-term funding raised in 2024 was at a fixed rate, as in previous years. In general, fixed rate is swapped into floating rate in accordance with the Group's interest rate risk management policy.

A strategy enriched by innovative solutions to meet the new priorities of investors: "sustainable development" obligations

Groupe BPCE carried out five social/green public bond issues in 2024 for a total of €3,650 Million (compared to four in 2023 for €2,250 million):

- €500 million 12NC7 Tier-2 LED social Local Economic Development;
- Green Building covered bonds issued by BPCE SFH for €1,500 million over 10 years.
- Senior Preferred of €400 million over 10 years in the form of a shared coupon bond for the Institut Robert-Debré du Cerveau de l'Enfant supported by the Fondation de l'Assistance Publique - Hôpitaux de Paris (a first for a financial institution) in France);
- €750 million of our RMBS BPCE Home Loans FCT 2024 Green Use of Proceeds;
- lastly, Compagnie de Financement Foncier launched its second social issue for €500 million. This transaction was intended to refinance Social Housing and Public Health assets.

In addition to these five transactions, Natixis issued €2,500 million in ESG Structured Private Placements in 2024.

Conclusion

The creation of the ESF Financial Issues and Solutions department at the end of 2023 (created to centralize all players involved in MLT Funding in the same team) took on its full meaning in 2024; this has enabled Groupe BPCE to optimize its scarce resources, such as liquidity, collateral and solvency.

9.4 Management of structural interest rate risk

Objectives and policies

Structural interest rate risk (or overall interest rate risk) is defined as the risk of loss in value on the balance sheet in the event of a change in interest rates due to all balance sheet and off-balance sheet transactions, except for – if applicable – transactions subject to market risks. Structural interest rate risk is an intrinsic component of the business and profitability of credit institutions.

The objective of the Group's interest rate risk management system is to monitor each institution's maturity transformation level in order to contribute to the growth of the Group and the business lines while evening out the impact of any unfavorable interest rate changes on the value of the Group's banking books and future income.

Interest rate risk oversight and management system

Structural interest rate risk is controlled by a system of indicators and limits set by the Group Asset/Liability Management Committee. It measures structural interest rate risk on the balance sheet, excluding any kind of independent risk (trading, own accounts, etc.). The indicators used are divided into two approaches: a static approach that only takes into account on-balance sheet and off-balance sheet positions at a set date and a dynamic approach which includes commercial and financial forecasts. They can be classified into two sets:

- gap indicators, which compare the amount of liability exposures against asset exposures on the same interest rate index and over different maturities. These indicators are used to validate the main balance sheet aggregates to ensure the sustainability of the financial results achieved. Gaps are calculated on the basis of contractual maturities, the results of common behavioral models for different credit or collection products, outflow agreements for products with no maturity date, and specific agreements for regulated rates;
- sensitivity indicators, both in terms of value and revenues. Value-based indicators measure the change in the net present value of equity in the light of interest rate shocks applied to the static balance sheet. In addition to the regulatory SOT EVE indicator (SOT: supervisory outlier test), which measures sensitivity to regulatory interest rate shocks of +/-200 basis points. Revenue-based indicators measure the sensitivity of projected revenue where there are differences between the change in the market interest rate and the central scenario established quarterly by the Group's economists. This revenue sensitivity indicator covers all commercial banking activities and aims to estimate the sensitivity of the institutions' results to interest rate fluctuations. Following regulatory changes, in 2024, Groupe BPCE rolled out a regulatory revenue sensitivity indicator, the SOT NIM, in addition to its internal indicators.

The dynamic approach in terms of sensitivity of future revenues is reinforced by a multi-scenario vision allowing a broader approach by taking into account the uncertainties related to business forecasts (new activity and changes in customer behavior), possible changes in commercial margin, etc. Internal stress tests are carried out periodically to measure changes in the bank's earnings trajectory in adverse scenarios.

The interest rate position of the Group's institutions is managed in compliance with the Group's standards, which formalize both the indicators monitored and the associated limits, as well as the instruments authorized for hedging interest rate risk. These are strictly "vanilla" (unstructured), option sales are excluded and accounting methods with no impact on the Group's consolidated income are preferred.

Quantitative information

The interest rate position is mainly driven by Retail Banking and Insurance, and primarily by the networks. Measured using a static approach to interest rate gaps, it shows a structural risk exposure to an increase in interest rates with a surplus of fixed-rate assets compared to fixed-rate resources. This structural surplus is due in particular to the percentage of customer deposits at regulated or similar rates (in particular the *Livret A* rate).

The interest rate gap at the end of December 2024, presented below, widened over one year compared to December 2023 (-€13.1 billion). This deterioration in the interest rate gap is mainly due to the government's decision to fix the level of *Livret A* savings accounts until January 2025. This widening of the interest rate gap is reinforced by an outflow on corporate sight deposits and the decrease in new loan production does not make it possible to offset this overall widening of the interest rate gap.

Beyond one year, the interest rate gap improves (+€11.1 billion over the two to four years and +€5.1 billion over five to eight years) due to an increase in specialized refinancing, issues and hedging swaps.

BPCE40 – Interest rate gap

in millions of euros	01/01/2025 to 12/31/2025	01/01/2026 to 12/31/2028	01/01/2029 to 12/31/2032
Interest rate gap (fixed-rate*)	(25,646)	(32,149)	(52,590)

* The indicator takes into account all asset and liability positions and floating-rate positions until the next interest rate reset date.

Sensitivity indicators

The sensitivity of the net present value of the Group's balance sheet to a +/-200 bps variation in interest rates remained lower than the 15% Tier-1 limit. At December 31, 2024, Groupe BPCE's sensitivity to interest rate increases stood at -9.62% compared to Tier 1 *versus* -10.8% at December 31, 2023. This indicator, calculated according to a static approach (contractual or conventional flow of all balance sheet items) and in a stress scenario (immediate and significant interest rate shock), makes it possible to highlight the distortion of the balance sheet over a long horizon.

To better control the Group's exposure to interest rate risk, it must be supplemented by a dynamic approach (including new production forecasts). This is achieved by measuring the change in the Group's forecast net interest margin at one year according to four scenarios (rise in rates, decline in rates, steepening of the yield curve, flattening of the yield curve) compared to the core scenario. These net interest income sensitivity indicators cover all commercial banking activities and aim to estimate the sensitivity of the institutions' results to interest rate fluctuations. Following regulatory changes and modifications of its management system, since 2023 Groupe BPCE has deployed an internal revenue sensitivity indicator on the commercial banking networks and the Supervisory Outlier Test (SOT) Net Interest Margin (NIM) regulatory indicator at Group level, in addition to its internal indicators. The dynamic approach in terms of the sensitivity of future revenues is reinforced by a multi-scenario vision, which allows a broader approach by taking into account the uncertainties related to business forecasts (new activity and changes in customer behavior) and possible changes in commercial margin.

At December 31, 2024, the most penalizing scenario for the Group in terms of the SOT NIM was the downside scenario. The indicator stands at -1.19% and remains below the 5% limit compared to the first quarter.

EU IRRBB1 – SENSITIVITY OF THE ECONOMIC VALUE OF TIER-1 CAPITAL

		a	b	c
		EVE sensitivity (in %)		SOT NIM (in %)
Regulatory scenarios		12/31/2024	12/31/2023	12/31/2024
1	Shock: Parallel up	(9.62%)	(10.80%)	0.22%
2	Shock: Parallel down	(5.80%)	1.67%	(1.19%)
3	Short rates down/Long rates up (steepening of the yield curve)	(4.97%)	(5.68%)	
4	Short rates up/Long rates down (flattening of the yield curve)	0.92%	1.77%	
5	Short rates up	0.40%	0.29%	
6	Short rates down	(0.13%)	(0.41%)	

9.5 Management of structural exchange rate risk

Structural exchange rate risk is defined as the risk of a realized or unrealized loss due to an unfavorable fluctuation in foreign currency exchange rates. The management system distinguishes between the structural exchange risk policy and the management of operational exchange rate risk.

Exchange rate risk oversight and management system

For Groupe BPCE (excluding GFS), exchange rate risk is monitored using regulatory indicators (measuring corresponding capital adequacy requirements by entity). The residual foreign exchange positions held by the Group (excluding Natixis) are not material because virtually all foreign currency assets and liabilities are match-funded in the same currency.

As regards international trade financing transactions, risk-taking is limited to counterparties in countries with freely-translatable currencies, provided that translation can be technically carried out by the technically managed by the entity's information system.

Natixis' structural exchange rate positions on net investments in foreign operations funded with currency forwards are tracked on a quarterly basis by its Asset/Liability Management Committee in terms of sensitivity as well as solvency. The resulting risk indicators are submitted to the Group Asset/Liability Management Committee on a quarterly basis.

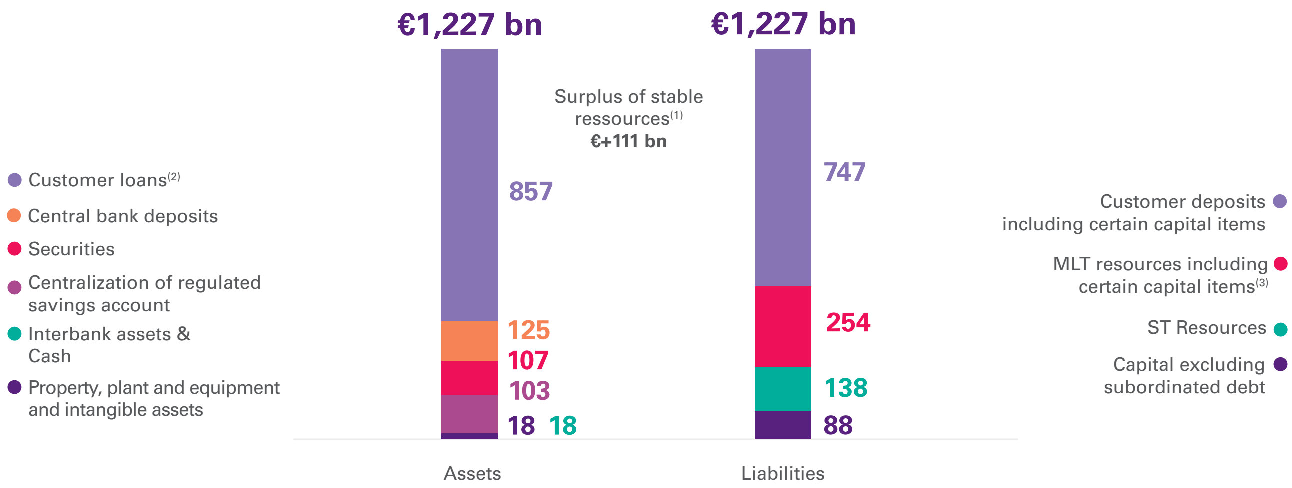
Quantitative information

At December 31, 2024, Groupe BPCE's capital requirements for exchange rate risk amounted to €369 million compared to €336 million at the end of 2023. The foreign exchange position is mainly carried by GFS.

9.6 Detailed quantitative information on liquidity risk

The detailed quantitative disclosures on liquidity risk in the following tables enhance the information in the previous section under Pillar III.

Group cash balance sheet



The cash balance sheet of Groupe BPCE shows the main items of the balance sheet by identifying in particular:

- the business financing requirements (customer loans, centralization of regulated passbook savings accounts and the Group's tangible and intangible assets) for a total of €978 billion at December 31, 2024, up by €20 billion year-on-year mainly due to the increase in loan outstandings (equipment and short-term credit facilities) and centralization;
- the Group's stable resources, consisting of customer deposits, medium- and long-term resources and equity and similar, for a total of €1,089 billion at December 31, 2024, up by €24 billion year-on-year mainly linked to the increase in MLT resources and the increase in customer deposits (term resources and *Livret A*/LDD passbook accounts);
- the €111 billion surplus reflects the surplus of customer deposits and medium- and long-term financial resources over the financing needs of the customer business. It is mainly invested in liquid assets to contribute to the liquidity reserve;
- the short-term resources invested mainly in liquid assets (central bank deposits, interbank assets, debt securities).

Liquidity/financing needs

BASEL RATIOS: LIQUIDITY COVERAGE RATIO (LCR)

The regulatory 30-day liquidity ratio measures the ratio between the liquidity buffer (HQLA–High-Quality Liquid Assets) and the expected net cash outflows over a 30-day period. Since January 1, 2018, the minimum requirement level has been set at 100%.

The Group's LCR stood at an average monthly rate of 149% for the year 2024, *i.e.* a liquidity surplus of €68.1 billion in December 2024, compared with levels of 145% and €66 billion respectively in December 2023.

(1) Stable resources balance of €111 billion at December 31, 2024 = MLT resources of €254 billion + customer resources of €747 billion + equity excluding subordinated debt of €88 billion + miscellaneous €0 billion - customer loans of €857 billion - centralization of regulated passbook savings accounts of €103 billion + property, plant and equipment of €18 billion.
(2) Including financing of Group SPT customer loans by SCF.
(3) Of which €27 billion excluding accrued interest from market MLT resources with a residual maturity of one year or less.

EU LIQ1 – Liquidity coverage ratio (LCR)

		a	b	c	d	e	f	g	h
in millions of euros		**Total unweighted value (average)**				**Total weighted value (average)**			
EU 1a	Quarter ending on (MM DD YYYY)	03/31/2024	06/30/2024	09/30/2024	12/31/2024	03/31/2024	06/30/2024	09/30/2024	12/31/2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS (HQLA)								
1	Total High-Quality Liquid Assets (HQLA)					205,529	206,317	207,930	206,456
	CASH OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	385,991	384,935	383,927	383,217	21,650	21,283	20,987	20,839
3	Stable deposits	288,744	285,669	282,919	280,506	14,437	14,283	14,146	14,025
4	Less stable deposits	71,349	69,274	67,663	66,811	7,204	6,987	6,829	6,804
5	Unsecured deposits of corporates and financial institutions, including	191,465	193,013	193,789	195,668	96,266	97,770	98,113	100,274
6	Operational deposits	49,381	49,354	48,987	47,780	11,352	11,345	11,248	10,942
7	Non-operational deposits	125,405	125,965	127,392	129,466	68,236	68,731	69,454	70,910
8	Unsecured debt	16,679	17,694	17,410	18,422	16,679	17,694	17,410	18,422
9	Secured deposits of corporates and financial institutions					26,832	28,039	28,472	29,203
10	Additional outflows, including:	113,597	113,296	112,832	113,083	31,913	31,381	30,462	29,937
11	Outflows related to derivative exposures and other collateral requirements	14,286	13,620	12,352	11,442	13,271	12,597	11,293	10,297
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	99,311	99,676	100,479	101,640	18,643	18,784	19,169	19,640
14	Other contractual funding obligations	34,872	37,741	41,117	43,731	34,525	37,388	40,718	43,265
15	Other contingent funding obligations	118,183	119,348	126,791	136,128	11,862	11,349	10,961	10,645
16	Total cash outflows					223,049	227,209	229,714	234,163
	CASH INFLOWS								
17	Transactions collateralized by securities (*i.e.* reverse repos)	106,352	110,466	119,816	124,618	17,685	19,074	20,971	21,630
18	Cash inflows from loans	30,815	31,680	32,668	33,796	22,884	23,718	24,787	25,949
19	Other cash inflows	51,002	53,966	56,429	60,461	40,330	42,889	44,842	48,225
EU-19a	(Difference between total weighted cash inflows and total weighted cash outflows resulting from transactions in third countries subject to transfer restrictions or denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Surplus inflows from a related specialized credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	188,169	196,112	208,914	218,876	80,899	85,682	90,601	95,804
EU-20a	*Cash inflows fully exempt from cap*	*0*	*0*	*0*	0	*0*	*0*	*0*	0
EU-20b	*Cash inflows subject to the 90% cap*	*0*	*0*	*0*	0	*0*	*0*	*0*	0
EU-20c	*Cash inflows subject to the 75% cap*	*156,462*	*164,665*	*176,870*	186,271	*80,899*	*85,682*	*90,601*	95,804
	TOTAL ADJUSTED VALUE								
21	**TOTAL HQLA**					**205,529**	**206,317**	**207,930**	**206,456**
22	**TOTAL NET CASH OUTFLOWS**					**142,150**	**141,527**	**139,114**	**138,359**
23	**SHORT-TERM LIQUIDITY RATIO (IN %)**					**145%**	**146%**	**150%**	**149%**

The Group's liquid assets, after taking into account regulatory haircuts, amounted to €206 billion and consisted largely of central bank deposits and sovereign securities.

Gross cash outflows amounted to €234 billion. The increase observed in 2024 mainly concerned deposits from companies and financial institutions and other contractual cash outflows. On the other hand, the gross cash inflows amounted to €96 billion and were up over 2024. In net position, cash outflows thus amounted to €138 billion, a decrease of €7.3 billion in 2024.

The liquid asset position is managed in such a way as to retain a sufficient amount of excess liquidity to cover any volatility in the evolution of the LCR ratio and also to protect the Group against a short-term liquidity crisis that may prevent the Group from renewing all or part of its short-term issues. In this context, the excess liquidity will be absorbed first without impacting the Group's core activities.

BASEL RATIOS: NET STABLE FUNDING RATIO (NSFR)

The net stable funding ratio (NSFR) corresponds to the amount of available stable funding (*i.e.* own funds and the proportion of liabilities assumed to be reliable over the time horizon taken into account for the purposes of the NSFR, *i.e.* up to one year) compared to the required stable funding. This ratio is restrictive, with a minimum requirement level of 100% since June 28, 2021.

The Group's NSFR stood at 107.21% at December 31, 2024, *i.e.* a liquidity surplus of €59.5 billion.

EU LIQ2 – Net stable funding ratio (NSFR)

		12/31/2024				
		a	b	c	d	e
		Unweighted value by residual maturity				
in millions of euros		No maturity	<6 months	6 months to <1 year	≥1 year	Weighted value
	AVAILABLE STABLE FUNDING ITEMS					
1	**Capital items and instruments**	**84,040**	**0**	**0**	**13,934**	**97,974**
2	*Capital*	84,040	0	0	13,934	97,974
3	*Other capital instruments*		0	0	0	0
4	**Retail deposits**		**391,764**	**806**	**27,278**	**395,782**
5	*Stable deposits*		303,418	396	513	289,136
6	*Less stable deposits*		88,347	411	26,765	106,647
7	**Wholesale funding:**		**497,870**	**43,970**	**220,284**	**352,014**
8	*Operational deposits*		48,509	0	0	2,258
9	*Other wholesale funding*		449,361	43,970	220,284	349,757
10	**Interdependent liabilities**		**6,201**	**0**	**96,287**	**0**
11	**Other commitments:**	**0**	**38,857**	**280**	**39,321**	**39,462**
12	*NSFR derivative liabilities*	0				
13	*All other liabilities and capital instruments not included in the above categories*		38,857	280	39,321	39,462
14	**Total available stable funding (ASF)**					**885,232**
	REQUIRED STABLE FUNDING ITEMS					
15	**Total High-Quality Liquid Assets (HQLA)**					**22,036**
EU-15a	**Assets encumbered for one year or more in cover pool**		**1,825**	**2,020**	**44,495**	**41,090**
16	**Deposits held at other financial institutions for operational purposes**		**402**	**0**	**0**	**201**
17	**Performing loans and securities:**		**157,385**	**56,154**	**752,561**	**661,942**
18	*Performing securities financing transactions with financial customers collateralized by Level 1 High-Quality Liquid Assets subject to 0% haircut*		22,310	1,758	2,363	3,533
19	*Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions*		58,692	8,301	27,486	36,303
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and public sector entities, of which:*		50,690	33,717	446,119	585,943
21	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*		8,052	7,092	178,218	321,715
22	*Performing residential mortgages, of which:*		13,437	11,503	236,915	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*		13,428	11,492	236,764	0
24	*Other loans and securities that are not in default and do not qualify as High-Quality Liquid Assets, including exchange-traded equities and trade finance on-balance sheet products*		12,321	936	42,055	38,291

		12/31/2024				
		a	b	c	d	e
		Unweighted value by residual maturity				
in millions of euros		No maturity	<6 months	6 months to <1 year	≥1 year	Weighted value
25	**Interdependent assets**		**6,201**	**0**	**96,287**	**0**
26	**Other assets:**		**52,136**	**202**	**79,270**	**83,347**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		146	0	8,545	7,388
29	*NSFR derivative assets*		3,450			3,450
30	*NSFR derivative liabilities before deduction of variation margin posted*		33,217			1,661
31	All other assets not included in the above categories		15,324	202	70,725	70,849
32	**Off-balance sheet items**		**319,115**	**0**	**34,734**	**17,087**
33	**Total required stable funding (RSF)**					**825,703**
34	**Net Stable Funding Ratio (in %)**					**107.21%**

		12/31/2023				
		a	b	c	d	e
		Unweighted value by residual maturity				
in millions of euros		No maturity	<6 months	6 months to <1 year	≥1 year	Weighted value
	AVAILABLE STABLE FUNDING ITEMS					
1	**Capital items and instruments**	**82,164**	**0**	**0**	**13,880**	**96,044**
2	*Capital*	82,164	0	0	13,880	96,044
3	*Other capital instruments*		0	0	0	0
4	**Retail deposits**		**392,254**	**1,203**	**20,475**	**389,785**
5	*Stable deposits*		303,530	451	1,485	290,267
6	*Less stable deposits*		88,724	753	18,990	99,518
7	**Wholesale funding:**		**499,319**	**52,059**	**194,186**	**332,796**
8	*Operational deposits*		51,402	0	0	2,509
9	*Other wholesale funding*		447,917	52,059	194,186	330,287
10	**Interdependent liabilities**		**6,044**	**0**	**89,141**	**0**
11	**Other commitments:**	**0**	**33,492**	**2,610**	**37,006**	**38,311**
12	*NSFR derivative liabilities*	0				
13	*All other liabilities and capital instruments not included in the above categories*		33,492	2,610	37,006	38,311
14	**Total available stable funding (ASF)**					**856,936**
	REQUIRED STABLE FUNDING ITEMS					
15	**Total High-Quality Liquid Assets (HQLA)**					**21,231**
EU-15a	**Assets encumbered for one year or more in cover pool**		**1,765**	**2,171**	**43,551**	**40,364**
16	**Deposits held at other financial institutions for operational purposes**		**403**	**0**	**0**	**202**
17	**Performing loans and securities:**		**150,579**	**51,298**	**739,822**	**647,240**
18	*Performing securities financing transactions with financial customers collateralized by Level 1 High-Quality Liquid Assets subject to 0% haircut*		19,608	898	1,600	2,190
19	*Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions*		49,332	6,608	24,062	31,224

		12/31/2023				
		a	b	c	d	e
		Unweighted value by residual maturity				
in millions of euros		No maturity	<6 months	6 months to <1 year	≥1 year	Weighted value
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and public sector entities, of which:*		58,475	32,497	442,029	581,201
21	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*		8,582	7,498	166,415	308,240
22	*Performing residential mortgages, of which:*		12,148	10,585	236,669	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*		12,136	10,584	236,508	0
24	*Other loans and securities that are not in default and do not qualify as High-Quality Liquid Assets, including exchange-traded equities and trade finance on-balance sheet products*		11,037	1,045	38,198	35,254
25	**Interdependent assets**		**6,044**	**0**	**89,141**	**0**
26	**Other assets:**		**50,104**	**390**	**68,733**	**71,623**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		136	0	7,965	6,886
29	*NSFR derivative assets*		1,616			0
30	*NSFR derivative liabilities before deduction of variation margin posted*		33,704			1,685
31	*All other assets not included in the above categories*		14,648	390	60,768	61,436
32	**Off-balance sheet items**		**304,126**	**0**	**32,842**	**16,356**
33	**Total required stable funding (RSF)**					**797,016**
34	**Net Stable Funding Ratio (in %)**					**107.52%**

In addition to structural effects - combining deposit collection and loan production - which result in the production of a natural NSFR surplus for Groupe BPCE, cyclical effects, including the decline in short-term market borrowing, the increase in Natixis' NSFR consumption capacity *via* NSFR transfers from network surpluses and the increase in the network's NSFR before transfer explain the level of surplus recorded on December 31, 2024.

The amount of available stable funding for Groupe BPCE thus amounted to €885 billion and mainly consisted of:

- customer deposits (€396 billion), including a significant portion of deposits deemed stable, and increasing since June 2024 reflecting the high levels of savings recorded over the period; and
- wholesale financing (€352 billion), including corporate deposits, which were up compared to June 2024.

The amount of required stable funding stood at €826 billion, the result of a significant level of performing loans and securities whose impact was €662 billion, an increase compared to June 2024.

ENCUMBERED AND UNENCUMBERED ASSETS (ASSET ENCUMBRANCE)

EU AE1 – Encumbered and unencumbered assets

		12/31/2024							
		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
in millions of euros		10	30	40	50	60	80	90	100
010	**Assets of the reporting institution**	**253,116**	**85,131**			**1,187,470**	**40,483**		
030	Equity instruments	27,101	24,876	27,101	24,876	26,956	11,790	21,657	11,719
040	Debt securities	77,497	60,478	76,958	60,469	30,333	28,853	35,739	30,265
050	o/w covered bonds	7	2	7	2	2,614	2,537	2,684	2,504
060	o/w securitizations	10,666	-	10,137	-	-	-	-	-
070	o/w issued by general governments	50,333	49,611	50,324	49,603	19,265	19,265	17,725	17,363
080	o/w issued by financial corporations	12,653	8,066	12,653	8,066	8,975	6,573	8,634	6,383
090	o/w issued by non-financial corporations	2,965	2,182	2,963	2,181	-	-	6,054	3,663
120	Other assets	149,607	-			1,130,823	-		

		12/31/2023							
		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
in millions of euros		10	30	40	50	60	80	90	100
010	**Assets of the reporting institution**	**258,529**	**74,600**			**1,161,853**	**28,437**		
030	Equity instruments	23,981	20,887	23,981	20,887	22,220	8,586	17,695	8,532
040	Debt securities	78,954	53,660	77,466	53,617	19,851	19,851	34,747	29,848
050	o/w covered bonds	202	-	209	-	1,108	1,108	1,977	1,776
060	o/w securitizations	18,684	-	17,002	-	-	-	-	-
070	o/w issued by general governments	44,283	43,527	44,275	43,519	14,240	14,240	18,593	17,930
080	o/w issued by financial companies	12,243	8,282	12,188	8,282	3,914	3,914	7,770	7,154
090	o/w issued by non-financial companies	3,251	2,174	3,252	2,136	-	-	6,788	3,393
120	Other assets	152,248	-			1,119,782	-		

EU AE2 – Collateral received

		12/31/2024			
				Unencumbered	
		Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued that may be encumbered	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
in millions of euros		010	030	040	060
130	Collateral received by the reporting institution	159,296	134,646	116,840	59,786
140	Loans on demand	-	-	-	-
150	Equity instruments	29,585	16,715	24,921	8,300
160	Debt securities	127,845	116,291	60,751	51,271
170	o/w covered bonds	4	1	1,492	1,492
180	o/w securitizations	13	-	-	-
190	o/w issued by general governments	98,583	97,867	34,616	34,195
200	o/w issued by financial companies	25,051	16,156	17,365	13,607
210	o/w issued by non-financial companies	3,431	1,224	7,278	2,026
220	Loans and advances other than loans on demand	-	-	33,286	-
230	**Other collateral received**	**-**	**-**	**-**	**-**
240	**Own debt securities issued other than own covered bonds or securitizations**	**-**	**-**	**-**	**-**
241	**Own covered bonds and asset-backed securities issued and not yet pledged**	**-**	**-**	**-**	**-**
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	**411,302**	**219,777**	**-**	**-**

		12/31/2023			
				Unencumbered	
		Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued that may be encumbered	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
in millions of euros		010	030	040	060
130	Collateral received by the reporting institution	139,474	115,468	107,930	54,822
140	Loans on demand	-	-	-	-
150	Equity instruments	29,182	16,869	21,109	6,819
160	Debt securities	107,538	96,841	55,392	48,417
170	o/w covered bonds	198	-	1,691	1,691
180	o/w securitizations	-	-	-	-
190	o/w issued by general governments	80,430	80,003	32,947	32,020
200	o/w issued by financial companies	22,569	13,145	13,363	11,842
210	o/w issued by non-financial companies	3,393	1,251	7,369	1,948
220	Loans and advances other than loans on demand	-	-	30,907	-
230	**Other collateral received**	**-**	**-**	**-**	**-**
240	**Own debt securities issued other than own covered bonds or securitizations**	**-**	**-**	**-**	**-**
241	**Own covered bonds and asset-backed securities issued and not yet pledged**	**-**	**-**	**9**	**-**
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	**398,498**	**190,484**	**-**	**-**

EU AE3 – SOURCES OF ENCUMBRANCE

		12/31/2024	
		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitizations encumbered
	in millions of euros	010	030
010	Carrying amount of selected financial liabilities	233,741	271,118

		12/31/2023	
		Matching liabilities, contingent liabilities or securities lent	**Assets, collateral received and own debt securities issued other than covered bonds and securitizations encumbered**
	in millions of euros	**010**	**030**
010	**Carrying amount of selected financial liabilities**	**259,218**	**308,507**

An asset or a guarantee is encumbered when it is capitalized as a guarantee, collateral or enhancement of a transaction, and becomes capitalized as a result.

For example:

- The following are considered to be encumbered:
  - cash posted as collateral,
  - assets used as collateral for covered bonds,
  - margin calls (cash) paid;
- The following are not considered as encumbered:
  - assets transferred to the Central Bank but not mobilized,
  - assets underlying self-owned securitizations.

Groupe BPCE pledges its assets and collateral in order to benefit from advantageous refinancing conditions and to carry out repurchase agreements and derivatives.

At December 31, 2024, Groupe BPCE's encumbered assets ratio was 25.8% compared to 23.6% at December 31, 2023.

Groupe BPCE's encumbered assets and collateral amounted to €450.3 billion and mainly consisted of loans and advances and securities issued.

More specifically, encumbered assets and collateral consist of:

- Refinancing activities of the Group's institutions, which involve:
  - €107.6 billion in loans and advances to guarantee covered bonds issued by BPCE SFH, SCF and Natixis Pfandbriefbank. The over-collateralization rates applied are respectively 105% for BPCE SFH and SCF and 102% for Natixis Pfandbriefbank,
- Operations on securities and derivatives with:
  - €334.6 billion in securities encumbered for repurchase agreements and securities lending purposes,
  - €8.1 billion in encumbered assets for derivatives (including margin calls). These transactions are mainly carried out by GFS.

TOTAL ENCUMBERED ASSETS AND COLLATERAL RECEIVED

€450.3BN

Repurchase agreements €161.2BN	Covered bonds €107.6BN
Derivatives €8.1BN	Other €173.4BN

TOTAL ASSETS AND COLLATERAL RECEIVED

€1,746.6BN

Balance sheet total FINREP €1,461.2BN	Total collateral received €285.4BN

=

RATIO OF ENCUMBERED ASSETS AT 12/31/2024

25.8%

10 LEGAL RISKS

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10.1 Legal and arbitration proceedings

French Competition Authority

On October 9, 2015, a company operating in the meal voucher industry lodged a complaint with the French Competition Authority (*Autorité de la concurrence*) to contest industry practices with respect to the issuance and acceptance of meal vouchers. The complaint targeted several French companies operating in the meal voucher industry, including Natixis Intertitres, which became Bimpli at the end of 2022.

In its decision of December 17, 2019, the French Competition Authority ruled that Natixis Intertitres had participated in a practice covering the exchange of information and a practice designed to keep new entrants out of the meal voucher market.

Natixis Intertitres was fined €4,360,000 in its own right, along with two other fines totaling €78,962,000, jointly and severally with Natixis who was its parent company.

Since the alliance concluded between Groupe BPCE and Swile on December 14, 2022, Bimpli has been owned by a third party outside the Group.

The Paris Court of Appeal confirmed the decision of the Competition Authority by a judgment delivered on November 16, 2023.

Bimpli and Natixis filed an appeal against this decision on December 20, 2023, along with other French companies in the meal voucher sector.

Although the Group still considers that it has serious arguments to contest these decisions, a provision was made in the Group's financial statements in 2023, in the amount of the estimated risk.

At the end of 2024, Swile (which became BIMPLI on January 1 following a merger-acquisition transaction) and Natixis were summoned – alongside other players in the meal voucher market – before the Paris Commercial Court, by several plaintiffs wanting to obtain compensation for the alleged damages caused by the practices sanctioned by the Competition Authority, including those of Natixis Intertitres.

At this stage, and subject to the legal appraisals requested by the plaintiffs, the total amount of the sums requested is €420,802,622, in addition to €2,475,000 for appraisal costs and €4,060,000 in respect of Article 700 of the French Code of Civil Procedure. All these proceedings are currently pending before the Paris Commercial Court.

10.2 Legal and arbitration proceedings specific to Natixis

Like many banking groups, Natixis and its consolidated subsidiaries are subject to legal and tax proceedings and investigations by the supervisory authorities.

The financial consequences, assessed as of December 31, 2024, of those likely to have, or which have had in the recent past, a significant impact on the financial position of Natixis and/or Natixis and its consolidated subsidiaries taken as a whole, their profitability or activity, have been included in Natixis' consolidated financial statements.

The most significant legal and arbitration proceedings are described below, it being specified that their inclusion in the list below does not mean that these proceedings will necessarily have any impact on Natixis and/or its consolidated subsidiaries. Other proceedings, including tax proceedings, have no significant impact on the financial position or profitability of Natixis and/or Natixis and its consolidated subsidiaries taken as a whole, or are not at a sufficiently advanced stage to determine whether they are likely to have such an impact.

Legal and arbitration proceedings

Madoff fraud

The Madoff outstanding amount was estimated at €347.8 million in exchange value at December 31, 2024, fully provisioned at that date, compared to €327.9 million at December 31, 2023. The effective impact of this exposure will depend on both the extent of recovery that Natixis benefits from and the outcome of the measures taken by the bank, notably in terms of legal proceedings. Furthermore, in 2011 a dispute emerged over the application of the insurance policy for professional liability in this case, which had been taken out with successive insurers for a total amount of €123 million. In November 2016, the Paris Court of Appeal vindicated the Commercial Court's prior ruling that primary insurers were liable to cover the losses incurred by Natixis due to the Madoff fraud, up to the amount for which the bank was insured. On September 19, 2018, the Court of Cassation subsequently annulled the judgment under appeal and referred the case back to the Paris Court of Appeal with a differently constituted bench. On September 24, 2019, the Court ruled against Natixis, overturning the ruling by the Commercial Court of Paris. Natixis filed an appeal with the Court of Cassation in December 2019. The Court of Cassation dismissed the appeal on November 4, 2021, so that the judgment of the Paris Court of Appeals of September 24, 2019, unfavorable to Natixis, became final and irrevocable.

Irving H. Picard, the liquidator of Bernard L. Madoff Investment Securities LLC (BMIS), submitted a restitution claim concerning the liquidation of amounts received prior to the discovery of the fraud through a writ filed with the United States Bankruptcy Court for the Southern District of New York against several banking institutions, including a $400 million claim against Natixis. Natixis denies the allegations made against it and has taken the necessary steps to defend its position and protect its rights. Natixis has launched appeals, including a motion to dismiss the case on a preliminary basis, or prior to any ruling on the merits, and a motion to withdraw the reference to transfer certain matters to the United States district court. These proceedings have been subject to numerous rulings and appeals and are still ongoing. A November 2016 ruling by the bankruptcy court dismissed a number of restitution claims initiated by the trustee on the grounds of extraterritoriality. In September 2017, the Second Circuit Court granted the BMIS liquidator and the defendants the right to appeal the bankruptcy court's ruling on the grounds of extraterritoriality directly through the Second Circuit, thereby avoiding the need to file an intermediary appeal with the district court. In February 2019, the Court of Appeals for the Second Circuit overturned the bankruptcy court's extraterritoriality ruling. In August 2019, Natixis joined the group of defendants that filed a request for permission to appeal the Second Circuit Court's ruling before the Supreme Court. In June 2020, the Supreme Court refused to hear the case. On August 30, 2021, the court of the Second Circuit clarified the concept of "good faith" by deciding (i) that it is determined according to the standard of "inquiry notice" which is less favorable to the defendants, and (ii) that the burden of proof lies not with the liquidator of BMIS but with the defendants. These preliminary points having now been decided, the proceedings are continuing on the merits. The liquidator of BMIS has taken steps to split the claim for restitution initially filed against Natixis, with one against Natixis SA (initial action amended to include only the buybacks of Fairfield Sentry shares) and the other against Natixis Financial Products LLC (new action to be brought relating to the buybacks of Groupement Financier shares). Separate proceedings have been initiated and are ongoing. The bankruptcy court issued its decisions in November 2023, dismissing the motions to dismiss filed by Natixis SA and Natixis Financial Products LLC. In December 2023, Natixis SA filed an appeal requesting authorization to appeal the decision, which rejected its request for rejection. The authorization to appeal was rejected on February 2, 2024. The case is ongoing.

Furthermore, the liquidators of Fairfield Sentry Limited and Fairfield Sigma Limited have initiated a large number of proceedings against investors having previously received payments from these funds for redemptions of shares (over 200 proceedings have been filed in New York). Some Natixis entities have been named as defendants in some of these proceedings. Natixis deems these proceedings to be entirely unfounded and is vigorously defending its position. These proceedings have been suspended for several years, and in October 2016 the bankruptcy court authorized the liquidators to modify their initial claim. The defendants filed joint responses in May and June 2017. In August 2018, the bankruptcy court ruled on a motion to dismiss filed by the defendants (requesting that the case be dismissed on a preliminary basis and prior to any ruling on the merits). The judge only gave a ruling on one of the merits (that of personal jurisdiction), having found that the latter was missing from the claim made against the defendants. In December 2018, the judge ruled on the motion to dismiss, rejecting the liquidators' common law claims (unjust enrichment, money had and received, mistaken payment and constructive trust) as well as contractual claims. However, it overturned the motion to dismiss in respect of claim founded on British Virgin Islands' law, while reserving the right to file a plea for the application of Section 546(e) of the safe harbor provision. In May 2019, the liquidators appealed the bankruptcy court's ruling before the District Court. On March 9, 2020, the defendants, including Natixis, submitted a motion to dismiss this appeal and renewed this initial motion on March 16, 2020. The bankruptcy court asked the defendants to limit the motion to dismiss to arguments that can lead to the dismissal of all the actions of the liquidators (as per Section 546(e) of the safe harbor provision or impropriety of the initial petition). In December 2020, the bankruptcy court dismissed the action brought under the law of the British Virgin Islands, considering that the defendants, including Natixis, are covered by Section 546(e) of the safe harbor provision. In August 2022, the District Court upheld the bankruptcy court's decision dismissing the actions of the liquidators against all defendants, including Natixis. The liquidators appealed this decision to the Second Circuit. The case is ongoing.

Criminal complaint coordinated by ADAM

In March 2009, the Paris public prosecutor's office (Parquet de Paris) launched a preliminary investigation into a complaint filed by Natixis minority shareholders and coordinated by the Association de Défense des Actionnaires Minoritaires (ADAM – Association for the Defense of Minority shareholders). As the plaintiffs have initiated civil proceedings, a judicial investigation opened in 2010. On February 14, 2017, Natixis came under investigation for false and misleading information on account of two messages sent in the second half of 2007, at the beginning of the subprime crisis.

After judicial investigation, a committal for trial was ordered on June 28, 2019.

The committal concerns only one of the two messages, disseminated on November 25, 2007, explaining the risks to which Natixis was exposed at the time as a result of the subprime crisis. The second message was dismissed.

The Paris Criminal Court, in a judgment handed down on June 24, 2021, condemned Natixis, deeming insufficient the information provided by said press release of November 25, 2007, and more specifically the risks to which the bank was exposed at the time due to the subprime crisis.

It imposed a fine of €7.5 million. The civil parties were awarded total compensation of around €2 million. Natixis appealed against this judgment.

The case was appealed to the Paris Court of Appeal from January 22 to 31, 2024. On May 7, 2024, the Paris Court of Appeal issued its decision upholding the conviction of Natixis, but significantly reducing the penalty to a fine of €2 million. In respect of the civil action, the Court of Appeal upheld – in substance – the judgment and awarded the civil parties additional compensation for the costs of the proceedings in question.

Natixis, which has always considered that it has not committed any criminal offense, filed an appeal on May 7, 2024.

EDA Selcodis

By two summons dated November 20, 2013, Selcodis on the one hand and EDA on the other hand brought proceedings before the Paris Commercial Court jointly against Natixis and two other banking institutions for unlawful agreement, which would have resulted in the refusal to provide a guarantee to EDA and the termination of various loans.

Under the terms of its claims, Selcodis seeks compensation for the loss allegedly suffered as a result of the judicial liquidation of its subsidiary EDA and seeks an order that the defendants be ordered to pay damages, which it assesses at the sum of €32 million. For its part, EDA requests that the defendants be ordered to bear the total amount of the shortfall to be quantified by the court-appointed agent on liquidation.

Natixis considers all of these claims to be unfounded.

On December 6, 2018, the Paris Commercial Court, after consolidating the proceedings, noted their expiry and declared them extinguished. In January 2019 the plaintiffs appealed this judgment.

The judgment was delivered on June 22, 2020. The Court of Appeal ruled out the expiry of the current proceedings. The decision was made not to appeal to the Court of Cassation.

The rescheduling took place in March 2021 to resume the action on the merits. The case is ongoing.

Formula funds

Following a review by the AMF in February 2015 of compliance by Natixis Asset Management (new name Natixis IM International) with its professional obligations and more specifically the management of its formula funds, the Sanctions Committee issued its decision on July 25, 2017, issuing a warning and a fine of €35 million. The Sanctions Committee noted several breaches concerning redemption fees paid to the funds and structuring margins.

Natixis IM International has appealed this decision to the French Council of State. In its judgment of November 6, 2019, the Council of State reformed the decision of the Sanctions Commission by reducing the penalty to €20 million. The warning was maintained.

In addition, on March 5, 2018, UFC-QUE CHOISIR, in its capacity as a consumer defense association, brought proceedings against the asset management company before the Paris Court of Justice to obtain compensation for the property damage allegedly suffered by the holders of the aforementioned formula funds.

By a judgment of April 3, 2024, the Paris Court of Justice declared the action of UFC-QUE CHOISIR to be inadmissible and dismissed its claims in full. UFC-QUE CHOISIR has appealed this judgment.

The case is ongoing.

Bucephalus Capital Limited/Darius Capital Conseil

On June 7, 2019, Bucephalus Capital Limited (a UK law firm), together with other firms, brought claims against Darius Capital Partners (a French law firm, now operating under the name Darius Capital Conseil, a 70%-held subsidiary of Natixis Investment Managers) before the Paris Commercial Court, to contest the breach of various contractual obligations, particularly with respect to a framework agreement dated September 5, 2013 setting out their contractual relations and various subsequent agreements. Bucephalus Capital Limited claimed a total of €178,487,500.

In the course of the proceedings, Bucephalus Capital Limited increased the amount of its claims, seeking payment of €418,492,588 or, in the alternative, €320,645,136, in addition to payment of €100,000 under Article 700 of the French Code of Civil Procedure.

By decision of March 16, 2023, the Paris Commercial Court rejected all of Bucephalus Capital Limited's claims and ordered it to pay Darius Capital Conseil's legal costs in the amount of €150,000. Bucephalus Capital Limited filed an appeal on June 28, 2023 and requested a stay of payment of the €150,000. By order of 29 November 2023, the Paris Court of Appeal rejected this request.

The case is ongoing.

European Government Bonds – Cartel Decision

On May 20, 2021, the European Commission issued an infringement decision against Natixis and found that it had breached EU competition rules by participating in a cartel on the primary and secondary European government bond market in 2008-2009.

As Natixis had left the cartel more than five years before the Commission began its investigation, it benefited from the limitation period. No fines were imposed on Natixis.

On July 30, 2021, Natixis filed an application with the General Court of the European Union to annul the Commission's decision. The appeal is based, in particular, on the argument that the Commission has the right to issue a decision of infringement only if it can demonstrate a "legitimate interest" in doing so and on the argument of the infringement of the rights of defense of Natixis.

The appeal hearing was held on June 6, 2023.

Collectif Porteurs H_2O

At the end of December 2023, 6,077 individuals and legal entities, members of an association called "Collectif Porteurs H2O" brought proceedings against the French company Natixis Investment Managers before the Paris Commercial Court, alongside five defendants, to obtain compensation for damage they suffered as investors in seven mutual funds (UCITS) managed by the English entity H2O AM LLP, then the French entity H2O AM Europe, between 2015 and 2021.

At the end of May 2024, 2,929 new plaintiffs, also claiming to be members of the *Collectif Porteurs H_2O* association, voluntarily intervened in the proceedings.

Together, the plaintiffs seek a joint order against Natixis Investment Managers and its co-defendants, including the managers, custodian and Statutory Auditors of the seven funds, for a total amount of €751,408,855.

Natixis Investment Managers considers that the claims made against it are unfounded and will vigorously contest them.

Other procedures

Natixis is the subject of preliminary investigations opened in France by the Parquet National Financier and in Germany by the Cologne Public Prosecutor's Office.

As part of the investigations conducted in France, and in particular the searches carried out on March 28, 2023 at the premises of various banks, including Natixis, the Parquet National Financier issued a press release stating that five preliminary investigations were opened on December 16 and 17, 2021 on charges of aggravated tax fraud and, in some cases, aggravated tax fraud relating to the taxation of dividends received by banks in connection with their securities transactions.

As part of the investigations conducted by the Cologne public prosecutor's office, searches were carried out on June 13, 2023, mainly at the premises of the Natixis Branch in Frankfurt, but also at the headquarters of Natixis Pfandbriefbank AG and Natixis Investment Managers International SA in Frankfurt and Munich.

Investigations are ongoing and are covered by the confidentiality of the inquiry. Natixis intends to cooperate with the authorities while respecting its rights, and will assert its position before the magistrates.

10.3 Dependency

BPCE is not dependent upon any specific patents, licenses, industrial procurement contracts, or commercial or financial agreements.

11 NON-COMPLIANCE AND FINANCIAL SECURITY RISKS

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In accordance with the legal and regulatory requirements mentioned above, and with the professional standards and control charters governing Groupe BPCE, the functions managing compliance risk are organized as part of the internal control system of all Groupe BPCE institutions and subsidiaries as a whole.

The Group Compliance division, which reports to the Groupe BPCE Corporate Secretary's Office, performs its duties independently of the operational departments and the other Internal Control departments with which it collaborates.

The Compliance division, "Compliance Verification function" defined by the EBA and included in the Ministerial Order of November 3, 2014, amended by the Ministerial Order of February 25, 2021, is responsible for the prevention, detection, measurement and monitoring of non-compliance risks to ensure their control.

The Group Compliance division carries out its duties within the framework of business line operations.

It helps regulate, manage, control and guide the functions Group institutions. The Compliance Officers appointed within the various direct subsidiaries of BPCE SA and subject to the regulatory banking and financial supervision system, report to it through a strong functional link.

The Group Compliance division carries out all actions designed to strengthen the compliance of products, services and marketing processes, customer protection, compliance with ethical rules, the fight against money laundering and the financing of terrorism, the fight against market abuse, the monitoring of transactions and compliance with sanctions and embargoes. It monitors compliance risks throughout the Group. As such, it builds and revises the standards proposed for the governance of Groupe BPCE, shares best practices and coordinates working groups consisting of departmental representatives.

The dissemination of the culture of non-compliance risk and consideration of the legitimate interests of customers is also reflected in the training of employees in the sector and the awareness-raising of other BPCE departments.

Accordingly, the Group Compliance division:

- draws up the Group's non-compliance risk management systems (risk mapping and DMR) and supervises the permanent control system relating to non-compliance risks;
- prepares internal risk prevention reports for the Group's Risk Executive Committees and the Supervisory Body's Risk Committees;
- determines and validates, in conjunction with HR, the content of training materials intended for the Compliance function;
- coordinates the training of Directors/Heads of Compliance through a dedicated system;
- leads the compliance function of the entities through thematic national days focusing on specialist topics relating to banking and insurance compliance, investment services compliance, financial security, conduct and ethics;
- draws on the expertise of the Compliance functions of Group institutions *via* theme-based working groups, in particular to develop and implement compliance standards.

In addition, BPCE SA Compliance reports to Group Compliance and manages and supervises the Compliance of entities in the Financial Services and Expertise division (FSE), the Payments and Digital division and the Insurance division and the other subsidiaries reporting to BPCE, including Palatine, Natixis Algérie and BPCE International.

11.1 Compliance

Organization

Group Compliance includes a division in charge of supervising the compliance systems of the Group's entities and areas of expertise (Banking Compliance and Non-Life Insurance, Financial Savings Compliance, Financial Security, Conduct and Ethics).

GROUPE COMPLIANCE IS ORGANIZED AS FOLLOWS:

CONSOLIDATED AND ETHICS MANAGEMENT

The Consolidated Management and Ethics Department is in charge of overseeing the compliance systems deployed within Groupe BPCE entities. It defines the framework for this supervision and establishes a supervision control plan drawing on the expertise of the Banking & Insurance Compliance, Financial Savings Compliance, Financial Security, and Conduct and Ethics divisions. It manages the mapping of non-compliance risks for Groupe BPCE entities. It organizes the coordination of the Compliance function.

It monitors non-compliance risk indicators, oversees the reporting systems and also covers the centralization of relations with regulators, supervisors and the Group Internal Audit in compliance matters.

BANCASSURANCE COMPLIANCE AND FINANCIAL SAVINGS COMPLIANCE

is to prevent the risk of non-compliance with laws, regulations or professional standards, in the scope of banking, insurance and financial savings activities.

Paying particular attention to all issues relating to compliance with customer protection rules, these two departments participate in the implementation of regulatory changes and projects having an impact on the methods of marketing the products and services under their scopes. They also provide training and coordination for the Compliance function and monitor the compliance systems deployed within the entities.

These divisions must ensure the implementation of the texts and procedures applicable to Groupe BPCE entities and provide an opinion in the approval process for new products.

Financial Savings Compliance also includes oversight of investment services and the operating procedures of investment services compliance officers (RCSIs).

CONDUCT AND ETHICS

(attached to the Consolidated Management and Ethics Department) covers the supervision and management of Groupe BPCE's Conduct and Ethics systems, including the conflicts of interest system, employee ethics (gifts, benefits and external interests), staff training related to conduct and ethics and the whistleblower system.

It is responsible for implementing the texts and procedures applicable to Groupe BPCE entities.

FINANCIAL SECURITY

covers the supervision of anti-money laundering and countering terrorist financing (AML-CTF) systems, compliance with international financial sanctions (embargoes and asset freezes) and the fight against corruption.

It ensures, in particular, the implementation of normative texts in the procedures applicable to Groupe BPCE entities, ensures that money laundering and terrorist financing (ML-TF) risks are taken into account in the procedure for approving new commercial products and services provided by BPCE, provides regulatory reporting to Groupe BPCE supervisors and executives, supervises the content of training courses, carries out supervision checks, and supports and coordinates the Compliance function on all these subjects.

1. Measurement and supervision of non-compliance risk

Non-compliance risks are analyzed, measured, monitored and managed in accordance with the Ministerial Order of November 3, 2014 (amended February 25, 2021), with the aim of:

- ensuring a permanent overview of these risks and the associated risk prevention and mitigation system, including updated identification under the non-compliance risk-mapping exercise;
- ensuring that the largest risks, if necessary, are subject to controls and action plans aimed at supervising them more effectively;
- mapping out its non-compliance risks within the Group and implementing mandatory Level 1 and 2 compliance controls common to all Group retail banking

2. Product governance and supervision

- All new products and services, regardless of their distribution channels, as well as sales materials that fall within the Compliance function's remit, are reviewed by Compliance beforehand. The purpose of this review is to ensure that applicable regulatory requirements are met and that targeted customers – and the public at large – receive clear and fair information;
- With regard to the marketing process, the Compliance function pays particular attention to the duty of information and advice to customers;
- In addition, compliance ensures that conflicts of interest are identified, managed and supervised, and that the primacy of customers' interests is taken into account when making decisions.

1. Measurement and supervision of non-compliance risk	2. Product governance and supervision
institutions; • calibrating and measuring the impact of non-compliance risk with the Group's operational risk teams, using the methodology of operational risk tool, covering the risk management systems established by the institutions aimed at reducing gross risk levels.	

Regulatory projects carried out in 2024

The main projects concerned:

- **Customer protection:**

Inactive accounts and safes (Eckert)

- A significant development was introduced in Q1 2024 throughout the Banques Populaires and Caisses d'Epargne networks, enabling the automated sending of email or SMS notifications for NPAI customers (capable adults, emancipated minors or minors in legal administration, and self-employed customers). It allows, in fact, to significantly expand regulatory information both on the annual inactivity status, as well as on the deposit (information prior to the closing of accounts and the transfer to the Caisse des Dépôts et Consignations).
- In terms of managing safe deposit box inactivity, community IT work on the Banques Populaire network side is continuing to better identify them and thus strengthen the existing system.

Handling of customer complaints:

Ongoing improvements to the systems in place. In particular, actions have been taken to improve the effective repayment terms, ensure the repayment of costs incurred and specify the information provided to customers.

- **Bank savings:**

Continued implementation of the multi-holding control measures for regulated savings products provided for by Decree No. 2021-277 of March 12, 2021, on the control of the holding of regulated savings products, which will come into force no later than January 1, 2026.

Implementation of the Ministerial Orders of November 10 and December 20, 2022 amending Article 2B of decision 69-02 concerning movements in savings accounts and participation in the work of the CFONB on the subject.

- **Regulatory customer knowledge (KYC):**

Continuation of several major actions in 2024 with the aim of anchoring the reflexes of systematic updating of Customer Knowledge: raising awareness of networks and management through indicators as well as the deployment of a new campaign to update the knowledge of our remote customers.

In addition, new indicators were developed and delivered in 2024 to improve the global monitoring and management of Customer Knowledge (KYC).

- **Financial savings**

The Group has continued to improve and strengthen its systems for Customer Protection, Product Governance and Supervision, Market Integrity and Transparency, and Sustainable Finance.

The work focused on:

- Updating the body of standards relating to Investor Protection and Product Governance and Supervision in accordance with the Green Industry Law and ACPR recommendation 2024-01;
- The duty of information and advice in terms of sustainable finance;
- Improving the quality of regulatory reporting in accordance with the EMIR-REFIT 2 regulation.

- **Regarding the "Whistleblower" system:**

In the context of legislation that offers much more protection for more whistleblowers (see act of March 21, 2022) and to meet the requirements of act 2017-399 on the duty of care of parent and subcontracting companies, Groupe BPCE has chosen to use the same tool for all Group entities, regardless of the country in which they operate (Europe, the United States, etc.) and regardless of their business line (Retail Banking, Corporate & Investment Banking, etc.).

This system allows for the collection of reports on a secure platform directly accessible by a URL link (**https://www.groupebpce.com**). The whistleblowing system is open to all employees and third parties, who can express their concerns if they are aware of serious violations of human rights and fundamental freedoms, personal health and safety, or the environment.

The platform offers all the guarantees in terms of data security and respects the highest standards in terms of confidentiality and respect for anonymity.

Groupe BPCE entities protect whistleblowers. Under no circumstances may they be subject to any disciplinary action or legal proceeding, provided they have acted without direct financial compensation and in good faith.

Employee training and awareness

Group employees regularly receive training on customer protection issues to maintain the required level of customer service quality. These training sessions are aimed at promoting awareness of compliance and customer protection among new hires and/or sales team employees.

Ethics and compliance training, entitled "Fundamentals of professional ethics", has been set up for all Group employees. BPCE has also established a Code of Good Conduct and Ethics, rolled out to all Groupe BPCE entities.

Groupe BPCE has implemented a mandatory regulatory training system that is reviewed annually.

French Banking Separation and Regulation act (SRAB) and Volcker Rule (VOLCKER)

Since the end of 2014, the Group has gradually complied with the requirements set out in Article 2 of the Ministerial Order of September 9, 2014, implementing Title I of act No. 2013-672 of July 26, 2013, on the separation and regulation of banking activities (SRAB act), amended by the Ministerial Order of March 18, 2019.

In conjunction with the work done in accordance with the SRAB act, a compliance program was adopted and implemented as from July 2015 in response to the Volcker Rule (Section 619 of the US Dodd-Frank act) This program, which takes a broader approach than French law, aims to map all of the BPCE SA group's financial and commercial activities to ensure compliance with US regulations. The Volcker Rule was amended in 2020, giving rise to new Volcker 2.0 and 2.1 provisions that relax the existing system.

Every year, the Group certifies its compliance with the SRAB-Volcker system.

11.2 Financial security

This domain covers anti-money laundering and arms financing measures, adherence to international sanctions targeting individuals, entities or countries, and the fight against corruption. The prevention of these risks within Groupe BPCE is based on:

Corporate culture

Promoted across all levels of the company, corporate culture is built on:

- customer relations principles aimed at preventing risks, which are formalized and regularly communicated to the employees;
- a harmonized training system for Group employees and specific training for employees in the financial security sector.

Organizational structure

In accordance with Groupe BPCE's charters, each institution has its own financial security unit. The Group Compliance division has a dedicated department that oversees the sector, defines financial security policy for the entire Group, draws up and validates the various standards and procedures, and ensures that these risks are taken into account during the approval procedure for new commercial products and services by BPCE.

Specialized processes

In accordance with regulations, banks have methods for detecting unusual transactions that are specific to their risk classification. These can be used, if needed, to conduct closer analyses and to submit the required reports to TRACFIN (French financial intelligence agency) or any other competent service as promptly as possible. The Group's risk classification system incorporates the "at-risk countries" factor when addressing money laundering, terrorism, tax fraud and bribery. The system was also reinforced with the establishment of a database and automated scenarios specifically targeting terrorist financing. With regard to compliance with restrictive measures related to international sanctions, the Group's institutions are equipped with filtering tools that generate alerts on customers (in particular with regard to the asset freezing measures to which certain persons or entities are subject) and on international flows (with regard to said asset freezing measures and sanctioning measures targeting countries such as European and/or American embargoes).

Supervision of operations

Internal reports on the prevention of these risks are submitted to company directors and governing bodies, as well as to the central institution.

A regulatory project continued in 2024

- **Financial Security:**

Due to the evolution of the form for reporting suspicions to TRACFIN, a project was launched in 2023 to renovate the data entry interface, in order to take into account the expectations of the financial intelligence unit, particularly in terms of details of the underlying offense and structure of the alert. This project should also provide functionalities in terms of reporting, updating of customer risk profiles, etc.

12 OPERATIONAL SECURITY AND RESILIENCE RISKS

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12.1 Business continuity

The management of business interruption risks is addressed by the Group's legal entities in the form of an analysis of the risks associated with the activities carried out. This analysis makes it possible to prioritize their restart. At the same time, the identification of the various possible risk events guides the Legal Entity in the business continuity responses to be provided and the preparation of the actions to be taken in the event of the occurrence of the risk event.

Organization

The Group Business Continuity department, which reports to the Group Security division, performs its tasks independently of operational divisions. These include:

- managing Group business continuity and coordinating the Group Business Continuity function;
- coordinating the Group's crisis management;
- managing the implementation of the Group Contingency and Business Continuity Plans (CBCPs) and keeping them operational;
- ensuring compliance with regulatory provisions governing business continuity;
- participating in the Group's internal and external bodies.

The tools associated with the crisis management system are constantly evolving to improve their ergonomics and increase the range of associated functions.

Improvement projects continued with the following in common:

- streamlining processes and strengthening systems;
- compliance with European texts on operational resilience.

12.2 Information System Security (ISS)

Organization

The Group Security department (DSG) is in charge of the Information System Security (ISS) and the fight against cybercrime. It defines, implements and develops Group ISS policies. It provides continuous and consolidated oversight of ISS, along with technical and regulatory oversight. It initiates and coordinates Group projects aimed at reducing risks in its field. It also represents Groupe BPCE vis-à-vis banking industry groups and public authorities.

Groupe BPCE has established a groupwide ISS function. It brings together the Head of Group Information System Security (RSSI-G), who leads this network, and Heads of ISS for all Group entities.

As such, the Heads of ISS of the parent company affiliates, direct subsidiaries and IT EIGs are functionally attached to the RSSI-G. This functional link takes the form of leadership and coordination actions. This means that:

- the RSSI-G is notified of the appointment of any Heads of ISS;
- the Group information systems security policy is adopted by individual entities in accordance with application procedures subject to validation by the Head of Group ISS;
- a report on the institutions' compliance with the Group's ISS policy, permanent controls, risk level, primary incidents and actions is submitted to the RSSI-G.

The project to develop an exhaustive ISS map of the Group's information systems, including the establishments' private information systems, continued.

Two major projects are ongoing:

1. An annual assessment campaign of the Group's maturity on the five pillars of the NIST framework (Detect, Identify, Protect, Respond, Recover) in order to set numerical objectives, to pilot actions and to measure their effectiveness;

2. A Group Identity and Rights Management (IAM) program with the following objectives:

- establishing a Group database of individuals, applications and organizations,
- implementing Group IAM governance,
- including, if possible, all Group applications in the IAM roadmap, with automatic provisioning and an overview of authorizations.

Anti-cybercrime systems

As a result of its digital transformation, the Group's information systems are becoming increasingly open to the outside world (cloud computing, big data, etc.). Many of its processes are gradually going digital. Employees and customers are also increasingly using the internet and interconnected technologies such as tablets, smartphones and applications on tablets and mobile devices.

Consequently, the Group's assets are constantly more exposed to cyber-threats. The targets of these attacks are much broader than the information systems alone. They aim to exploit the potential vulnerabilities and weaknesses of customers, employees, business processes, information systems and security mechanisms at Group buildings and data centers.

A unified Group Security Operation Center (SOC) integrating a level 1, operating in 24x7 is operational.

Several actions have been carried out to strengthen the measures taken to combat cybercrime:

- work to secure websites hosted externally;
- improved website and application security testing capabilities;
- implementation of a Responsible Vulnerability Disclosure program by Groupe BPCE CERT.

Raising employee awareness of cybersecurity

In addition to maintaining the Group's common foundation for raising awareness of ISS, the year was marked by the continuation of phishing awareness campaigns and by the renewal of participation in "European Cybersecurity Month".

Within the scope of BPCE SA, in addition to the recurring permanent control activities (review of application authorizations and rights to IS resources) such as risk management (ISS mapping, monitoring of websites published on the Internet, leakage risk monitoring, etc.), awareness-raising and incident and crisis management, several actions to strengthen security were also carried out, including:

- Implementation of a new authorization review system for Office 365 resources (Teams, Onedrive and Sharepoint) not covered by the Sigma system;
- Reinforcement of the workstation password policy and migration to anonymous user logins as part of the deployment of the new workstation;
- Strengthening the detection of data leaks through the implementation of new detection scenarios;
- Resuming the deployment of the technological risk management system, called TRM (Technology Risks Management), which replaces and complements the historical ISS-Cyber system and covers the following topics: Cybersecurity and IS business continuity, and the new topics: Governance & Strategy IT, IT Developments & Projects and IT Operations;
- Deployment of a service provider safety welcome booklet that reminds us of the essential safety rules for external employees.

The BPCE SA ISS team made a significant contribution to strengthening and managing the security of BPCE's IS for the Paris 2024 Olympic and Paralympic Games.

12.3 Personal Data Protection

Organization and management of the sector

The Group Security department (DSG) is responsible for the protection of personal data within the Group. It defines, implements and develops the Group's Personal Data Protection policies. It provides continuous and consolidated oversight of its area of activity, along with technical and regulatory oversight. It initiates and coordinates Group projects aimed at reducing risks in its field. It also represents Groupe BPCE vis-à-vis banking industry groups and public authorities.

Groupe BPCE has established a groupwide Privacy function. It brings together the Group Data Protection Officer (DPO-G), who coordinates this function, and the DPOs of all companies.

The department defines, implements and develops the Group's Personal Data Protection policy.

The Group data protection policy:

- ensures the management of the Group's compliance program with the GDPR, as well as the management and coordination of the DPO community, and the coordination between the Group's institutions and the maintenance in operational condition of the standards, guiding principles and model GDPR procedures;
- also coordinates the processing of Data breaches and in particular the CNIL notification phase;
- intervenes in the validation circuit of new products or commercial processes that impact the Group. It also participates in the negotiation of contracts with service providers when they have a Community role;
- provides reporting on the implementation of the GDPR and the Group's level of compliance with it through a permanent control system, for the benefit of Groupe BPCE's governance.

The DPOs of the Caisses d'Epargne and Banques Populaires and more broadly all affiliated parent companies, direct subsidiaries and IT EIGs report functionally to the Group DPO. This functional link means that:

- the Group DPO is notified of any appointment, and has a right of veto;
- the Group Data Protection policy applies within the institutions and that each local adaptation is subject to the opinion of the Group DPO prior to its implementation in the institution;
- a report on the level of compliance of the institutions with the Group data protection policy, the permanent privacy control, the main GDPR incidents and the actions undertaken are sent to the Group DPO.

Monitoring of Personal Data Protection risks

The GDPR risk is monitored through a system based on two areas:

- a first- and second-level permanent control system recorded in the DRIVE and PRISCOP tools, the latter combining the two levels of control;
- a quarterly reporting module presented regularly to the Privacy Executive Committee.

At Group level, this risk is monitored by the permanent control committees and by the Executive Privacy Committees.

In addition, the Group's employees receive GDPR training every three years.

13 OPERATIONAL RISKS

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13.1 Operational risk management

Groupe BPCE has set up a system for measuring non-financial risks through the standardized use of indicators. These cover the indicators of the RAF system, the indicators resulting from the amended Ministerial Order of November 3, 2014, but also qualitative indicators aimed at measuring the industry's adherence to operational risk standards.

The Group's operational risk policy consists of keeping all of these indicators below the set limits, by entity and on a consolidated basis. In the event of an overrun, appropriate measures and corrective actions must be taken by the business lines owning the risks to remedy the possible failures. These measures and corrective actions must be monitored by the committee in charge of operational risks.

The operational risk policy is reviewed annually by the dedicated committee.

Organization

The Group Operational Risk division (DROG) – part of the Group Risk division – is in charge of identifying, measuring, monitoring and managing the operational risks incurred in all activities and functions undertaken by Group institutions and subsidiaries.

The operational risk system consists of:

- a central organization and a network of operational risk managers and officers, working in all activities, entities and subsidiaries of Group institutions and subsidiaries;
- a methodology based on a set of standards and an OR tool used throughout the Group.

The Operational Risk function operates:

- in all structures consolidated or controlled by the institution or the subsidiary (banking, financial, insurance, etc.);
- in all activities exposed to operational risks, including outsourced activities, within the meaning of Article 10 q and Article 10 r of the Ministerial Order of November 3, 2014 as amended, "outsourced activities and services or other critical or essential operational tasks".

The Group Non-Financial Risk Committee defines the risk policy rolled out to the institutions and subsidiaries, and the DROG ensures that the policy is applied throughout the Group.

Methodology

The operational risk management system is part of the Risk Assessment Statement (RAS) and Risk Assessment Framework (RAF) systems defined by the Group. These systems and indicators are adapted at the level of each Group institution and subsidiary.

The mapping methodology is part of the Group's permanent control system and includes the Operational Risk, Compliance, Information System Security, Personal and Property Safety and Permanent Control functions.

Measurement of risk exposure is based on a forward-looking model, which quantifies and classes risk scenarios and thus provides the Non-Financial Risk Committees with the necessary elements to define their risk tolerance.

Risk-predictive indicators are produced from the main risks identified in the non-financial risk map.

Risk supervision and monitoring were improved through the drafting of reports aimed at providing a uniform measurement to the Group as a whole of its risk exposure and cost of risk.

BPCE's Operational Risk function ensures that the structure and systems in place at the institutions and subsidiaries allow them to achieve their objectives and fulfill their duties.

To that end, it:

- coordinates the function and performs risk supervision and controls at the institutions/subsidiaries and their subsidiaries;
- centralizes and analyzes the Group's exposure to non-financial risks, verifies the implementation of corrective actions decided by the Operational Risk Committee and reports any excessive implementation times to Executive Management;
- performs controls to ensure that Group standards and methods are observed by the institutions and subsidiaries;
- performs a regulatory watch, distributes and relays operational risk alerts due to incidents with the potential to spread to the appropriate institutions/subsidiaries;
- prepares reports, by institution or subsidiary, for the Group and the regulatory authorities (COREP OR), analyzes the reports and content of the OR committees of the institutions and subsidiaries, and notifies the Group Non-Financial Risk Committee of any inadequate systems and/or excessive risk exposure, which in turn notifies the institution in question.

Two levels of operational risk management

Operational risk oversight within the Group is coordinated at two levels:

1. At the level of each group institution	2. At Groupe BPCE level
The Operational Risk Committee is responsible for adapting the operational risk management policy and ensuring the relevance and effectiveness of the operational risk management system. Accordingly, it: • examines major and recurring incidents, and validates the associated corrective actions; • examines indicator breaches, decides on associated corrective actions, and tracks progress on risk mitigation initiatives; • examines permanent controls carried out by the Operational Risk function and in particular any excessive delays in implementing corrective actions; • helps organize and train the network of Operational Risk officers; • determines if any changes need to be made in local insurance policies; • the frequency of meetings depends on the intensity of the institution's risks, in accordance with three operational schemes reviewed once a year by the Group Non-Financial Risk Committee (CRNFG) and communicated to the entities.	The Group Non-Financial Risk Committee meets quarterly and is chaired by a member of the Executive Management Committee. Its main duties are to define the OR standard, ensure that the OR system is deployed at the Group entities, and define the Group OR policy. Accordingly, it: • examines major risks incurred by the Group and defines its tolerance level, decides on the implementation of corrective actions affecting the Group and monitors their progress; • assesses the level of resources to be allocated; • reviews major incidents within its remit, validates the aggregated map of operational risks at Group level, which is used for the macro-level risk mapping campaign; • monitors major risk positions across all Group businesses, including risks relating to non-compliance, financial audits, personal and property safety, contingency and business continuity planning, financial security and information system security (ISS); • lastly, validates Group RAF indicators related to non-financial risks as well as their thresholds.

13.2 Monitoring

Incident and loss data collection

Incident data are collected to build knowledge of the cost of risks, continuously improve management systems, and meet regulatory objectives.

An incident log (incident database) was created to:

- broaden risk analysis and gain the knowledge needed to adjust action plans and assess their relevance;
- produce COREP regulatory half-year operational risk statements;
- produce reports for the executive and governing bodies and for non-management personnel;
- establish a record that can be used for operational risk modeling.

Incidents are reported as they occur, as soon as they are detected, in accordance with Group procedure. A whistleblowing procedure has been set up for major incidents and internal limit breaches to round out the incident data collection system.

Operational risk oversight

Mapping

The operational risk management system relies on a mapping process which is updated annually by all Group entities.

Mapping enables the forward-looking identification and measurement of high-risk processes. For a given scope, it allows the Group to measure its exposure to risks for the year ahead. This exposure is then assessed and validated by the relevant committees in order to launch action plans aimed at reducing exposure. The mapping scope includes emerging risks, risks related to information and communication technologies and security, including cyber-risks, risks related to service providers and risks of non-compliance.

This same mapping mechanism is used during the Group's ICAAP to identify and measure its main operational risks. The operational risk map also serves as a basis for the macro-risk mapping campaign covering the institutions, and thus for the Group overall.

Action plans and monitoring of corrective actions

Corrective actions are implemented to reduce the frequency, impact or spread of operational risks. They may be introduced following operational risk mapping, breaches of risk indicator thresholds or specific incidents.

Progress on key actions is monitored by each entity's Operational Risk Management Committee.

At Group level, progress on action plans for the principal risk areas is also specifically monitored by the Non-Financial Risk Committee.

Incident alert procedure

The alert procedure for serious incidents has been extended to the entire scope of Groupe BPCE. The aim of this system is to enhance and reinforce the system for collecting loss data across the Group.

An operational risk incident is deemed to be serious when the potential financial impact at the time of detection is over €300,000 or €1 million for GFS. Operational risk incidents with a material impact on the image and reputation of the Group or its subsidiaries are also deemed to be serious.

There is also a procedure in place covering material operational risks, within the meaning of Article 98 of the Ministerial Order of November 3, 2014, as amended by the Ministerial Order of February 25, 2021, for which the minimum threshold is set at 0.5% of Common Equity Tier-1.

Operational risk measurement

Groupe BPCE applies the standardized approach to calculate its capital requirements. Moreover, elements of internal control are considered in the assessment of the Group's net risk exposures.

13.3 Control

The permanent risk control division of the Governance and Risk Control department performs two types of Level 2 Controls on Operational Risks:

- compliance checks with standards (comprehensive and automatic):

Groupe BPCE checks the system when it presents any deviations from the Operational Risk Standards on the various themes of Operational Risk Management: organizational system for the management of OR, incidents, mapping, predictive risk indicators, corrective actions, etc.;

- data quality controls (sample and manual):

Groupe BPCE performs Level 2 controls of the Operational Risk function.

These controls are carried out on the basis of the control reports of the Institutions system, and therefore on the same scope as these reports: system, incidents, mapping (risk situations), predictive risk indicators, corrective actions.

The majority of these controls are carried out on the basis of data samples extracted from the operational risk management tool. The results of these Level 2 sample controls are recorded in the permanent controls management tool.

Other controls concern certain points relating to risk coverage. They are exhaustive and their results are subject to specific formalization (minutes of meetings relating to serious incidents, record of decisions, etc.).

Highlights

In addition, with a view to improving our risk management, first- and second-level controls on external fraud are being implemented.

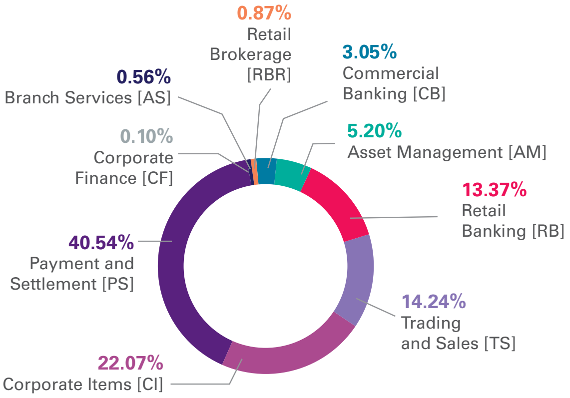
In terms of Insurance, the networks and subsidiaries benefit from coverage of their insurable operational risks under Group insurance policies contracted from leading insurance companies. In addition to this system, an internal Group reinsurance company has been set up.

EU OR1 – Capital requirements for operational risk and risk-weighted exposure amounts

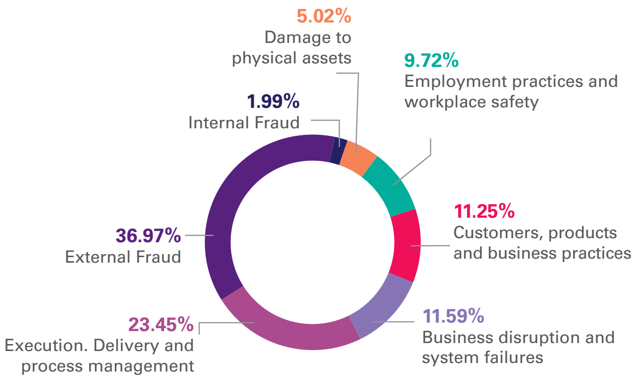
	a	b	c	d	e
Banking activities *in millions of euros*	**12/31/2022**	**12/31/2023**	**12/31/2024**	**Capital requirements**	**Risk-weighted exposure**
Banking activities under basic indicator approach (BIA)					
Banking activities under the Standardized Approach (TSA)/ alternative standardized approach (ASA)	25,715	23,267	24,306	3,377	42,212
Standardized Approach (TSA):	25,715	23,267	24,306		
Alternative Standardized Approach (ASA):					
Banking activities under advanced measurement approach (AMA)					

Breakdown of losses at 12/31/2024

Breakdown of losses by Basel business line



Breakdown of losses by Basel loss event category



Operational risk mitigation techniques

In terms of Insurance, the networks and subsidiaries benefit from coverage of their insurable operational risks under Group insurance policies contracted from leading insurance companies. This system is complemented by a reinsurance captive that allows the adjustment of deductible levels.

Coverage of insurable risks

At January 1, 2024, BPCE SA had subscribed, both for itself and for:

- its subsidiaries, including GFS;
- and the Banque Populaire and Caisse d'Epargne networks, with the exception of CASDEN Banque Populaire with respect to the "Property Damage" insurance coverage for Registered Offices & Similar and their contents (including IS equipment) and consequent "losses in banking activities", described below in point E/;

The following main Insurance policies to cover its insurable operational risks and protect its balance sheet and income statement:

A/ Combined "Global Banking (Damages to Valuables and Fraud)" & "Professional Civil Liability" policy with a total maximum payout **of €217 million** per year of insurance, of which:

a) **€92.5 million** per year, combined "Global Banking/ Professional Civil Liability/Cyber-Risks/FIE" and mobilizable under the guaranteed amounts indicated in (ii) and/or (iii) and/ or (iv) and/or F/ below;

b) **€48 million** per claim and per year (sub-limited in "Fraud" to **€35 million** per claim), dedicated to the "Global Banking" risk only;

c) **€25 million** per claim and per year, solely reserved for "Professional Civil Liability" risk;

d) **€51.5 million** per claim and per year, combined "Global Banking/Professional Civil Liability" insurance available in addition to or after use of the amounts guaranteed set out in (ii) and/or (iii) above.

The maximum amount that can be paid out for any one claim under this arrangement is **€100 million** under "Professional Civil Liability" coverage and **€100.5 million** under "Fraud" coverage in excess of the applicable deductibles.

B/ "Regulated Intermediation Liability" (in three areas: Financial Intermediation, Insurance Intermediation and Real Estate Transactions/Management) with a total maximum payout of **€10 million** per claim and €13 million per year.

C/ "Operating Civil Liability" covering **€75 million** per claim, as well as a "Subsidiary Owner Civil Liability"/"Post Delivery-Reception Civil Liability" coverage extension for up to **€35 million** per claim and per year of insurance.

D/ "Company Directors Civil Liability" for up to **€150 million** per claim and per year of insurance.

E/ "Property Damage" to "Registered Offices & Similar" and to their content (including IT equipment) and the consecutive "losses in banking activities", for up to **€300 million** per claim (sub-limited to **€100 million** per claim **and €200 million** per year for consequential "losses in banking activities").

F/ "Protection of Digital Assets against Cyber-Risks" & consecutive "losses of banking activities", up to **€100 million** per claim and **€156.5 million** per policy year of which **€85 million** per year combined with the guaranteed amount indicated in (i) of A/.

This coverage extends worldwide for initial risk or umbrella risk, subject to certain exceptions, mainly in terms of "Professional Civil Liability" where the policy does not cover permanent institutions based in the United States (where coverage is obtained locally by GFS' US operations).

All the insurance policies mentioned above were taken out with reputable, creditworthy insurance companies and in excess of the deductibles and Groupe BPCE's risk-retention capacity.

14 INSURANCE, ASSET MANAGEMENT, FINANCIAL CONGLOMERATE RISKS

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Foreword

The quantitative information relating to IFRS 17 impacts mentioned in the paragraphs "Insurance, Asset Management, Financial Conglomerate Risks" below is presented in Chapter 5 "Finance" of the Universal Registration Document (URD).

Organization

The Non-Banking Equity Risk department of the Group Risk division consisted of four units (two business line units and two cross-business units):

- Group Insurance Risks;
- Group Asset Management Risks;
- Financial Conglomerate;
- Stress Tests & Methodologies.

Articulating the missions of each division makes it possible to address the challenges of Complementary Conglomerate Monitoring. Monitoring of the risks inherent in the Insurance and Asset Management entities is supplemented by a capacity for qualitative and quantitative analysis of the interactions between Business Lines and repercussions on the Group.

Insurance risks

Guidelines

Insurance risk is the probability of damage or accident occurring during the insurance coverage period. This risk differs according to the insurance products concerned. Depending on the insurance products concerned, the risk varies according to changes in macro-economic factors, changes in customer behavior, changes in public health policy, pandemics, accidents and natural disasters (*e.g.* earthquakes, industrial accidents or acts of terrorism or war). The credit insurance business is also exposed to credit risk.

Managing insurance risks requires monitoring of the inherent technical risks, while paying particular attention to the financial risks incurred through assets under representation. In addition to protecting the balance sheet and income statement of insurance companies, the aim is to guarantee their solvency and liquidity.

To this end, the Group's companies have put in place systems for measuring, reporting and managing risks. These systems comply with the regulatory requirements in effect since January 1, 2016 with the application of the Solvency II directive (Pillar I Quantitative Solvency Requirements, Pillar II Governance & ORSA, and Pillar III Prudential Reporting and Public Information).

As of January 1, 2023, the Group's companies have been subject to IFRS 17, which harmonizes and updates the recognition, measurement and presentation of commitments in liabilities.

This recognition of liabilities under IFRS 17, concomitant with the recognition of assets under IFRS 9, could lead to greater variability in results compared to IFRS 4 and IAS 39, and conversely it could reduce that of OCI.

In this context, the Group Risk division (DRG) ensures, in coordination with the banking parent companies (BRED, Oney, CASDEN), the operation of the insurance risk monitoring systems within the main companies in which the Group is the reference shareholder. BPCE Assurances, Compagnie Européenne de Garanties et Cautions (CEGC), PREPAR Assurance, Oney Insurance and Oney Life; in addition, coordination is ensured with Parnasse Garanties and its parent company CASDEN, and with Surassur.

Since 2011, the Group has deployed an insurance risk unit. This meets the requirements of the Financial Conglomerates directive 2002/87/EC (FICOD) and its transposition into French law by the Ministerial Order of November 3, 2014 on the supplementary supervision of financial conglomerates, through the Group's cross-functional insurance risk monitoring system, while at the same time ensuring functional and regulatory interoperability between the banking and insurance sectors. The principle of subsidiarity applies to the sector, with controls carried out first by the insurance companies, then at the level of the Risk divisions of the parent companies of the companies, and finally by the Group Risk division.

This system is reflected in:

- coordination of the sector: Insurance Risk Monitoring Committees (CSRA) meet every quarter and are supplemented by frequent discussions with the companies and, where applicable, their parent companies. The Group Risk division also participates in the main Risk Committees of companies reporting directly to BPCE SA. It is also involved in the monitoring and review of Risk Appetite indicators, at Group level, but also at the level of each company. Lastly, it produces a quarterly note summarizing the main risk indicators of the companies and their risk news, which can be reported to the Group Risk and Compliance Committee;
- analysis of the main risk areas: Specific studies are carried out in connection with actual or prospective risks, whether of an economic, financial, regulatory or normative nature (impacts of the interest rate regime and higher inflation, impacts of the transition to IFRS 17 and 9, strengthened analysis of risks relating to real estate markets, etc.);
- the division is also involved in the review of new insurance products distributed by the Group by giving a risk opinion on the insurance products and new distribution processes offered.

Risks inherent to the Group's main companies

BPCE Assurances

BPCE Assurances is the Insurance division of Groupe BPCE and is divided into two business lines:

- the Personal Insurance business, focused on developing portfolios of life insurance and endowment policies for investment and retirement purposes, as well as personal protection insurance portfolios;
- the non-life insurance business, focused on developing portfolios for Auto and Multi-Risk Home insurance, personal accident insurance, legal protection, healthcare and property & casualty insurance.

Given the predominance of the investment solutions activity, the main risks to which BPCE Assurances is exposed are financial. The company is also exposed to underwriting risks (life and non-life), as well as counterparty risk.

MARKET RISK

Market risk is largely borne by subsidiary BPCE Vie on the financial assets that underpin its commitments with guaranteed principal and returns (€74.7 billion). The company is exposed to asset impairment risk (fall in the equity or real estate market) as well as the risk significant changes in interest rates.

A rapid rise in interest rates is likely to reduce the attractiveness of euro-denominated life insurance policies compared to other types of investments. However, this risk is limited due to the prospect of inflows and the reserves set aside to reduce the portfolio's exposure to rising interest rates. This risk also gradually decreases as interest rates stabilize as bonds mature and assets are replaced with higher rates.

Conversely, a drop in interest rates would be liable to generate insufficient returns to cover the capital and guaranteed rates. In response to this risk, for several years BPCE Vie has only sold contracts with zero guaranteed minimum rates ("GMR") (more than 97% of commitments) and, since mid-2021, new contracts include a gross capital guarantee on management fees on outstandings. The average GMR (taking into account these contracts for which the guarantee is reduced by management fees) is -0.04%.

To manage market risk, the sources of return have been diversified, namely *via* investments in new asset classes (funding the economy, infrastructure, etc.). This diversification is managed by a strategic allocation, defined on a yearly basis, that takes into account regulatory constraints, commitments to policyholders and commercial requirements.

CREDIT RISK

Credit risk arises mainly from BPCE Vie's strong allocation of bonds denominated euros. It results from fluctuations affecting the level or volatility of credit spreads and thus the valuation of the company's assets. This risk is managed by monitoring exposures by rating, geographic area and sector, and compliance with BPCE Assurances' internal standards and limits. A qualitative analysis of securities placed under surveillance with different alert levels is also carried out.

On December 31, 2024, 77% of the BPCE Assurances' fixed-income portfolio was invested in securities rated A or higher. It is composed of fixed income assets diversified by geographic area and sector. A significant portion of the portfolio's investments are made with French and sovereign issuers.

LIFE INSURANCE UNDERWRITING RISK

The main life insurance underwriting risk is exposed is associated with the investment solutions activity in euros. In a situation of sharp rise in interest rates, the major risk corresponds to a risk of massive redemptions: the company could be forced to sell assets at an inopportune time, thus exposing itself to a risk of financial loss, as well as to the loss of future margins on redeemed policies. If the level of interest rates stabilizes, the risk of massive redemptions would gradually be reduced (the assets of euro-denominated funds benefiting from the level of interest rates). Conversely, in a situation of very low interest rates, BPCE Assurances is subject to the risk of a drop in redemptions.

NON-LIFE INSURANCE UNDERWRITING RISK

The non-life insurance underwriting risk to which BPCE Assurances is exposed is borne by its subsidiary BPCE Assurances IARD:

- premium risk: to ensure that the premiums paid by the policyholders match the transferred risk, BPCE Assurances IARD implemented a portfolio monitoring policy whereby each policy is given a score based on its track record over three years. The score factors in types of claims, number of claims, their cost and other variables specific to the activity in question (degree of liability and bonuses/penalties for auto insurance, for instance). This supervision policy also helps to detect potential risks arising from large claims, and to arrange adequate reinsurance coverage;
- risk of loss: each time inventory is taken, an actuarial assessment of the provisions for claims payable is conducted based on methods widely recognized by the profession and required by the regulator;
- disaster risk: disaster risk is the exposure to an event of significant magnitude generating a multitude of claims (storm, risk of civil liability, etc.). This risk is therefore reinsured either through the government in the event of a natural disaster or an attack, for example, or through private reinsurers, specifically in the event of a storm or a civil liability claim.

COUNTERPARTY RISK

The counterparty risk to which BPCE Assurances is exposed mainly concerns reinsurance counterparties. The selection of reinsurers is a key component of managing this risk:

- BPCE Assurances deals with reinsurers that are subject to a financial rating by at least one of the three internationally recognized rating agencies, and that have a Standard & Poor's equivalent rating of A- or higher;
- using several reinsurers ensures counterparty diversification and limits counterparty risk.

CEGC

Compagnie Européenne de Garanties et Cautions is the Group's Security and Guarantee insurance entity. It is exposed to underwriting risk, market risk, reinsurer default risk and operational risk.

In 2024, new home loans guaranteed by CEGC recorded a new slowdown, although it recovered in the second half of the year. Claims made in 2024 remained under control at 20% of earned premiums ("claims to premiums", gross reinsurance ratio).

Under the Solvency II prudential regime, CEGC uses a partial internal model approved by the ACPR. It meets the robustness requirement applicable to home loan guarantors.

In 2024, CEGC covered the Solvency Capital Requirement, thanks to its Tier-1 and Tier-2 capital, as well as its reinsurance coverage.

UNDERWRITING RISK

Underwriting risk is the main risk incurred by CEGC. It is essentially a counterparty risk, as the commitments given by CEGC to beneficiaries of guarantees result in direct exposure to individual or corporate insured parties. These commitments are regulated and provisioned under liabilities in the balance sheet. They amounted to €3.2 billion on December 31, 2024 (-2.4% compared to end-2023).

BPCE41 – AMOUNT OF CEGC REGULATED COMMITMENTS *(IN MILLIONS OF EUROS)*

CEGC activities	12/31/2024	Change at 12/31/2024 compared to 12/31/2023
Individual customers	2,821	(2.0%)
Single-family home builders	89	(2.8%)
Property administrators – Realtors	14	1.0%
Corporate customers	30	(42.1%)
Real estate developers	33	41.8%
Small businesses	109	(1.4%)
Social Economy – Social Housing	63	0.3%
Structured collateral	3	(69.0%)
TOTAL	**3,161**	**(2.4%)**

Under IFRS, Best Estimate provisions are measured using default rate parameters that are used to determine future claims and claim rates.

MARKET AND CREDIT RISK

CEGC's short-term investment portfolio totaled over €3.8 billion on its balance sheet on December 31, 2024 hedging underwriting provisions.

Market risk associated with the short-term investment portfolio is limited by the company's investment choices.

The company's risk limits are set out in the financial management charter and the asset management agreement established with Ostrum. As an insurance company, CEGC does not require funding since insurance premiums are collected before the disbursement of claims. Nor does CEGC carry transformation risk: the investment portfolio is entirely backed by own funds and technical reserves.

BPCE42 – CEGC INVESTMENT PORTFOLIO

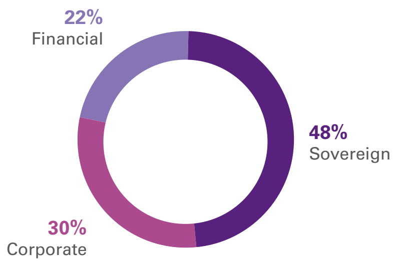
in millions of euros	12/31/2024			12/31/2023		
	Balance sheet value, net of provision	in %	Mark to market	Balance sheet value, net of provision	in %	Mark to market
Equities	145	3.8%	152	103	2.60%	112
Bonds	3,043	79.0%	2,845	2,895	71.60%	2,667
Diversified	111	2.9%	113	107	2.60%	107
Cash	277	7.2%	285	658	16.30%	662
Residential mortgages	181	4.7%	193	197	4.90%	207
FCPR	33	0.9%	52	31	0.80%	49
Private debt	54	1.4%	55	50	1.20%	49
Other	6	0.2%	11	3	0.10%	2
OVERALL	**3,852**	**100%**	**3 705**	**4,044**	**100%**	**3,857**

The chart below shows the sectoral breakdown of the bond portfolio between sovereign bonds, financial bonds, *obligations foncières* and other corporate bonds at the end of 2024.

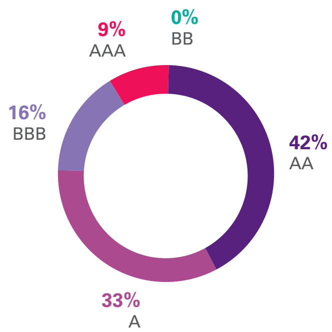
At December 31, 2024, the proportion of bonds with a rating above A- was 84%, in line with the company's financial management charter, and more than 99% of the securities held were classified as "Investment grade".

The average rating of the bond portfolio was A+ as of December 31, 2024.

Breakdown of the bond portfolio by sector at 12/31/2024



Breakdown of the bond portfolio by rating at 12/31/2024



REINSURANCE RISK

CEGC hedges its liability portfolio by implementing a reinsurance program tailored to its activities.

In loan guarantees, reinsurance is used as a tool for regulatory capital management. It protects guarantee beneficiaries in the event of an economic recession leading to a loss of up to 2% of guaranteed loan outstandings.

In the corporate segments, the program is used to protect CEGC's capital by hedging against high-intensity risks. It has been calibrated to cover three major individual loss events (loss due to the financial failure of a counterparty or a group of counterparties) with the potential to significantly impact CEGC's income statement. Reinsurer default risk is governed by counterparty concentration and rating limits. CEGC's reinsurance programs are underwritten by a broad panel of international reinsurers with a minimum rating of A on the S&P scale.

PREPAR Assurance

The PREPAR Assurance group is made up of two companies:

- PREPAR-VIE, created in 1984, a public limited company with a Management Board and a Supervisory Board;
- PREPAR-IARD, created in 1990, a public limited company with a Board of Directors.

They are wholly-owned subsidiaries of BRED Banque Populaire, of which they form the Insurance division.

PREPAR Assurance offers personal and property insurance policies, mainly with BRED customers, and incidentally with other distribution channels (company employees, brokers, French property investment funds).

The main products currently being marketed at these two entities are as follows:

- open-ended savings contracts, in the form of life insurance or capitalization;
- pension policies in a specific tax framework ("Madelin", PERP and PERI policies);
- "Whole life" contracts, as part of the financing of funerals;
- personal risk insurance contracts such as creditor insurance or "term life insurance";
- "Health/sick leave" guarantees;
- "Financial loss" guarantees;
- "Accidental death" guarantees.

At 31 December 2024, PREPAR-VIE, considered as the parent company of the PREPAR Assurance group, managed approximately 238,000 savings contracts, for a total outstanding of €8.2 billion and 746,000 personal risk insurance contracts.

PREPAR Assurances is subject to the main risks described below.

PREPAR-VIE

- market risk: PREPAR-VIE's portfolio of assets is diversified to address the ALM management issues specific to an entity mainly marketing savings contracts. As a result, PREPAR-VIE is highly exposed to market risk and more specifically to interest rate, equity, real estate and spread sub-risks;
- credit risk: mainly related to bond investments and their receivables;
- life insurance underwriting risk: as a company mainly marketing savings contracts, PREPAR-VIE is subject to mortality, fee and surrender sub-risks.

PREPAR-IARD

- non-life insurance underwriting risk: the financial loss guarantees marketed by PREPAR-IARD are subject to non-life underwriting risk, premium and provisioning risk, as well as catastrophe risk;
- counterparty risk.

These risks are regularly monitored and are reported to the various Group bodies.

Asset management risks

Like the system adopted for the Insurance business line, the operation of this system is based on subsidiarity with the Risk divisions of the parent banks and business lines; in particular, Natixis Investment Managers, which consolidates most of the Group's assets under management.

By setting up an Asset Management Risk System, the Group Risk division pursues the following main objectives:

1. identify the major risks that could impact the Group's solvency trajectory as a Financial Conglomerate to cover its banking or Conglomerate prudential ratios;
2. be associated with the contributions of the sector during Group exercises (ICAAP, PPR, Stress Tests, etc.) so as to identify the risks of the business model on the contribution to results and equity, quantify them and prioritize them;
3. organize the management of the system by specifying a risk review and setting up a formal quarterly meeting;
4. inform Executive Management by presenting a summary of the review of the risks of our asset management activities to the Group Risk and Compliance Committee.

In the Asset Management business line, the Risk division formally ensures: the coordination of the risk system (cross-functional or focus workshops); running cross-functional projects related to the banking sector; information to Executive Management with a summary report for the members of the Group Risk and Compliance Committee.

The system is based on contributions from asset management companies and their work on risks.

Due to its large majority, the system relies mainly on Natixis Investment Managers. The re-use of existing work and methodologies locally is favored to establish supervision at the Group level. The key risk monitoring indicators are determined with NIM in coordination with GFS.

BPCE's Group Risk division focuses on risks that may affect the Group such as redemption risk and the associated potential step-in risk, seed money and operational risks (based on the Group's OR), including through stress tests of NIM and economic capital review. GFS' Risk division regularly monitors NIM's risks through its role as direct parent company.

The Group Risk division, together with GFS and/or NIM, anticipates the impacts of consultations and regulatory changes.

The system also provides for the implementation of an annual review for asset management companies that are not significant at the Group level but significant for their direct parent banking companies for the following entities: Palatine AM and Promepar AM.

Additional monitoring of the financial conglomerate

Groupe BPCE, identified by the ACPR/ECB as a financial conglomerate due to the absolute and relative size of its banking and insurance activities, is subject to the related additional monitoring requirements[1]. Since the entry into force of the Single Supervisory Mechanism (SSM), the ECB has coordinated the supervision of predominantly banking financial conglomerates.

The Complementary Conglomerate Monitoring function was officially created in 2017 following the validation by the Management Board of the function's mission statement. The latter identifies the macro-objectives and stakeholders within the Group. The roles, responsibilities and interactions between each of the players in the sector have been defined. Depending on the themes, committees are organized three to four times a year.

The regulation related to the conglomerate requires an overview of the entire accounting consolidation scope (banking, insurance, Asset Management and non-financial sector). Additional monitoring focuses on:

- capital adequacy of the financial conglomerate;
- monitoring of intra-group transactions between the various entities of the conglomerate;
- monitoring the concentration of risks;
- risk management procedures and internal control system.

In terms of risk monitoring:

- the financial conglomerate approach aims to capture the main interactions between the banking, insurance and asset management sectors that could, due to an exogenous or endogenous event, impact the Group's risk profile and its main trajectories (results, solvency, liquidity);
- it makes it possible to consolidate the banking and insurance sector metrics, in particular capital requirements;
- the complementary supervision is based mainly on the banking system as a whole, and on the insurance and asset management risks.

The conglomerate's excess equity is monitored in the Group's RAF (Risk Appetite Framework). In order to provide a forward-looking view of the Group's solvency through the financial conglomerate's reading grid, Groupe BPCE projects the excess equity over several years under different scenarios.

As part of the overhaul of Conglomerate reports on intragroup transactions and risk concentration, the department is supporting the Group Accounting department for its operational implementation. These reports will enable enhanced monitoring of the risks of contagion between the various entities of the conglomerate and the concentration of risks, in the spirit of the additional monitoring requirements.

The entire system, in its main dimensions – Insurance, Asset Management, Banking, Financial Conglomerate – is the subject of presentations and discussions with the joint ECB/ACPR supervision team, in particular at meetings dedicated to the JST (Joint Supervisory Team). In particular, the organization of the risk management system, as well as the main analyses and points of attention brought to the attention of the Group's Executive Management during the year, are reviewed.

(1) Directive 2002/87/EC of December 16, 2002 (as amended) on the additional supervision of credit institutions, insurance companies and investment firms belonging to a financial conglomerate, transposed into French law by the Order No. 2004-1201 of November 12, 2004, and the Ministerial Order of November 3, 2014 on the additional supervision of financial conglomerates.

Stress tests & methodologies

In a conglomerate approach, a global and integrated system of solvency trajectories and stress tests has been developed. This system encompasses and is based on the three regulations Solvency II, Basel III and Financial Conglomerate. The application of common assumptions in these three dimensions provides a holistic view of the Group's solvency.

The Group Risk division is mainly responsible for:

- the coordination of insurance sector Stress Tests, in particular ORSA[1] (Pillar II of Solvency II); from the determination of stress assumptions to the analysis of results at Group level;
- the design of methodologies for linking the insurance sector to the prudential banking group;
- the analysis of contagion mechanisms and regulatory and economic interactions between the various sectors of the Group as a financial conglomerate.

The Group's insurance companies are included in the banking IST (Internal Stress Tests) as part of the ICAAP (Internal Capital Adequacy Assessment Process) normative approach[2]. The modeling includes:

- the simulation of Solvency II ratios, SCR and MCR, in order to objectify any capital requirements;
- the simulation of "IFRS variables" that impact the bank solvency ratio in accordance with prudential specifications (net income retained or distributed, OCI, value and difference in equity method);
- the fees and commissions paid by companies to the Group's distribution payment networks or asset managers.

As part of ICAAP's economic approach, the Non-Banking Equity Risk department of the Group Risk division:

- developed, and if necessary modified, the Economic Capital model for Insurance Risk in coordination with the companies and the Group Finance division. It carries out the related quarterly production (costing and analysis);
- coordinated, with GFS and Natixis IM, the review of Economic Capital models related to NIM's activity. It monitors the action plan shared with all stakeholders at the end of the review (in order to adapt certain methodologies to the specific features of Asset Management in terms of both risks and business model).

More generally, the Non-Banking Equity Risk department provides its quantitative and methodological expertise on the risks of non-banking activities, to support or challenge work carried out by the business lines and/or the Group (actuarial expertise, company ALM topics, EBA stress tests, quantification of the impact of physical climate risk, etc.).

Activities in 2024

INSURANCE RISKS

- Analysis of BPCE Assurances and Parnasse Garanties' risk profiles
- Monitoring of companies' assets, buybacks and real estate vehicles with regard to the market situation
- Review of Risk Appetite Framework systems

ASSET MANAGEMENT RISKS

- Mapping of the Group's internal asset management companies (excluding NIM)
- Analysis and monitoring of real estate funds (SCPI, SCI, and OPCI) since the summer of 2023 following the real estate market crisis
- Implementation of risk monitoring on the portfolios of Group insurance companies

FINANCIAL CONGLOMERATE

- Review of reports in support of the Group Accounting department
- Identification of conglomerate contagion scenarios
- Monitoring and analysis of intra-group transactions between BPCE Vie and the Group

STRESS TESTS & METHODOLOGIES

- Coordination and analysis of ST ORSAs, the Insurance section of the ICAAP IST and the Conglomerate solvency projections
- Work on ESG risk mapping and contagion channels in the insurance scope
- Quantification of the materiality of risks in the Group Insurance module

(1) Own Risk and Solvency Assessment.
(2) Internal Capital Adequacy Assessment Process.

15 MODEL RISKS

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15.1 Introduction

Groupe BPCE aims to optimize returns while operating within the risk appetite limits set by the Board of Directors by monitoring each type of risk and, in particular, the model risk as well as the associated regulatory obligations.

Models must be constantly monitored with regard to their effectiveness.

Simplification and underlying assumptions sometimes come at the expense of accuracy and structural integrity in stressed environments. Groupe BPCE is therefore exposed to a model risk.

Model risk is the risk of financial loss or damage to the Group's reputation resulting from defects in the design, implementation or use of models.

Based on the regulatory definition, the Groupe BPCE distinguishes between **two types of model risk**:

- **model uncertainty risk:** this risk is inherent in the quantitative method, system or approach used to approximate or represent the observation;
- **model risk as an operational risk** (see § 6.13): this is the risk of economic or reputational loss related to errors in the development, implementation or use of the model.

15.2 Organization

The Group strives to define and deploy internal standards to identify, measure and limit model risk based on fundamental principles, such as the implementation of **three independent lines of defense**:

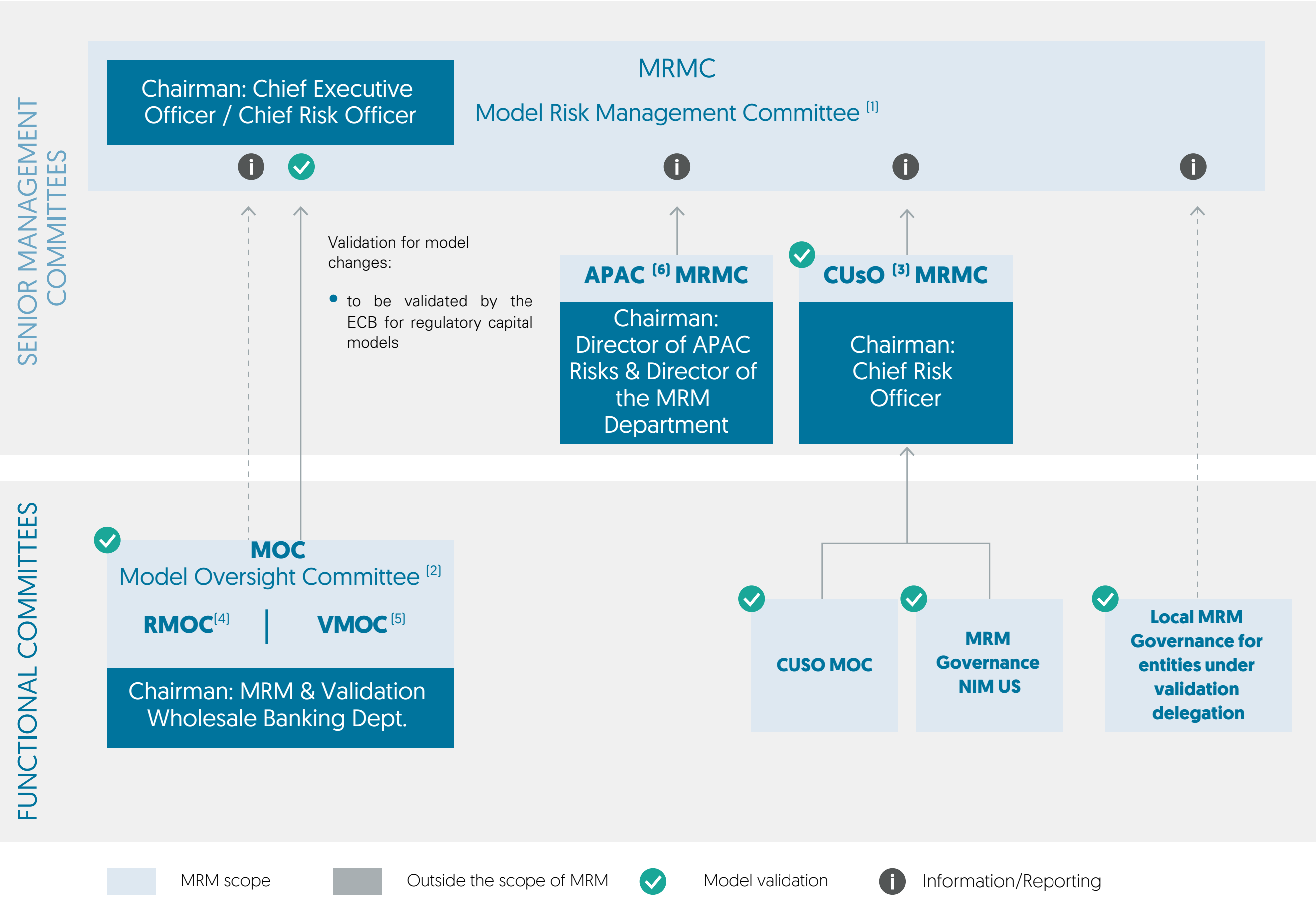
- **a first line of defense** in charge of the design, development and use of the model and the day-to-day management of model risk through the application of controls, **mainly embodied by the Model Owner**;
- **a second line of defense** responsible for the definition, maintenance and operational implementation of the model risk control framework **embodied in particular by the Model Risk Management (MRM)** and validation **functions**;
- **a third line, embodied by Internal Audit**, whose role is to periodically verify the effectiveness of the management of the model risk system and the control system defined by the second line of defense.

15.3 Governance

Groupe BPCE has established a robust model risk governance system aimed at assessing, reducing and monitoring changes in model risk throughout the model's life cycle through the definition of indicators and the implementation of dedicated dashboards distributed to Executive Management.

Its implementation is linked to an independent control based on principles in connection with the documentation, design, development, implementation, review, approval, continuous monitoring and use of models to ensure their reliability. An MRM risk management policy has been defined for this purpose. This policy must promote an informed knowledge of how each model works, how it is used, and its strengths, weaknesses and limitations. The policy is supplemented by a body of procedures defining the tools for monitoring the performance of the models, in particular, the validation review, the monitoring of remediation actions and the associated escalation processes, and the monitoring of the model portfolio through an inventory. The system is based on a specific tool used by Groupe BPCE to manage the life cycle of models. A Model Risk Management Committee chaired by the Chairman of the Management Board of BPCE, or the Chief Executive Officer in charge of risks by delegation, is dedicated to the governance/supervision of the models and the associated risk.

Governance of the models is based on the Model Risk Management Committee (MRMC) and the functional model validation committees (Model Oversight Committee), which ensure the implementation of a robust governance framework for the model risk:



(1) MRMC (Model Risk Management Committee)
(2) MOC (Model Oversight Committee)
(3) CUSO (Combined United States Operations)
(4) RMOC (Risk Models Oversight Committee)
(5) VMOC (Valuation Models Oversight Committee)
(6) APAC (Asia and Pacific): Asia-Pacific.

In accordance with regulatory requirements, Groupe BPCE has implemented model validation policies and procedures that define and specify the missions and responsibilities of the various players involved in the model life cycle. Model validation is carried out by validation teams that are independent of Groupe BPCE's Risk division, with the exception of models reviewed by a validation delegation that is itself subject to compliance with a certain number of conditions (expertise, compliance with independence rules, etc.). The delegation of validation is subject to the prior approval of the Model Risk Management Committee (MRMC).

The internal validation process for models is broken down into three steps:

1) **review of the model** and its adequacy, conducted **independently** of the entities having worked on the development of the model;
2) **review** of the conclusions of the validation during a meeting of a functional committee composed of quantitative (modelers and validators) and business line experts. The reviews are presented by the **Model Oversight Committee** (MOC), chaired by the Group Chief Risk Officer, a member of the Executive Management Committee or the Head of the Model Risk Management department; or within local committees chaired by a member of Executive Management for delegated entities;
3) **validation by the Model Risk Management Committee** (MRMC) in the specific case of the analysis of the materiality of certain changes in models which, where applicable, are subject to prior authorization of the European supervisor under European Regulations Nos. 529/2014 and 2015/942 relating to the monitoring of internal models used to calculate capital requirements.

16 ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

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16.1 Definition and reference framework

Reference framework

The management of environmental, social and governance risks within Groupe BPCE is part of a threefold framework:

- the regulatory and legislative framework, which includes all the texts in force in the jurisdictions in which Groupe BPCE operates. In France, these include the European Taxonomy or the Sustainable Finance Disclosure Regulation (SFDR) as well as texts stemming from banking or insurance regulations and by extension the European Central Bank's guide on managing climate and environmental risks;
- the framework of standards and best market practices and in particular international references such as the Sustainable Development Goals, the United Nations Global Compact and even the Paris Agreements on climate change;
- the voluntary commitments made by Groupe BPCE directly through sectoral ESG policies in sensitive sectors or as part of market initiatives such as the Net Zero Banking Alliance, the Net Zero Asset Manager Initiative on asset management activities and the Net Zero Asset Owner Alliance for its activities policy, which governs commitments to align greenhouse gas emissions trajectories with carbon neutrality by 2050, and the Principles for Responsible Banking.

Groupe BPCE's environmental, social and governance risk management system aims to ensure compliance with the methodological standards and constraints set by this reference framework while still reflecting Groupe BPCE's risk appetite.

Definition of ESG risks

Environmental risks

Environmental risks fall into two main categories:

- Physical risks arising from the impacts of extreme or chronic climatic or environmental events (biodiversity, pollution, water, natural resources) on the activities of Groupe BPCE or its counterparties;
- Transition risks arising from the impacts of the transition to a low-carbon economy, or one with a lower environmental impact, on Groupe BPCE or its counterparties, including regulatory changes, technological developments, and the behavior of stakeholders (including consumers).

Social risks

Social risks arise from the impacts of social factors on Groupe BPCE's counterparties, including issues related to the rights, well-being and interests of individuals and stakeholders (the Company's workforce, employees of the Company's value chain, communities concerned, end users and final consumers).

Governance risks

Governance risks arise from the impacts of governance factors on Groupe BPCE's counterparties, including issues related to ethics and corporate culture (governance structure, business integrity and transparency, *etc.*), managing supplier relationships and influencing business practices.

Climate and environmental scenarios

As part of its strategic business line planning and management and the management of its risks, Groupe BPCE uses climate scenarios to assess the challenges associated with short-, medium- and long-term climate risks.

These scenarios come from leading institutions in scientific research on the climate, such as the Intergovernmental Panel on Climate Change (IPCC), the Network for Greening the Financial System (NGFS) or the International Energy Agency (IEA).

Groupe BPCE mainly uses the SSP2-4.5 scenario to define a "middle of the road" trend. This scenario represents a "middle of the road" pathway that extrapolates past and current global development into the future. Income trends in different countries diverge considerably. There is some cooperation between States, but it is limited. Global population growth is moderate and stabilizes in the second half of the century. Environmental systems are facing a certain deterioration. With regard to greenhouse gas emissions, this scenario represents the average trajectory of future greenhouse gas emissions and assumes that climate protection measures are taken.

For its risk assessment needs in a deteriorated context, Groupe BPCE also relies on the SSP5-8.5 scenario. This scenario assumes development from fossil fuels. Global markets are increasingly integrated, resulting in innovations and technological advances. The social and economic development, however, is based on an intensified exploitation of fossil fuel resources with a high percentage of coal and an energy-intensive lifestyle worldwide. The global economy is growing and local environmental problems such as air pollution are being tackled successfully. With regard to greenhouse gas emissions, this scenario reflects the failure of mitigation policies and the continuity of trends in primary energy consumption and energy mix.

In defining its decarbonization objectives and trajectories, Groupe BPCE also relies on the scenarios of the International Energy Agency. These scenarios, specific to each sector, determine the technological breakthroughs necessary to achieve carbon neutrality by 2050.

Wishing to contribute to the achievement of global carbon neutrality by 2050 by relying on science, Groupe BPCE generally relies on the Net Zero Emissions 2050 scenario (NZE 2050 scenario) of the International Energy Agency published in 2021 to define the targets for aligning its exposure portfolios with the sectors with the most carbon-emitting sectors. This scenario plots sector trajectories compatible with limiting global warming to 1.5°C, in accordance with the most ambitious objectives of the Paris Agreement. When this scenario is not sufficiently precise and granular to be reconciled with the composition of certain sector portfolios, the Group may have to use alternative scenarios by ensuring the quality of the organizations that produce them and their compatibility with the ≤1.5°C target without or with limited overshoot of the global carbon budget.

While the reference base generally used is the International Energy Agency curve, the use of scientific reference curves adapted to each sector and the geographies in which Groupe BPCE's activities are present has made it possible to take into account the specificities of the sectors considered. These scientific scenarios are usually expressed in emission intensity. They are also used by the vast majority of the customers that Groupe BPCE finances in these sectors. This shared use of a scientific reference base makes it possible to optimize the dialog between the bank and its customers.

Industry knowledge base

Groupe BPCE has developed a knowledge base shared between the main internal stakeholders in the ESG risk management system (in particular the Impact Department and the ESG Risk Department). This knowledge base is intended to serve as a reference framework within Groupe BPCE on ESG issues related to the main economic sectors and to feed into the work carried out downstream to integrate ESG risks into strategic discussions and the various Groupe BPCE risk management systems.

This knowledge base takes the form of sectoral factsheets bringing together the main ESG issues of the most ESG-sensitive economic sectors. They are based on the current state of scientific, technological and social knowledge gathered by Groupe BPCE's experts. A regular system enhancement process is expected to be in place from 2025 onward.

ESG data

The acquisition, dissemination and use within Groupe BPCE of data related to the ESG characteristics of its counterparties and its own activities is a critical issue, particularly for the purposes of managing portfolios and monitoring ESG risks, but also the enhancement of customer knowledge to implement useful support actions, according to the customer segment.

Depending on its needs and available data, Groupe BPCE has several channels for acquiring ESG data on its counterparties:

- the direct collection of data from its counterparties through specific questionnaires and dedicated strategic dialogs;
- the collection of data from non-financial information published by its counterparties, for example in their sustainability report or, from 2025, in their CSRD report for the European companies concerned;
- the use of public databases (open data), made available by governmental institutions such as the French Environment and Energy Management Agency (ADEME) or specialist non-governmental organizations (NGOs) such as World Wildlife Fund (WWF) or Urgewald;
- the use of specialized external data providers such as non-financial or general rating agencies.

In the absence of counterparty-specific data, Groupe BPCE may use approximations (*e.g.* sector averages) and estimates to assess the trajectory of its portfolios and its risks. This type of approach is used, in particular, in portfolios related to individual customers, professionals, and small companies, for whom the issues of data availability and quality are particularly acute.

To address these challenges, Groupe BPCE has defined a governance framework specific to ESG data and developed a dedicated program to implement an infrastructure and processes for collecting, storing, and disseminating structured and consistent ESG data within the Group. This program, in particular, involves mapping ESG data needs and creating an associated roadmap aimed at gradually improving the availability and quality of the ESG data used by the Group.

16.2 Governance

Supervisory Board of Groupe BPCE

Groupe BPCE's Supervisory Board oversees and puts into perspective Groupe BPCE's ESG strategy, with the support of its specialized committees:

- the Risk Committee assesses the effectiveness of internal control and ESG risk management systems within Groupe BPCE. In 2024, the Risk Committee monitored the work to assess the climate and environmental challenges of the business lines and the assessment of the materiality of environmental risks, the definition and implementation of the action plan to strengthen the ESG risk management system, and discussions with the European supervisor;
- the Cooperative and CSR Committee oversees sustainability reports, in conjunction with the Audit Committee and the Impact program. In 2024, the main topics addressed by this committee were: monitoring the ESG program, preparing and implementing the new Impact program (alignment of portfolios, support for customers, reduction of the Group's own footprint and integration of ESG issues into risk management), the new CSRD regulation, the Responsible employer program and Conduct and Ethics reporting;
- the Audit Committee oversees sustainability reports and the inclusion of ESG risks in Groupe BPCE's financial statements, in conjunction with the Cooperative and CSR Committee (joint committee once a year);
- the Remuneration Committee reviews proposals aimed at integrating ESG issues and risks into the executive remuneration policy.

Groupe BPCE's directors receive regular training on the challenges that ESG risks represent for BPCE, the evolution of the scientific context, the regulatory expectations associated with these risks and the strategy and risk management systems implemented in response. In 2024, three specific training sessions on ESG risks were offered to Groupe BPCE directors.

Executive Management Committee

The Executive Management Committee validates the ESG strategy, ensures its implementation and oversees Groupe BPCE's risk management. To this end, it relies on committees dedicated to addressing these issues:

- the Environmental Transition Strategy Committee, chaired by the Chairman of the Management Board, validates the Group's Impact strategy in terms of environmental transition and steers its implementation (action plans, indicators by business line, measurement of the Group's ambitions). In 2024, the main topics covered were the publication of the measurement of NZBA trajectories and targets, the review of the indicators of the strategic plan with a Climate focus, the Oil & Gas ESG sector policy, and the monitoring of the Group's Impact program and its actions, particularly in terms of climate and biodiversity;
- the ESG Risk Committee, chaired by the Chief Risk Officer of Groupe BPCE, brings together the heads of Groupe BPCE's business divisions, the Risk and Finance functions and the Impact Department, as well as two of Groupe BPCE's executive managers. In 2024, it replaced the Climate Risk Committee by broadening its area of expertise and its missions. This decision-making and monitoring committee deals with ESG issues from a cross-functional perspective for Groupe BPCE and its various business lines. It is responsible for consolidated monitoring of Groupe BPCE's ESG risks and ensuring the implementation of the organizational and operational strategy regarding ESG risk management. It validates the main methodological choices and scenarios used within the Group in the context of ESG risk management. It reviews and validates the assessment of the materiality of ESG risks and decides on the Group's ESG risk appetite.

In addition, subjects associated with ESG risks are also handled by other Executive Management level committees, which include these subjects within their remit. This concerns in particular:

- the Group Risk and Compliance Committee (CRCG), which integrates ESG risks into Groupe BPCE's consolidated risk monitoring;
- the Standards and Methods Committee (CNM), which reviews and approves the changes in standards necessary for the implementation of the ESG risk management system;
- committees dedicated to risk channels that integrate the relevant ESG risk factors within their area of expertise: Group Credit and Counterparty Committee (CCCG), Group Non-Financial Risk Committee (CNFRG), Group Market Risk Committee (CRMG), Group Reputation Committee (CRRG);
- the Group Regulatory Monitoring Committee (CSRG), which monitors ESG regulations and ensures that regulatory requirements are met;
- the New Products and New Activities Committee (CNPNA), which incorporates issues related to ESG strategy and risks and associated regulations in the assessment of new products and activities;
- the Group Asset/Liability Management Committee (COGAP), which integrates the ESG strategy and risks associated with the management of Groupe BPCE's liquidity reserve.

In the context of Groupe BPCE's cooperative model, two committees support the definition and implementation of the ESG risk management strategy and system by liaising with the managers of Groupe BPCE institutions:

- the Impact Committee, chaired by the Director of Impact, supports the work of defining and implementing the Impact strategy by ensuring the link with managers of Groupe BPCE institutions. It provides cross-functional guidance on the Group's Impact program, prior to its deployment in the institutions;
- the Risk, Compliance and Permanent Control Committee (CRCCP), chaired by the Chief Risk Officer, which provides guidance on the main proposed changes to the ESG risk management system.

At an operational level, Groupe BPCE relies on committees bringing together experts on ESG issues and risks at the level of BPCE and its main entities. In particular, the Sustainable Finance Methodologies Committee, chaired by the Director of Impact, defines the reference methodological approaches in terms of Sustainable Finance and ESG risks for Groupe BPCE.

Organization

Mission and organization of the Impact Department

Groupe BPCE's Impact Department, which reports directly to the Chairman of the Management Board, is responsible for Impact's VISION 2030 in terms of environmental, social and governance dimensions. It develops and deploys this expertise and works to share and disseminate the best practices identified in all the Group's companies in a process of continuous improvement. Lastly, it ensures overall coordination and supports each sector to ensure "Impact Inside" operations, while setting up the necessary synergies.

To carry out its missions, the Impact department relies on the CSR/Impact departments of Groupe BPCE's various business lines, the Fédération nationale des Banques Populaires (FNBP), the Fédération nationale des Caisses d'Epargne (FNCE) and, at a more operational level, the CSR departments of the Group's entities. The structuring of an Impact function, with an Impact sponsor in all the Group's establishments, allows the implementation of a dynamic of co-construction of projects and the sharing of local best practices and ensures a global vision of the Groupe BPCE's Impact program, its implementation in institutions and the coordination of roadmaps and CSR projects.

Mission and organization of the ESG Risk Department

The ESG Risk Department plays a central role in defining and implementing Groupe BPCE's ESG risk supervision system and is responsible for:

- defining and deploying methodologies and risk measurement tools specific to ESG risks;
- contributing to the definition of reference climate/environmental scenarios for Groupe BPCE;
- contributing to the definition and implementation of a stress test system on ESG risks and contributing to cross-functional risk management processes, in particular RAF/ICAAP/ILAAP, on behalf of ESG risks;
- steering and supporting projects aimed at taking ESG risks into account in risk appetite, policies, processes, risk/business methodologies in all Risk functions, entities and business lines;
- supporting the operational implementation of the ESG risk system in all entities, in particular by supervising the permanent control system related to ESG risks;
- defining and implementing consolidated ESG risk monitoring dashboards and monitoring sensitive individual and sector exposures;
- Producing and disseminating consolidated analyses (*ad hoc* or recurring) on ESG risk exposure;
- Defining and developing the internal training system on ESG risks (directors, managers, employees).

To carry out these missions, the ESG Risk Department relies on a network of correspondents across all Groupe BPCE entities and institutions, in charge of supporting the deployment of the ESG risk management system within their entity or establishment.

Given the challenges specific to the Corporate & Investment Banking business lines, Natixis CIB has set up several expertise hubs within its commercial teams (Green & Sustainable Hub), within its risk division (teams dedicated to ESG risks within the department in charge of credit risks and its modeling teams) and within its Strategy & Sustainability division. These teams contribute to Groupe BPCE's work, in particular on large companies and specialized financing, impact and risk assessment methodologies, and are directly involved in supporting the deployment of the system to other entities and institutions in Groupe BPCE.

Integration into the internal control system

The ESG risk management system is based on the three lines of defense model in place within Groupe BPCE:

- first line of defense: operational departments within Groupe BPCE's various business lines and functions integrate ESG risks into their processes, policies and controls. ESG risks are taken into account in the level 1.1 and 1.2 control systems according to the risks induced by each activity;
- second line of defense:
  - the ESG Risk Department, which reports directly to BPCE's Chief Risk Officer, establishes the reference framework (methodology and scenarios), structures, coordinates and supports the deployment of the ESG risk management system within Groupe BPCE in collaboration with the Impact division, other departments within the risk division, other Groupe BPCE divisions involved in ESG risk management and all Groupe BPCE entities and institutions,
  - the other risk and compliance functions incorporate ESG risks as a risk factor in the risk management and control system, with the support of the ESG Risk Department,
  - the departments in charge of permanent controls integrate the control points relating to ESG risks to ensure the monitoring and cross-functional control of the effective integration of the ESG risk management system into policies and processes;
- third line of defense: Groupe BPCE's Internal Audit and the departments in charge of the internal audit include ESG risks in their review of the internal control framework to ensure the proper application of the associated risk policies, compliance with commercial practices risk management and compliance with regulatory obligations.

Employee training and awareness

Several training modules on ESG issues and associated risks are made available to Groupe BPCE employees. These are deployed in an appropriate manner according to the specificities of each entity. Work on the overhaul of the training system was undertaken in 2024 and aims to enrich these training courses and ensure their overall consistency and proper deployment within Groupe BPCE's entities and institutions. The Vision 2030 strategic project aims to train 100% of employees in ESG issues by December 31, 2026, thanks to the implementation of this dedicated system.

In addition, awareness-raising communications on ESG issues and associated risks are regularly sent to Groupe BPCE employees, contributing to their proper understanding of these topics and updating their knowledge.

Remuneration policy

BPCE's Supervisory Board, through its Remuneration Committee, is responsible for setting the method and amount of remuneration for each member of BPCE's Management Board. It ensures that ESG issues are fully integrated into the remuneration policy.

For the 2024 fiscal year, CSR and employee cooperative shareholding within BPCE are one of the five qualitative criteria influencing the variable pay of BPCE's Management Board members. The variable portion of pay relating to the 5 qualitative criteria represents 40% of the total variable pay, with no specific weighting for each of the individual criteria. The achievement rate was assessed overall by taking into account the attention paid to the 5 criteria, taken as a whole, including CSR topics and employee cooperative shareholding within BPCE.

On February 6, 2025, on the proposal of the Remuneration Committee, BPCE's Supervisory Board decided to set the BPCE Management Board's variable pay targets for the 2025 fiscal year by incorporating a specific criterion related to the environment, climate and decarbonization trajectories with a weighting of 5%.

In order to raise employee awareness and involve them in the Group's commitment to the fight against global warming, since 2022 the incentive scheme for BPCE employees has been partly indexed to the achievement of the Group's strategic objective to reduce its direct footprint.

In addition, certain Groupe BPCE entities use similar criteria to determine the variable remuneration of executives and employees, depending on their context and objectives.

16.3 VISION 2030 and Impact strategy

Vision 2030 strategic project

VISION 2030, Groupe BPCE's new strategic project outlines the major priorities it has set for itself in order to build a growth project to serve its customers, in a society marked by four major transitions: environmental, demographic, technological and geopolitical.

Faced with this situation, Groupe BPCE is mobilizing its local and regional presence, its business lines and expertise, to enable its customers, cooperative shareholders and employees to assert their power to act and to trust in the future

The cooperative nature of the Banques Populaires and the Caisses d'Epargne, coupled with their deep local roots, have made Groupe BPCE a positive impact financial player since its inception, which has been particularly committed to the decarbonization of the economy in recent years. Groupe BPCE's global business lines – Natixis Corporate & Investment Banking (Natixis CIB) and Natixis Investment Managers (Natixis IM) – are positioned as key global players in transitions.

Impact strategy

Environmental impact

Faced with the climate emergency, the Group's approach aims to rapidly implement and deploy measures to mitigate and adapt to the already tangible environmental and socio-economic impacts of climate change and the erosion of biodiversity. Making impact accessible to all means raising awareness and massively supporting all its customers in the environmental transition through expertise, consulting offers and global solutions.

Based on the scenarios defined by science, Groupe BPCE and its business lines are positioning themselves as facilitators of transition efforts, with a clear and ambitious objective: to finance a carbon-neutral economy by 2050 by taking action today.

The Group's approach aims to rapidly implement and deploy measures to mitigate and adapt to environmental and socio-economic impacts. It is based on Groupe BPCE's cooperative model, which combines local roots and commitment to society to finance the economy.

- Impact solutions:

– For individual customers: Supporting energy renovation and the adaptation of housing to aging and loss of autonomy by offering financing solutions and by mobilizing our role as an operator, trusted third party as well as our partnerships.

– By offering a "Sustainable Tips and Solutions" tool in partnership with ADEME, which makes it possible to simply calculate one's carbon footprint but also to benefit from advice and support for one's energy renovation work, for decarbonized mobility or green savings.

– By supporting energy renovation projects for individual homes and condominiums at each stage: energy assessment, search for subsidies, guarantee of completion of work, with pathways and financing adapted to each situation.

– By increasing the number of financing for the energy renovation of buildings.

– For BtoB customers: Support the transition of the business models of its customers, ranging from SMEs to the largest international companies. The Group is committed to dedicated dialog and contribution of sectoral expertise to integrate ESG issues according to their size and economic sectors, particularly in infrastructure energy, transport, waste management and treatment, etc. Sustainable solutions also exist for investor customers with a range of responsible savings and investments: sustainable development passbook savings accounts, funds with a sustainable investment objective, themed-labeled funds, etc.

• Support for the evolution of the energy mix: Faced with the climate emergency, the priority is to accelerate the advent of a sustainable energy system:

- by positioning itself among the world leaders in debt project financing in the renewable energy sector;

- by increasing its financing dedicated to the production and storage of green electricity;

- by advising its customers, leaders in the infrastructure and equipment sector related to the energy transition, as well as innovative and fast-growing companies in the sector, on their capital raising processes;

- by advising its customers on energy transformation projects in their financing or capital raising processes;

- by supporting the reindustrialization of regions and energy sovereignty;

- with the creation of teams of experts dedicated to low-carbon energies (solar, wind, electrolysis, etc.) and critical metals.

• Management of decarbonization trajectories: The Group is committed to aligning its financing portfolios with a decarbonization trajectory with short-, medium- and long-term milestones:

- by developing systems to measure carbon emissions;

- by developing its system for identifying and managing climate, physical and transition risks to which its customers and its own activities are subject, with a view to continuous improvement;

- by gradually withdrawing from activities with the highest emissions, in particular through adapted ESG sector policies.

In this context, the Group has joined the Net Zero Banking Alliance initiative of the United Nations Environment Program (UNEP FI), and has a decarbonization ambition for the most carbon-emitting sectors.

• Active and innovative issuer in sustainable finance: In its VISION 2030 strategic plan, the Group has set itself the target of issuing more than five green, social or health financing instruments per year, using all the debt instruments at its disposal.

Societal impact

Stemming from century-old brands deeply rooted in the regions, the needs of society and customers, the companies of Groupe BPCE play a key societal role. The Group is the leading financier of the SSE sector and local authorities and a major player in social housing, social entrepreneurship and microcredit.

• A player in the regions and regions of the world where it operates: Groupe BPCE plays a strong role in local ecosystems that promote regional cohesion, supporting numerous initiatives to promote social inclusion and reduce inequalities, *etc.*

– The Banques Populaires and the Caisses d'Epargne are key players in the dynamics of the regions, notably by financing the construction or renovation of infrastructure and equipment necessary for education, health and mobility. They are the leading private financier of local authorities and the hospital sector.

– Globally, Natixis Investment Managers and Natixis Corporate & Investment Banking are developing their Asset & Wealth Management and Corporate & Investment Banking business lines in more than 40 countries in compliance with international commitments, in terms of investment and financing.

• Committed to supporting local and national initiatives:

– The impact of the sponsorship of the 14 Banques Populaires is measured every year *via* their Cooperative and Societal Footprint. This footprint identifies and values in euros the CSR and cooperative actions implemented within each bank.

– The 15 Caisses d'Epargne deploy the utility contract in all regions of France: 100% cooperative, 100% regional and 100% useful for the economic, social and environmental development of the regions.

Transform Groupe BPCE

In order to support the transitions of its customers, according to the highest standards, Groupe BPCE has launched an internal transformation plan "Impact Inside." To extend its impact solutions to its customers and accelerate each aspect of ESG, Groupe BPCE has undertaken a transformation of all its companies at all levels. It mobilizes its governance and employees, which it undertakes to train in ESG issues, and acts on its own activities by reducing its carbon footprint.

Objectives, targets and limits related to environmental and social risks and performance assessment

Groupe BPCE supports the economic transition to help mitigate and adapt to global warming. The growing awareness of stakeholders regarding the challenges related to climate change is also creating a positive dynamic of demand for sustainable solutions. The Group's cooperative model allows it to meet customer expectations and the Company's aspirations by ensuring a fair transition for each customer. Its decentralized model and regional presence are real assets for supporting transitions and contributing to a fair and sustainable transformation of society.

The implementation of the VISION 2030 strategic plan is monitored using key indicators corresponding to objectives to be achieved by the end of 2026. These include:

- supporting the evolution of the energy mix in the regions of the world where the Group operates by contributing to the reduction in the use of carbon-based energies through a 15% increase in new financing for renewable energy projects;
- managing the action plan to decarbonize the financing of the sectors that emit the most greenhouse gases *via* the implementation of absolute value or intensity targets for 2030: oil and gas, electricity production, automotive, air transport, steel, cement, aluminum, residential and commercial real estate and agriculture;
- supporting energy renovation by increasing the total annual amount of financing to €1 billion by 2026;
- assessing the reduction of our own carbon footprint.

More general indicators in terms of sustainability reflect the objectives relating to the support and awareness-raising actions deployed for our customers:

- a number of unique visits to the digital module "Sustainable Tips and Solutions": 6 million (since mid-2023, it has already been visited by more than 3 million Banque Populaire and Caisse d'Epargne customers);
- ESG dialogs covering 100% of the active corporate customers (this dedicated exchange has been rolled out since the beginning of 2023 to already more than 10,000 corporate customers);
- the increase in financing granted to the SSE, social housing and public sector sectors.

The number of local social entrepreneurship projects supported.

Groupe BPCE has committed, over the long term, to developing a capacity to manage the evolution of its balance sheet by taking into account an assessment of the climate impact of its activities and of financed, invested or insured assets. This change is based, among other things, on the implementation of voluntary targets for the gradual alignment of financing, investment and insurance portfolios with trajectories compatible with the Paris Agreement's climate objectives. In order to build this trajectory on its financing activities, in 2021 Groupe BPCE joined the Net Zero Banking Alliance (NZBA), a financial initiative of the United Nations Environment Program - UNEP FI. The members of this initiative finance more than 40% of global assets.

Similarly, BPCE Assurances joined the Net Zero Asset Owner Alliance (NZAOA) in 2022. By issuing guidelines adapted to financial institutions, net zero alliances allow each financial institution, depending on the composition of its loan or investment portfolio, to define science-based targets to combat global warming.

These alliances have also enabled significant mobilization among financial sector players. Thus, the alliance's member banks aim to:

- align carbon emissions from its exposures with a Net Zero trajectory by 2050;
- define trajectories on priority sectors, *i.e.* those with the highest carbon emissions within the portfolios;
- aim for intermediate targets no later than 2030;
- publish annual carbon emissions;
- determine a robust and structured action plan to adapt its portfolios to its alignment strategy.

This approach has enabled the Group to strengthen its knowledge of the challenges and action levers as well as the risks to which customers could be exposed. The definition of alignment targets requires:

- identifying the most carbon-intensive customers in their sector;
- estimating their transition commitment based, in particular, on their public documents on reducing their carbon emissions and strategic development prospects, as well as analyses of data suppliers and customer knowledge;
- determining the evolution of portfolios by 2030 (starting from 2020) according to the targeted objectives of the business lines according to the geographies, technologies and prospects of the customers;
- deducing the absolute emissions or average carbon intensities of the portfolios according to the sectors and any action plans to achieve the Net Zero targets.

Since December 2022, Groupe BPCE published alignment targets[1] for two sectors among those with the highest emissions: electricity production and the oil & gas sector. In December 2023, Groupe BPCE broadened its ambition to reduce carbon emissions by publishing new targets for 2030 for three additional sectors within the scope of Corporate & Investment Banking (Natixis CIB): automotive, steel and cement. Lastly, since June 2024, the trajectories of the real estate (residential and commercial), air transport and agriculture sectors have also been the subject of action plans aimed at reducing financed emissions.

For each sector, the carbon emission reduction targets, and the associated action plans are detailed in periodic publications.

With regard to the environment, excluding climate issues and in particular those relating to biodiversity, the Group is taking concrete steps to preserve it, specifically by adopting policies and practices to promote actions that respect biodiversity. Despite the absence of adapted scientific calculation methods and market benchmarks to assess the impact of these activities, the Group aims to adopt a proactive approach, by actively participating in local work aimed at overcoming these methodological limitations and identifying relevant action levers. To this end, in 2024, Groupe BPCE renewed the commitment previously made by Natixis by joining act4nature international, a coalition that mobilizes companies, public authorities, scientists and environmental associations committed to the protection of biodiversity. In addition, the Group has set concrete objectives in its activities as a banker, insurer and investor, structured around five areas: the integration of biodiversity issues into the strategy, the assessment of impacts and dependencies on nature, the

(1) *The alignment measurement methodologies applied are based on current market standards, which are subject to change. Changes in the scope of our analyses of other Group activities thus depend on available and recognized methodologies. In addition, the objectives set by Groupe BPCE are conditioned by the commitments of our customers and their ability to meet them over time. These objectives are also contingent on current government policies and the development of low-carbon technologies, which are critical for long-term horizons. The data used concerning the Group's customers mainly comes from data suppliers or company publications. The measurement estimates will change as the quality of the available data increases.*

reduction of pressure on ecosystems, the mobilization of a share of financial resources in promoting nature and improving knowledge of biodiversity. For example, Natixis CIB has undertaken to exclude financing for projects that have a significant impact on an area classified as a UNESCO World Heritage Site, or registered under the Ramsar Convention, or covered by categories I-IV of the International Union for Conservation of Nature (IUCN).

In asset management activities, for Natixis Investment Managers, integrating ESG factors into the investment process makes it possible to make more informed decisions, better understand company risks, identify sustainable investment trends, and select companies that contribute to these trends. This approach aims to create long-term value for customers. Several affiliates have developed dedicated non-financial research capabilities and have integrated sustainability criteria into their investment decision-making models. They rely on proprietary systems and raw data to establish their own scoring models and methodologies that they can then transparently explain to customers.

Each Natixis Investment Managers management company is responsible for its investment process and is ultimately responsible for integrating environmental, social and governance factors in compliance with their fiduciary duty. European asset management companies have developed responsible investment policies that explain their overall ESG approach, provide detailed guidance on the integration of environmental factors, and explain their sectoral and/or exclusion policies. The majority of non-European affiliates have developed a global responsible investment approach that formalizes their commitment to integrate material environmental, societal and governance factors into their investment processes. They implement specific restrictions at the request of customers.

The objectives and targets associated with social issues related to the Company's own workers, value chain workers, affected communities and customers and end users are presented in the section of Groupe BPCE's sustainability report dedicated to social information (Part 3).

16.4 Environmental, social and governance risk management system

ESG risk management framework deployment program

The ESG Risk Department coordinates the implementation of the ESG risk management system at Groupe BPCE level through a dedicated program. This program, initiated in 2021, was reviewed and strengthened during 2024 in line with Groupe BPCE's climate and environmental commitments within the framework of the Vision 2030 strategic plan and regulatory requirements. It defines a multi-year action plan aligned with the timeframe of the strategic plan (2024-2026). It is directly linked to the strategy and actions implemented by the Impact program. This program is monitored quarterly by the ESG Risk Committee, the Groupe BPCE Supervisory Board and the European supervisor.

This program is based on the following four themes:

- ESG risk governance: committee procedure, roles and responsibilities, remuneration;
- strengthening knowledge of risks: monitoring systems, sector analyses and assessments, risk benchmarks, risk analysis methodologies and processes, data;
- operational integration of the work: in coordination with the other risk management departments, taking into account ESG risk factors in their management systems and their respective decision-making processes;
- consolidated risk management mechanisms: dashboards, contributions to RAF/ICAAP/ILAAP systems, training and acculturation plan for directors, managers and employees, contribution to extra-financial communication.

The execution of this program mobilizes the main internal stakeholders in terms of ESG risks, in particular the Impact department, the teams and functions of the other departments of the Risk division, the Finance division and the Compliance division as well as Groupe BPCE's business lines, and in particular the divisions in charge of developing sustainable finance activities.

ESG materiality identification and assessment

Groupe BPCE has implemented a process to identify and assess the materiality of ESG risks in order to structure its understanding of the risks to which it is exposed in the short, medium and long term and to identify priority areas for strengthening the risk management system.

This process is coordinated by the ESG Risk Department, under the supervision of the Groupe BPCE ESG Risk Committee and Supervisory Board. It is subject to an annual review to update scientific knowledge and underlying methodologies.

This process consists of four main steps:

- Creation of the ESG risk framework.
- Documentation of ESG risk transmission channels to other risk categories.
- Assessment of the materiality of ESG risks in relation to other risk categories.
- Input into cross-functional risk management exercises (risk appetite system, ICAAP, ILAAP).

In 2024, the scope of risks taken into account in the process of identifying and assessing the materiality of ESG risks only covered climate and environmental risks. Social and governance risks are directly integrated into the cross-functional risk appetite system. Work on the extension of social and governance risks will be planned as part of the annual work update.

ESG risk framework

Groupe BPCE has established a framework to define the risks covered by climate and environmental risks. This framework is based on current scientific knowledge and reference regulatory texts (*e.g.* European taxonomy) and aims for the most exhaustive possible representation of risks. It must be updated annually and extended to include social and governance risks.

With regard to physical risks, the framework distinguishes between physical risks related to the climate, biodiversity and ecosystems, pollution, water and marine resources, and the use of resources and the circular economy. Climate-related risks are divided into acute or chronic risks related to temperature, wind, water and solid mass, and environmental risks. Environmental risks are divided into those that disrupt regulation services (protection against climate risks, support for production services, mitigation of direct impacts) and those that disrupt supply services (in terms of quality or quantity).

With regard to transition risks, the framework distinguishes between risks related to regulatory changes, technological developments, stakeholder expectations and changes in their behavior.

CLIMATE AND ENVIRONMENTAL RISKS

PHYSICAL RISKS

CLIMATE RISKS

Temperature
e.g. Heat waves/ Fire/Temperature changes

Wind
e.g. Storms, cyclones

Water
e.g. Flood/drought/ rising sea levels

Solid masses
e.g. Coastal and soil erosion, avalanches

ENVIRONMENTAL RISKS

Biodiversity
e.g. Pollination

Water and marine resources
e.g. Water flow/Fish reserves

Natural resources
e.g. Availability of commodities

Pollution
e.g. Soil, water, air quality

TRANSITION RISKS

Regulatory and legal changes

Technological breakthroughs

Stakeholder behavior
(consumers, civil society, investors, *etc.*)

ESG risk transmission channels

ESG risks are risk factors underlying the other risk categories to which Groupe BPCE is exposed, namely credit and counterparty risks, market and valuation risks, insurance risks, structural risks, balance sheet risks, strategic and business risks and non-financial risks (operational risks, reputational risks, non-compliance risks, *etc.*), as identified in Groupe BPCE's risk taxonomy.

In 2024, Groupe BPCE systematically identified and described transmission channels linking climate and environmental risk factors to the main risk categories of its risk taxonomy. For this exercise, Groupe BPCE relied on its internal experts as well as on the impact mapping carried out by leading institutions such as the NGFS, SBTN and the OCARA methodology.

These transmission channels involve the impacts of climate risks on activities and business models, which are reflected in financial variables at the macroeconomic or microeconomic level and ultimately modify Groupe BPCE's risk exposure. They may materialize directly, in connection with Groupe BPCE's own activities, or indirectly, through the counterparties to which Groupe BPCE is exposed as part of its financing or investment activities. They are summarized in the diagram below.

This work will be subject to an annual review in order to integrate changes in knowledge on climate and environmental risks and to extend the scope of risks covered to include social and governance risks.

CLIMATE/ENVIRONMENT

Climate/environmental dependencies

- Climate change
- Biodiversity
- Pollution
- Water and marine resources
- Use of natural resources

Climate and physical environmental risks

Climate/environmental pressures

- Climate change
- Biodiversity
- Pollution
- Water and marine resources
- Use of natural resources

Climate and environmental transition risks

TRANSMISSION CHANNELS

Impacts on the economic environment

- Productivity
- Wholesale and retail trade and capital flows
- Decrease in demand/consumption
- Socio-economic changes (employability, migration, *etc.*)
- Economic attractiveness of the regions

Financial impacts on the economic environment

- Growth
- Inflation
- Taxation
- Foreign exchange movements (+/-)
- Equity and derivatives market volatility
- Asset price volatility

Impacts on the activity of economic players

- Unavailability/inaccessibility of assets
- Decrease in returns on assets/stranded assets
- Disruption of the resource supply chain
- Disruption of infrastructure (energy, heat, water, waste)
- Absenteeism and reduced employee productivity
- Damage to the brand image/reputation
- Operational regulatory constraints

Financial impacts on economic players

- Decline in revenue
- Increase in operating expenses
- Increase in financial expenses and insurance
- Investment and financing needs
- Taxes and financial penalties
- Impairment of assets/portfolio

BPCE RISKS

- Credit and counterparty
- Market and valuation
- Insurance
- Structural balance sheet risks
- Strategic and business activity risk
- Non-financial risks (including operational and reputation)

Assessment of the materiality of ESG risks

Based on the transmission channels identified, Groupe BPCE assesses the materiality of climate and environmental risks in relation to the main risk categories to which it is exposed. This assessment distinguishes between physical risks and transition risks for climate risks on the one hand and environmental risks on the other. It is carried out according to three time horizons: short-term (1 to 3 years, financial planning horizon), medium-term (strategic planning horizon, 5 to 7 years), and long-term (~ 2050).

This assessment is based on quantitative or qualitative indicators, which, when available, allow us to assess exposure to risks from a sectoral and geographical point of view, as well as on expert assessments. The internal experts involved in these assessments include the ESG risk department, the other risk divisions, as well as representatives from other departments (impact, compliance, legal) and the business lines concerned.

In 2024, the assessment of climate risks was carried out by almost all of Groupe BPCE's physical entities and aggregated at Groupe BPCE level. It was supplemented by an initial assessment of environmental risks carried out solely at Groupe BPCE level. As part of the assessments' annual update, the climate and environmental risk assessment processes will be converged and extended to social and governance risks.

The summary of the materiality assessment of climate and environmental risks carried out in 2024 is presented below.

	CLIMATE RISKS						ENVIRONMENTAL RISKS					
	Physical risks			Transition risks			Physical risks			Transition risks		
	Short term to 3 years (2026)	Medium term 3 to 7 years (2030)	Long term Beyond 7 years -> 2050	Short term to 3 years (2026)	Medium term 3 to 7 years (2030)	Long term Beyond 7 years -> 2050	Short term to 3 years (2026)	Medium term 3 to 7 years (2030)	Long term Beyond 7 years -> 2050	Short term to 3 years (2026)	Medium term 3 to 7 years (2030)	Long term Beyond 7 years -> 2050
Credit and counterparty risk	Low	Moderate	Moderate	Moderate	High	High	Low	Moderate	Moderate	Low	Moderate	Moderate
Market and asset valuation risk	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low
Structural ALM risks	Low	Moderate	Moderate	Low	Moderate	Moderate	Low	Moderate	Moderate	Low	Moderate	Moderate
Insurance risk	Moderate	Moderate	Moderate	Low	Moderate	Moderate	Moderate	Moderate	Moderate	Low	Moderate	Moderate
Own investment risk	Low	Moderate	Moderate	Low	Low	Low	Low	Moderate	Moderate	Low	Moderate	Moderate
Operational risk (excluding legal risk)	Low	Moderate	Moderate	Low	Low	Low	Low	Low	Moderate	-	-	-
Reputational risk	Low	Low	Low	Moderate	High	High	Low	Low	Low	High	High	Moderate
Legal, compliance and regulatory risk	Low	Low	Low	Moderate	High	High	Low	Low	Low	Moderate	High	Moderate
Strategic business and ecosystem risks	Low	Moderate	Moderate	Moderate	High	High	Low	Low	Moderate	Low	Low	Moderate

Integration into Groupe BPCE's risk appetite framework

The work to identify ESG risks and assess their materiality feeds into the main components of Groupe BPCE's risk appetite as part of this system's annual review process.

In this respect, Groupe BPCE's risk framework includes an "Ecosystem risk" category, which groups together environmental risks by distinguishing between physical climate and environmental risks and transition climate and environmental risks, social risks and governance risks.

The materiality assessment of these risk categories as part of the risk appetite system is defined by cross-referencing the materiality of the main risk categories to which Groupe BPCE is exposed (assessed as part of the annual process of defining the risk appetite) and the materiality of climate and environmental risks in relation to these risk categories (assessed according to the process described above). For social and governance risks, the assessment is carried out on an expert basis as part of the risk appetite definition process only. In 2024, the materiality of physical and transition climate and environmental risks was assessed at level 1 out of 3 ("significant") for Groupe BPCE, while the materiality of social and governance risks was assessed at a level of 0 out of 3 ("low").

Risk appetite management

As part of the definition of risk appetite for 2025, Groupe BPCE has introduced a transition risk appetite indicator for the residential real estate loan portfolio. This indicator takes into account the share of real estate assets financed with a degraded Energy Performance Assessment (class F or G) in the stock and is associated with a limit that takes into account the existing portfolio and the stated ambitions in terms of financing energy-efficient home renovation projects. In addition, a transition risk appetite indicator for the Corporate exposure portfolio, taking into account the share of exposure to the sectors most sensitive to climate issues, is kept under observation. Work is planned during 2025 to extend the scope of coverage of risk appetite indicators, both in terms of portfolios and types of risk covered.

For Natixis CIB, the proportion of assets classified as "dark brown" according to the Green Weighting Factor method, constituting the assets most exposed to transition risk, is also monitored in the risk appetite framework. A threshold and a limit were set in 2022, and are regularly reviewed to frame the downward trajectory of the share of these assets.

Integration into the internal assessment process of capital and liquidity requirements

Groupe BPCE takes physical risk into account in the internal assessment of its capital requirements (ICAAP process) by applying adverse scenarios to the risks of drought (impacting various economic sectors such as agriculture and construction) and flooding (on the real estate portfolio). The transition risk was also quantified. Firstly, through the impact of the DPE legislation on the value of real estate assets and then, for 2025, through the impact on the macroeconomic and financial environment of a rapid transition scenario to a low-carbon economy. In addition, work was carried out to integrate this risk on real estate portfolios of individual customers in the quantification of the economic capital of the ICAAP 2025 specifically in connection with an unfavorable change in the DPE regulation, then supplemented by an add-on on portfolios that do not currently have a specific economic valuation model.

Groupe BPCE also takes into account physical and transition risks in the internal assessment of its liquidity requirement (ILAAP process). The quantification of the risk is based on the modeling of the impact of physical risk (Seine flood) on the financial standing of the Group's customers, the ability of insurers to replace liquidity with Groupe BPCE and the behavior of the Group's investors. During 2024, an assessment of the impacts related to reputational risk (in connection with controversies on ESG topics) was also carried out by simulating the reduction in available liquidity from customers and investors and the associated increase in the cost of refinancing.

ESG risk assessment methodology

In order to strengthen its ESG risk assessment capabilities, Groupe BPCE has adopted specific methodologies to assess the ESG risks associated with its exposure portfolios in a systematic and consistent manner. These methodologies are based on internal and external expertise and reflect the state of scientific knowledge, current technologies, regulatory environment and market practices. They are regularly reviewed, supplemented and enhanced to gradually improve the accuracy of ESG risk assessment and take into account changes in the context.

Assessment of governance, social and environmental risks

Groupe BPCE has developed an internal methodology for assessing environmental, social and governance issues and risks. This methodology is based on sector notes documenting the main ESG issues and risks related to the sector, according to criteria aligned with the definitions of European taxonomy:

- Six environmental risk criteria: physical climate risks, climate transition risks, biodiversity, water, pollution and circular economy;
- Four social risk criteria: customers, workers, suppliers and civil society;
- Four governance risk criteria: business ethics, CSR strategy, shareholder democracy, and the practices and processes implemented to direct and control customer risk management.

All of these criteria are then rated by in-house experts, according to the principles of double materiality. The scores for the environmental criteria are also aggregated in order to provide a summary score enabling the sectors to be compared. The proposed ratings were validated by the Extra-Financial Risk Committee.

This analysis methodology was deployed in the 26 economic sectors used to manage Groupe BPCE's financing portfolio. It is shared with all Groupe BPCE entities.

Work was carried out in 2024 to improve methods for assessing physical and transition environmental risks. These methods are described below and are intended to replace this methodology in 2025.

Physical environmental risk assessment

Geo-sectoral assessments

In order to strengthen the sensitivity and robustness of its assessments of the physical risk associated with financing outstandings for Professional and Corporate customers, in 2024, Groupe BPCE developed a methodology for analyzing the vulnerability of outstandings to physical risks.

This internal methodology makes it possible to take into account the intrinsic vulnerability of a sector to physical risks and the exposure of a given geographic area to physical risk. It is currently broken down into a fine-grained sectoral grid (NACE2) and a national or regional geographic grid for countries in which Groupe BPCE has a particular concentration of outstandings (France, United States). Six physical climate risks are currently covered, which are among the most representative for Groupe BPCE, and can be simulated under different scenarios and time horizons.

This methodology will be deployed in the internal risk management tools during the course of 2025.

Home loan portfolio

Given its high exposure to home loans issued to individuals, Groupe BPCE has adopted a tool to simulate the physical risks of its financed assets. This tool takes into account the exact coordinates of the asset to assess its risk exposure and certain characteristics to estimate its vulnerability to determine the estimated damages under different scenarios and time horizons. At present, this tool covers the territory of mainland France and Corsica and makes it possible to assess exposure to the two main physical risks for this portfolio (drought - shrink-swell and floods).

This methodology will be deployed in the internal risk management tools during the course of 2025.

Transition environmental risk assessment

Sector assessments

In order to strengthen the sensitivity and robustness of its assessments of the transition risk associated with financing outstandings for Professional and Corporate customers, in 2024 Groupe BPCE developed a methodology for the granular analysis of the sensitivity of sectors to this risk.

This internal methodology makes it possible to assign a sectoral score reflecting the transition risk associated with a given NAF code, taking into account the carbon emissions and the main environmental impacts of the companies in the sector. It has been developed in accordance with the Green Weighting Factor methodology (described below), which applies at the company or financed project level. Given the predominant share of French companies in the exposure portfolio, this methodology is focused on the parameters corresponding to the French economy.

This methodology will be deployed in the internal risk management tools during the course of 2025.

Home loan portfolio

To assess the transition risk on its home loan portfolio, Groupe BPCE relies on the Energy Performance Assessment (EPC) of the financed real estate assets. The EPC of the financed asset is collected systematically, making it possible to capture both the risk on the repayment capacity of the loan in the event of an increase in energy expenditure or expenses related to the financing of work to improve energy performance and the risk of loss of value of the asset due to a deteriorated EPC, making it potentially unfit for use in the rental context given the regulations in force.

Green Weighting Factor

Groupe BPCE uses the Green Weighting Factor (GWF) methodology, developed by Natixis CIB, to assess the transition risk related to its counterparties and financed projects.

Using a seven-color rating scale ranging from dark brown to dark green, the GWF assesses the climate impact of transactions, while taking into account the risk of the most material non-climate-related environmental externalities (water, waste, biodiversity, pollution). The GWF covers all bank financing. This assessment is carried out on a granular basis for each of the financing exposures on the balance sheet for all banking products (loans, guarantees, caution letters, documentary credits) regardless of their maturity, in all geographies and for all sectors of activity except the financial sector and administration. The GWF's methodology is also adapted to corporate and dedicated financing.

The GWF methodology offers a vision of the challenges of transition. The GWF integrates:

- induced decarbonization (CO_2 scope 1, 2, 3);
- the contribution to the transition made by certain customers or active projects, with the notion of avoided emissions;
- exposure to the most material environmental risks;
- a forward-looking view of customers' performance, enabling us to assess their transition potential;
- extract a set of new indicators useful for steering the decarbonization strategy of Corporate & Investment Banking and for regulatory reporting;
- take into account and integrate the non-financial reporting needs of investor customers.

The operational management of Natixis CIB's climate trajectory is based, in particular, on data from the Green Weighting Factor (GWF). This management tool is used periodically and at several levels:

- for credit decisions at the transactional level;
- for strategic dialog with customers;
- for strategic planning: definition of annual color targets for each business line and sub-business line;
- for commercial planning: definition of systems for assessing the individual performance of the financing origination teams;
- for capital allocation and active portfolio management;
- for risk appetite management.

To continuously improve this analysis tool, Corporate & Investment Banking carried out a major overhaul of its decision trees for the dedicated financing part, which will be deployed through a new tool. This overhaul allows for an increased coverage of the scope of analyzed financing and improves the relevance of the assessments of each transaction (based on feedback obtained from users since 2020).

The GWF is currently deployed on Natixis CIB's financing portfolio, and the scores assigned are updated annually as part of the credit file review. Studies are underway to assess the relevance of rolling out other Groupe BPCE portfolios in the future.

Integration of ESG risks into the risk management framework

Based on specific ESG risk assessment methodologies, Groupe BPCE is gradually integrating ESG risk factors into its operational decisions through existing systems in the bank's main risk channels.

Credit risk

ESG risks are taken into account in the context of credit decisions from two complementary angles, to be taken into account in an appropriate manner according to the issues specific to each transaction:

- the assessment of the ESG risks to which the counterparty or project is exposed and their impact on the credit risk profile of the counterparty or project,
- the assessment of the reputational risk related to the ESG issues associated with the counterparty or project's activities, in particular with regard to alignment with the voluntary commitments made by Groupe BPCE and its Impact strategy.

Credit policies

Groupe BPCE's credit policies include documentation of sectoral ESG issues and points of attention to guide the analysis of financing applications on these aspects when they are relevant for the sector. These elements are compiled from the ESG sector knowledge base (see above) and reviewed and enhanced in coordination with Groupe BPCE entities and institutions as part of the regular updating of credit policies.

When relevant, Groupe BPCE's credit policies refer to Groupe BPCE's voluntary commitments (in particular, sector ESG policies in the coal and oil/gas sectors), requiring the exclusion criteria set in the context of credit decisions.

At Natixis CIB, restrictive criteria relating to ESG issues have been incorporated into certain sectoral credit policies relating to sectors that are particularly sensitive to these issues in the context of Natixis CIB's activities. Natixis CIB's credit sector policies also reflect the sector ESG policies specific to this scope, which also covers sensitive sectors from the point of view of social and governance issues such as defense and tobacco.

The ESG sectoral policies are described in detail in Section 1.3 of Groupe BPCE's Sustainability Report.

ESG dialog with Corporate customers of the networks

Since 2023, Groupe BPCE has included the ESG dimension in its strategic dialog with the Corporate customers of its retail banking networks. An "ESG dialog" tool was built internally and rolled out to sales teams to address the main challenges and commitments of Corporate customers on environmental, social and governance issues. This tool enhances customer knowledge from the perspective of ESG issues and risks and identifies additional elements to the financial analysis that can be taken into account in assessing the credit file.

An overhaul of the "ESG dialog" tool was launched in 2024 to enrich the underlying questionnaire, provide additional sectoral information on the most sensitive sectors, and clarify the implications regarding the counterparty risk profile in the context of credit analyses. This work is due to be rolled out in retail banking networks in 2025.

ESG risk rating of counterparties/transactions

As part of Natixis CIB's credit granting process, Corporate counterparties are systematically assigned a Green Weighting Factor score (see above) (Green Weighting Factor - General Purpose), and at the transaction level in the case of dedicated financing (Green Weighting Factor - Dedicated Purpose), and is subject to a control by the teams in charge of credit risk. This score is included in the loan origination file and is used to inform discussions regarding the transition risk associated with the counterparty or project.

Several subsidiaries of the FSE division and CEGC also use the dedicated Green Weighting Factor score to finance real estate transactions or at the counterparty level when this is available as part of their lending process.

In addition, work has been undertaken to develop an internal ESG risk rating methodology for SME/ISEs and large Corporates, incorporating the specificities of each customer. This methodology, which is independent of the credit rating, will make it possible to systematically and consistently assess the level of ESG risk associated with a counterparty. The roll-out of this rating is planned from 2025.

Equator Principles (Natixis CIB)

As part of the Equator Principles, Natixis CIB applies a market methodology that aims to assess the environmental and social risks of projects financed and the management of these risks by customers, regardless of their business sector. Since October 2020, Natixis CIB has applied the amended version of the Principles (EP Amendment IV), which includes more exhaustive criteria regarding respect for human rights (including the rights of indigenous communities) and requires the analysis of physical and transition climate risks.

The borrower is therefore required to: assess the physical risks associated with climate change for most projects, carry out an assessment of the climate transition risks and an analysis of less greenhouse gas intensive alternatives for projects with CO_2 equivalent emissions of at least 100,000 metric tons per year in total. Depending on the risks identified and the nature of the associated impacts, mitigation measures are requested of the customer. They are covered by specific clauses in the financial documentation ("covenants").

ESG controversy analysis

As part of the due diligence carried out when entering into a relationship with its Large Corporate customers and in monitoring its portfolio clients, Natixis CIB takes into account the potential controversies that its clients may encounter, in particular concerning ESG issues. In the event of significant risks Groupe BPCE analyzes and manages the associated risks. In some instances, Groupe BPCE may decide of its own accord not to enter into a relationship or not to renew its commitments with the customer.

Groupe BPCE has begun work to extend this approach to all Groupe BPCE entities in a manner adapted to their operating context and their customer portfolio.

Operational risks

Business continuity risks

As part of its business continuity system, Groupe BPCE assesses the climate and environmental risks to which its main operating sites (head offices and administrative buildings) are exposed. These risks are taken into account as part of the business continuity plans defined at the level of Groupe BPCE and its entities and which define the procedures and resources to be implemented in the event of natural disasters in order to protect employees, key assets and activities and to ensure the continuity of essential services.

Groupe BPCE's critical suppliers (Essential, Critical or Important Service Providers or "PECIs") are also subject to an assessment of their business continuity plan, which must take into account the climate and environmental risks to which they are exposed.

Operational risk incidents related to climate risks are specifically identified in Groupe BPCE's incident collection and operational risk monitoring tools, making it possible to monitor their impacts over time.

Reputational risk

The growing awareness and sensitivity of citizens and economic players to environmental, social and governance issues is leading to increased exposure to reputational risks related to these topics.

Faced with these risks, Groupe BPCE relies on a reputational risk management system overseen by the Groupe BPCE Risk division and structured around the Group Reputation Risk Committee, which is tasked with reviewing the most sensitive issues at Groupe BPCE level.

This system is based on the measures implemented in the decision-making processes in order to assess reputational risks and implement mitigation measures if necessary. This concerns in particular:

- the responsible purchasing policy, which requires knowledge and assessment of suppliers' ESG risks, and the implementation of a carbon clause in supplier contracts since 2024;
- the new products/new activities (NPNA) system concerning the characteristics and communication related to Groupe BPCE's products and activities, which includes a systematic opinion from the ESG Risk department;
- the application of sector ESG policies as part of the new relationship, credit and investment processes.

Given the particular sensitivity of its activities to reputational risks, a dedicated system is deployed by Natixis. This system is based in particular on an assessment of the reputational risk arising from Natixis CIB's customers, from inception and throughout the business relationship, including the management of controversies. It is carried out in the normal course of business and, to the extent possible, using the various existing governance mechanisms and committees. An escalation process also makes it possible to transfer all files likely to generate a significant risk of damage to the reputation of Natixis and/or Groupe BPCE to the Natixis Global Culture & Conduct Committee (G3C), composed of members of the entity's executive management.

In addition, a system for monitoring the Group's ESG reputation has been set up, conducting monthly monitoring of the main controversies related to ESG issues that have involved Groupe BPCE and their impact on its overall reputation score. This monitoring is presented quarterly to the ESG Risk Committee.

Groupe BPCE plans to continue to enhance these systems in the course of 2025, in particular by defining a framework for monitoring voluntary commitments and strengthening its reputational risk management system.

Litigation risks

The environmental, social and governance issues are likely to lead to litigation risks for Groupe BPCE. These can be based on legal foundations specific to the ESG issues (duty of care, international treaties or European legislation on the climate and the environment), on broader principles applied in this context (competition law, consumer law, criminal law), or unilateral commitments made by Groupe BPCE.

Groupe BPCE has identified and integrated into its operational risk mapping three main litigation and liability risk situations specifically related to ESG issues:

- Communication using the ecological/sustainable argument in a misleading manner (greenwashing).
- Non-compliance with the voluntary commitments made by Groupe BPCE or voluntary commitments deemed insufficient.
- Controversial activities of Groupe BPCE or its entities, customers and/or suppliers.

As for the reputational risks, the risk management relating to these three situations is based on a set of measures integrated into the Group's main decision-making processes.

In addition, Groupe BPCE's Legal department also defines and disseminates best practices in terms of communication on climate and environmental issues and supports Groupe BPCE's business lines and functions in their implementation in internal and external communication.

Financial and market risks

Investment risks related to the liquidity reserve

Groupe BPCE incorporates ESG criteria into the management of the liquidity reserve in order to manage both the ESG risks associated with investments and the associated reputational risk.

These ESG criteria are defined according to two axes: a target is set on the proportion of "sustainable" securities (Green, Social or Sustainable) and an exclusion on issuers of securities with a downgraded non-financial rating.

In addition, the criteria defined in the sector ESG policies also apply to securities held in the liquidity reserve.

Risks related to proprietary investments

Groupe BPCE's proprietary investments mainly concern the private equity and real estate (non-operating) investment portfolios. In 2024, Groupe BPCE used two ESG questionnaires to systematically collect information related to ESG characteristics in the creation of new investment files. The questionnaire aims to assess the ESG performance of asset management companies regarding delegated management investments, mainly in relation to the associated reputational risk. For properties managed on its own behalf, the questionnaire aims to collect elements of physical risk and transition risk associated with the invested asset.

This approach aims, at this stage, to promote the sector's acculturation to ESG issues and possibly provide information for discussion as part of the investment decision. It is planned to continue this work and enhance the system in the future.

Market risks

Natixis CIB has developed a monitoring system for the concentration of the trading book according to the ESG characteristics of the securities based on external ESG ratings or sectoral assessments available and integrated this analysis into its quarterly and annual monitoring of concentration risks. No significant concentration related to ESG criteria was identified in the context of short-, medium- or long-term market risks.

Additional work on stress scenarios is underway to enhance the assessment and monitoring of ESG risks in trading books.

Risks related to insurance activities

Due to the nature of its business and its management horizons, BPCE Assurances attaches importance to the integration of sustainability risks, particularly climate risks, in its risk management system.

In accordance with the regulations in force, BPCE Assurances incorporates climate risks at each stage of the risk management process, from their identification to their assessment and then their mitigation. BPCE Assurances is actively working on the theme of biodiversity, which has strong links with climate issues.

Climate risks are integrated into a risk mapping specific to insurance, distinguishing between physical and transition risks on the one hand and short/medium-term and long-term horizons on the other. Quantification of risks is an essential component of BPCE Assurances' approach, which is gradually incorporating the concept of dual materiality.

Life insurance business

The financial risks arising from the exposure of the investment portfolio are assessed using several approaches. Among the work carried out, BPCE Assurances, through its subsidiary BPCE Vie, took part in the climate stress tests set up by the ACPR in 2023 and which are based on two long-term trajectories of the Network for Greening the Financial System (NGFS) on the one hand, and in a short-term scenario combining physical risks and transition risks on the other. In parallel with this exercise, various types of work were carried out:

- analysis of the 40 largest exposures in the portfolio (*i.e.* approximately 10% of the outstandings). The objective was to measure the exposure of the companies concerned to physical risks (droughts, floods, *etc.*);
- analysis of the resilience of the various sectors represented in the directly-held bond portfolio to various climate risks (drought, flooding, *etc.*), in line with the trajectories defined by the IPCC;
- analysis of the physical risk exposure of dedicated real estate vehicles and directly owned buildings.

Finally, the measurement of the alignment of the portfolio's temperature with a scenario compatible with the Paris Agreement makes it possible to understand the exposure of the asset portfolio to transition risk.

For several years now, BPCE Assurances has defined objectives and implemented measures to limit its exposure to climate risks and its impact on climate change.

In terms of investments, this is reflected in the combination of several elements:

- implementation of sectoral policies: among the sectoral policies in force, several are directly related to the management of climate risks and concern companies related to fossil fuels;
- investments aligned with the Paris Agreement: in order to limit both its impact on the climate and its exposure to transition risk, BPCE Assurances has set itself ambitious objectives in terms of ESG criteria for its investments.

Any company rated "negative" in terms of sustainability, according to Mirova's ESG analysis, is prohibited from purchasing.

BPCE Assurances has also developed an approach to categorize issuers according to ESG criteria and climate target criteria, which will replace the approach of issuers rated "negative" according to Mirova from January 1, 2025.

Non-life insurance activities

Non-life insurance is particularly exposed to climate risks through the significant and regular increase in claims related to natural hazards.

With regard to non-life insurance products, climate risk management is an integral part of the underwriting, provisioning and reinsurance policies of the guarantees offered to customers.

The property & casualty insurance portfolio for individuals customers and professionals, through its guarantees for home, car and professional multi-risk, carries the risk of claims related to weather events.

Analysis of the contract portfolio is carried out on a regular basis to identify and measure risks, particularly those related to climatic events, to qualify their geographical distribution, and to adapt the underwriting policy.

As part of the ORSA (Own Risk and Solvency Assessment), climate stress tests are also carried out to measure the sensitivity of the solvency ratios to the occurrence of major weather events.

In addition to this work, BPCE Assurance - through its subsidiary BPCE Assurances IARD - conducted the climate stress tests proposed by the ACPR in 2023.

To reduce the impact of climate-related claims on the balance sheet, BPCE Assurances transfers a portion of its risks, including climate-related risks, to global reinsurers through various reinsurance treaties.

Work is underway on the scope of banking institutions, non-life insurance (IARD) and loan guarantees (CEGC) to integrate prospective climate change scenarios into risk modeling.

For several years, BPCE Assurances has identified the challenges and action levers to improve the positive impact of its activities on the climate and the environment. This is reflected in its insurance offers, in the implementation of the management processes for automotive and home claims and in terms of risk prevention for policyholders.

Finally, to limit the consequences of climate events, work has been initiated to encourage policyholders to implement adaptation and prevention measures. This is reflected by:

- integration of prevention into business mail, the institutional website and the social media strategy;
- text messages in advance of climate events to alert policyholders, enable them to take shelter and protect their property.

When filing claims, BPCE Assurances accelerates customer handling by strengthening the teams dedicated to claims reporting and management and quickly mobilizes the networks of experts.

Risks related to asset management activities

Natixis Investment Managers (Natixis IM) recognizes the importance of climate risks and their potential impact on investment portfolios. Most affiliates have set up systems for measuring the climate risk exposure of their portfolios managed on behalf of their investors, allowing greater transparency of the environmental issues related to their various management offers.

The most advanced affiliates are developing methodologies for statistical measurement (Value at Risk type) of climate risks. In this context, some asset management companies use external data providers to access these indicators for a specific asset class (*e.g.* MSCI's Real Estate Climate Value-at-Risk) or to access physical and transition scenarios to assess the possible impact of future events on the portfolios.

The measurement of climate risks remains a priority for many affiliates and an area of future development, particularly in order to identify more extensive data sources.

As Natixis IM's ambition is to be at the forefront in terms of support for innovative environmental solutions, it has, for example, invested in Iceberg Data Lab, a fintech that develops assessment tools and provides environmental data solutions to financial institutions.

ESG risk monitoring and reporting system

ESG risks are monitored on a consolidated basis at Groupe BPCE level, through a dashboard produced quarterly by the ESG Risk Department and made available to all entities and business lines.

To date, the indicators monitored mainly focus on climate and environmental risks and cover the following points:

- Corporate and Professional customer portfolio: sectoral concentrations compared to the sectoral assessment of climate and environmental risks and the most sensitive sectors,
- Home loan portfolio: concentration of financed assets with a deteriorated energy performance in the loan production stock,
- Liquidity reserve: concentration by ESG rating of the stock and transactions carried out,
- Scope 1 carbon footprint monitoring.

The main indicators in this dashboard are reported quarterly to the ESG Risk Committee. Certain indicators are also included in the management system of Groupe BPCE entities.

At the level of Groupe BPCE entities, the integration of the dashboard indicators in the management and monitoring of the entity's risks is carried out in an appropriate manner according to the challenges, business model and operational context of the entity.

This dashboard is intended to be reviewed and enhanced as the ESG risk management system is strengthened and quantitative measures are developed.

16.5 Cross-reference table with regulatory reporting requirements

- Qualitative information on environmental risk

	Economic strategy and processes	Corresponding chapter
a)	Economic strategy of the institution to integrate environmental factors and risks, taking into account their impact on the business environment, business model, strategy and financial planning of the institution	16.3 VISION 2030 and Impact strategy
b)	Objectives, targets and limits for the assessment and management of the environmental risk in the short, medium and long term, and assessment of performance with regard to these objectives, targets and limits, including forward-looking information relating to the definition of the strategy and economic processes	16.3.3 Objectives, targets and limits related to environmental and social risks and performance assessment
c)	Current investing activities and (future) investment targets in favor of environmental objectives and activities aligned with the EU taxonomy	16.3.3 Objectives, targets and limits related to environmental and social risks and performance assessment
d)	Policies and procedures for direct and indirect dialog with new or existing counterparties on their strategies for mitigating and reducing environmental risks	16.4.4 Integration of ESG risks into the risk management system
e)	Responsibilities of the management body in establishing the risk tolerance framework and in overseeing and managing the implementation of the objectives, strategy and policies defined in the context of environmental risk management, covering relevant transmission channels	16.2 Governance
f)	Integration by the management body of the short-, medium- and long-term effects of environmental factors and risks into the organizational structure, both within the institution's business lines and internal control functions	16.2 Governance
g)	Integration of measures to manage environmental factors and risks in the internal governance systems, including the role of committees, the distribution of tasks and responsibilities and the feedback circuit between the risk management function and the management body, covering the relevant transmission channels	16.2 Governance
h)	Environmental risk reporting channels and reporting frequency	16.4.5 ESG risk monitoring and reporting system
i)	Alignment of the remuneration policy with the institution's environmental risk objectives	16.2.5 Remuneration policy
j)	Integration of the short-, medium- and long-term effects of environmental factors and risks into the risk tolerance framework	16.4.2 Identification and materiality assessment of ESG risks
k)	Definitions, methodologies and international standards underlying the environmental risk management framework	16.1 Definitions and reference framework
l)	Process for identifying, measuring and monitoring activities and exposures (and, where applicable, collateral) sensitive to environmental risks, covering the relevant transmission channels	16.4.3 ESG risk assessment methodology
m)	Activities, commitments and exposures contributing to mitigating environmental risks	16.4.4 Integration of ESG risks into the risk management system
n)	Implementation of tools to identify, measure and manage environmental risks	16.4.4 Integration of ESG risks into the risk management system
o)	Results and conclusions drawn from the implementation of the tools and estimated impact of the environmental risk on the capital and liquidity risk profile	16.4.2 Identification and materiality assessment of ESG risks
p)	Data availability, quality and accuracy, and efforts to improve these aspects	16.1.5 ESG data
q)	Description of the limits set for environmental risks (as vectors of prudential risks) and triggering the seizure of higher levels and exclusion from the portfolio in the event of exceeding them	16.4.4 Integration of ESG risks into the risk management system
r)	Description of the link (transmission channels) between environmental risks and credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the context of risk management	16.4.2 Identification and materiality assessment of ESG risks

- Qualitative information on social risk

	Economic strategy and processes	Corresponding chapter
a)	Adjustment of the institution's economic strategy to integrate social factors and risks, taking into account the impact of social risk on the economic environment, business model, strategy and financial planning of the institution	16.3 VISION 2030 and Impact strategy
b)	Objectives, targets and limits for the assessment and management of social risk in the short, medium and long term, and assessment of the performance with regard to these objectives, targets and limits, including forward-looking information entering into the definition of the strategy and economic processes	16.3.3 Objectives, targets and limits related to environmental and social risks and performance assessment
c)	Policies and procedures for direct and indirect dialog with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	16.4.4 Integration of ESG risks into the risk management framework
d)	Responsibilities of the management body in establishing the risk tolerance framework and in overseeing and managing the implementation of the objectives, strategy and policies defined in the context of social risk management, covering the approaches followed by counterparties with regard to: (i) Activities in favor of the community and society (ii) Labor relations and standards (iii) Consumer protection and product liability (iv) Human rights	16.2 Governance
e)	Integration of social factors and risk management measures into internal governance systems, including the role of committees, the division of tasks and responsibilities, and the feedback circuit between the risk management function and the management body	16.2 Governance
f)	Social risk reporting channels and reporting frequency	16.4.5 ESG risk monitoring and reporting system
g)	Alignment of the remuneration policy with the institution's social risk objectives	16.2.5 Remuneration policy
h)	Definitions, methodologies and international standards on which the social risk management framework is based	16.1 Definitions and reference framework
i)	Process for identifying, measuring and monitoring activities and exposures (and, where applicable, collateral) sensitive to social risks, covering the relevant transmission channels	16.4.3 ESG risk assessment methodology
j)	Activities, commitments and assets contributing to social risk mitigation	16.4.4 Integration of ESG risks into the risk management system
k)	Implementation of social risk identification and management tools	16.4.4 Integration of ESG risks into the risk management system
l)	Description of the setting of social risk limits and cases triggering the attachment of higher levels and exclusion from the portfolio in case of exceeding	16.4.4 Integration of ESG risks into the risk management system
m)	Description of the link (transmission channels) between social risks and credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the context of risk management	16.4.2 Identification and materiality assessment of ESG risks

- Qualitative information on governance risk

	Governance	Corresponding chapter
a)	Integration by the institution, in its governance arrangements, of the counterparty's governance performance, including at the level of the committees of the latter's highest governance body and its committees responsible for decisions on economic issues environmental and social	16.4.4 Integration of ESG risks into the risk management framework
b)	Consideration by the institution of the role of the counterparty's highest governance body in the publication of non-financial information	16.4.4 Integration of ESG risks into the risk management system
c)	Integration by the institution, in the governance system, of the performance of its counterparties in terms of governance, in particular: (i) Ethical considerations (ii) Risk strategy and management (iii) Inclusiveness (iv) Transparency (v) Managing conflicts of interest (vi) Internal communication on critical concerns	16.4.4 Integration of ESG risks into the risk management framework
d)	Integration by the institution, in its risk management systems, of the performance of its counterparties in terms of governance in terms of: (i) Ethical considerations (ii) Risk strategy and management (iii) Inclusiveness (iv) Transparency (v) Managing conflicts of interest (vi) Internal communication on critical concerns	16.4.4 Integration of ESG risks into the risk management system

16.6 Detailed quantitative information

Data published in respect of Pillar III ESG

Template 1: Banking portfolio – Indicators of transition risk potentially linked to climate change: Credit quality of exposures by sector, issues and residual maturity

	12/31/2024															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (in millions of euros)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
		Of which exposures towards companies excluded from EU Paris Agreement-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
Exposures towards sectors that highly contribute to climate change*	**247,883**	**3,809**	**4,059**	**50,690**	**12,098**	**(7,586)**	**(2,347)**	**(5,081)**	**47,711,672**	**38,650,411**	**13.88%**	**106,777**	**64,322**	**66,370**	**10,414**	**9**
A - Agriculture, forestry and fishing	5,443	-	65	2,024	376	(341)	(140)	(201)	234,162	184,322	0.07%	2,608	1,672	1,117	46	8
B - Mining and quarrying	2,991	1,087	6	777	252	(115)	(10)	(105)	2,732,864	2,363,994	0.62%	2,161	811	17	2	4
B.05 - Mining of coal and lignite																
B.06 - Hydrocarbon extraction	698	514	6	133	1	(3)	(0)	(3)	777,525	695,492	0.18%	505	189	4	0	1
B.07 - Mining of metal ores	1,072	34	-	278	163	(36)	(3)	(33)	502,636	365,469	0.26%	775	291	6	1	5
B.08 - Other mining and quarrying	428	14	-	144	30	(20)	(2)	(18)	466,053	437,075	0.04%	309	116	2	0	7
B.09 - Mining support service activities	793	526	0	221	58	(56)	(5)	(51)	986,650	865,958	0.13%	573	215	4	0	3
C - Manufacturing	21,120	399	1,342	2,953	1,871	(990)	(110)	(871)	10,553,020	8,266,465	1.83%	16,574	3,797	551	199	199
C.10 - Manufacture of food products	3,986	-	-	826	372	(253)	(28)	(223)	2,621,432	2,497,425	0.20%	3 128	717	104	38	38
C.11 - Manufacture of beverages	1,350	-	-	284	124	(44)	(5)	(39)	135,725	127,341	0.09%	1 060	243	35	13	13
C.12 - Manufacture of tobacco products	0	-	-	-	0	(0)	(0)	(0)	-	-	0.00%	0	0	0	0	0
C.13 - Manufacture of textiles	386	-	-	24	23	(9)	(1)	(8)	44,109	19,296	0.05%	303	69	10	4	4
C.14 - Clothing industry	135	-	-	22	28	(16)	(2)	(14)	1,419	1,288	0.00%	106	24	4	1	1
C.15 - Manufacture of leather and related products	64	-	-	5	6	(3)	(0)	(3)	27	27	(0.0%)	50	11	2	1	1
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	868	-	-	140	85	(56)	(6)	(49)	64,969	60,772	0.01%	681	156	23	8	8
C.17 - Manufacture of pulp, paper and paperboard	338	-	-	21	16	(9)	(1)	(8)	121,305	19,677	0.02%	265	61	9	3	6
C.18 - Printing and service activities related to printing	488	-	-	58	48	(21)	(2)	(18)			0.00%	383	88	13	5	5

	12/31/2024															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (in millions of euros)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
		Of which exposures towards companies excluded from EU Paris Agreement-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
C.19 - Manufacture of coke oven products	577	337	-	0	18	(12)	(1)	(11)	1,558,319	1,369,597	0.11%	453	104	15	5	4
C.20 - Production of chemicals	1,286	-	5	138	45	(28)	(3)	(25)	843,117	634,772	0.17%	1,010	231	34	12	3
C.21 - Manufacture of pharmaceutical preparations	1,137	-	206	47	172	(53)	(6)	(46)	122,956	91,970	0.21%	892	204	30	11	2
C.22 - Manufacture of rubber products	661	-	4	130	34	(22)	(2)	(19)	17,560	17,098	0.00%	519	119	17	6	7
C.23 - Manufacture of other non-metallic mineral products	613	0	49	194	47	(32)	(4)	(28)	320,205	72,736	0.02%	481	110	16	6	7
C.24 - Manufacture of basic metals	879	-	84	26	20	(10)	(1)	(9)	1,832,139	722,886	0.14%	690	158	23	8	3
C.25 - Manufacture of fabricated metal products, except machinery and equipment	2,027	-	45	400	247	(110)	(12)	(97)	156,594	121,047	0.02%	1,590	364	53	19	7
C.26 - Manufacture of computer, electronic and optical products	752	-	75	50	52	(22)	(2)	(20)	321,172	310,370	0.05%	590	135	20	7	7
C.27 - Manufacture of electrical equipment	741	39	174	64	136	(82)	(9)	(72)	225,845	218,344	0.10%	581	133	19	7	5
C.28 - Manufacture of machinery and equipment n.e.c.	1,102	-	93	122	92	(58)	(6)	(51)	709,720	684,802	0.14%	865	198	29	10	5
C.29 - Automotive industry	1,306	-	579	126	135	(64)	(7)	(57)	712,784	642,633	0.25%	1,025	235	34	12	4
C.30 - Manufacture of other transport equipment	784	23	20	76	33	(18)	(2)	(16)	636,021	570,078	0.13%	615	141	20	7	4
C.31 - Manufacture of furniture	210	-	-	48	42	(18)	(2)	(16)	364	303	0.00%	165	38	5	2	5
C.32 - Other manufacturing industries	807	-	-	57	36	(20)	(2)	(17)	42,446	19,450	0.12%	633	145	21	8	2
C.33 - Repair and installation of machinery and equipment	622	-	8	94	60	(29)	(3)	(26)	64,792	64,553	0.01%	488	112	16	6	8
D - Electricity, gas, steam and air conditioning supply	12,912	1,207	608	1,139	319	(127)	(34)	(84)	5,787,886	3,855,057	1.57%	6,033	2,590	3,556	732	8
D35.1 - Electric power generation, transmission and distribution	11,645	747	607	897	293	(118)	(31)	(77)	4,054,948	2,460,776	1.34%	5,441	2,336	3,208	660	8
D35.11 - Power generation	10,923	726	600	875	202	(111)	(30)	(73)	3,524,393	1,978,494	1.22%	5,104	2,192	3,009	620	8
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	1,125	403	1	209	25	(8)	(2)	(5)	1,666,875	1,355,158	0.23%	526	226	310	64	6

	12/31/2024															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (in millions of euros)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
		Of which exposures towards companies excluded from EU Paris Agreement-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
D35.3 - Steam and air conditioning production and supply	141	57	-	33	0	(2)	(1)	(1)	66,063	39,123	0.00%	66	28	39	8	11
E - Water supply; sewerage, waste management and remediation activities	1,985	-	99	168	65	(41)	(5)	(33)	533,872	282,216	0.15%	1,113	313	457	103	10
F - Construction	16,899	33	228	5,788	1,756	(1,034)	(250)	(746)	2,099,708	1,758,341	0.31%	9,433	5,455	1,784	226	7
F.41 - Construction of buildings	9,597	-	117	3,204	832	(555)	(134)	(400)	564,616	540,372	0,09%	5,357	3,098	1,013	129	7
F.42 - Civil engineering	1,948	32	58	420	93	(43)	(10)	(31)	678,546	533,368	0.14%	1,087	629	206	26	5
F.43 - Specialized construction activities	5,354	0	52	2,164	831	(437)	(105)	(315)	856,546	684,601	0.09%	2,989	1,728	565	72	8
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	37,256	826	308	5,950	1,998	(1,352)	(249)	(1,096)	18,386,990	15,886,109	2.90%	27,078	7,858	1,048	1,272	6
H - Transportation and storage	8,096	247	264	1,455	483	(252)	(54)	(180)	2,199,871	1,329,345	0.60%	5,371	1,824	787	114	7
H.49 - Land transport and transport via pipelines	4,882	225	164	1,061	235	(138)	(29)	(98)	695,434	469,133	0.29%	3,239	1,100	475	69	7
H.50 - Water transport	843	-	20	91	133	(50)	(11)	(36)	199,401	173,787	0.10%	559	190	82	12	4
H.51 - Air transport	425	-	21	87	50	(33)	(7)	(23)	654,986	101,821	0.07%	282	96	41	6	6
H.52 - Warehousing and support activities for transportation	1,915	21	43	214	63	(32)	(7)	(22)	647,967	582,848	0.14%	1,270	431	186	27	7
H.53 - Postal and courier activities	31	-	17	2	1	(0)	(0)	(0)	2,083	1,756	0.01%	21	7	3	0	1
I - Accommodation and food service activities	11,174	0	11	3,353	1,050	(663)	(208)	(449)	215,981	183,915	0.09%	5,545	3,284	2,273	73	7
L - Real estate activities	130,008	10	1,128	27,083	3,928	(2,670)	(1,288)	(1,317)	4,967,318	4,540,647	1.51%	30,862	36,719	54,780	7,647	11
Exposures towards sectors other than those that highly contribute to climate change	**96,698**	**232**	**3,827**	**11,925**	**3,729**	**(2,764)**	**(461)**	**(1,741)**				**57,557**	**26,543**	**10,361**	**2,238**	**6**
K - Financial and insurance activities	35,616	230	478	3,209	1,034	(839)	(123)	(580)				25,745	6,148	3,019	704	5
Exposures to other sectors (NACE codes J, M – U)	61,083	2	3,349	8,716	2,695	(1,925)	(338)	(1,161)				31,812	20,395	7,342	1,534	6
TOTAL	**344,582**	**4,042**	**7,886**	**62,614**	**15,827**	**(10,350)**	**(2,808)**	**(6,821)**	**47,711,672**	**38,650,411**	**13.88%**	**164,334**	**90,865**	**76,730**	**12,652**	

* In accordance with the Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU "climate transition" benchmarks and EU "Paris Agreement" aligned benchmarks – Climate Benchmark Standards Regulation – recital 6: sectors listed in sections A to H and section L of Annex I to Regulation (EC) No. 1893/2006

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	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *(in millions of euros)*			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
		Of which exposures towards companies excluded from EU Paris Agreement-aligned Benchmarks	Of which environmentally sustainable *(CCM)*	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
Exposures towards sectors that highly contribute to climate change*	**245,108**	**4,273**	**0**	**47,643**	**10,847**	**(7,223)**	**(2,166)**	**(4,823)**	**8,067,426**	**0**	**8%**	**110,926**	**37,782**	**82,295**	**14,105**	**9**
A - Agriculture, forestry and fishing	5,276	0	0	1,816	310	(304)	(118)	(185)	10,917	0	2%	2,668	1,358	1,208	42	7
B - Mining and quarrying	3,373	1,310	0	1,089	273	(112)	(11)	(102)	606,908	0	56%	2,462	717	130	64	4
B.05 - Mining of coal and lignite	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
B.06 - Hydrocarbon extraction	962	766	0	385	2	(4)	(3)	(2)	184,146	0	81%	847	95	20	0	1
B.07 - Mining of metal ores	1,039	37	0	331	149	(21)	(3)	(18)	152,902	0	43%	528	446	19	46	8
B.08 - Other mining and quarrying	362	13	0	134	19	(16)	(3)	(13)	52,407	0	20%	221	117	21	2	5
B.09 - Mining support service activities	1,010	495	0	239	103	(71)	(2)	(69)	217,452	0	58%	865	59	71	15	3
C - Manufacturing	20,951	415	0	3,454	1,671	(873)	(108)	(714)	1,646,259	0	15%	15,712	1,922	3,057	259	4
C.10 - Manufacture of food products	3,794	0	0	739	342	(223)	(36)	(175)	8,417	0	1%	2,645	485	608	56	5
C.11 - Manufacture of beverages	1,271	0	0	291	32	(30)	(10)	(16)	35	0	0%	928	94	208	41	4
C.12 - Manufacture of tobacco products	0	0	0	0	0	(0)	(0)	(0)	0	0	0%	0	0	0	0	1
C.13 - Manufacture of textiles	383	0	0	19	26	(9)	(0)	(8)	1,922	0	11%	299	24	58	2	2
C.14 - Clothing industry	182	0	0	27	33	(17)	(1)	(16)	205	0	31%	142	7	29	4	4
C.15 - Manufacture of leather and related products	65	0	0	11	5	(3)	(0)	(2)	0	0	(0%)	48	3	14	0	4
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	765	0	0	112	75	(46)	(4)	(40)	5,636	0	6%	459	164	134	8	5
C.17 - Manufacture of pulp, paper and paperboard	353	0	0	32	12	(7)	(0)	(6)	191,376	0	0%	213	92	46	1	5
C.18 - Printing and service activities related to printing	534	0	0	60	41	(19)	(1)	(16)	0	0	0%	426	35	65	7	4
C.19 - Manufacture of coke oven products	602	333	0	118	24	(10)	(0)	(9)	182,152	0	47%	401	105	69	27	5
C.20 - Production of chemicals	1,543	1	0	162	47	(28)	(3)	(21)	253,930	0	13%	1,290	67	181	6	2
C.21 - Manufacture of pharmaceutical preparations	894	0	0	117	154	(39)	(2)	(34)	10,134	0	26%	696	18	179	1	2

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	12/31/2023															
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *(in millions of euros)*			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
		Of which exposures towards companies excluded from EU Paris Agreement - aligned Benchmarks	Of which environmentally sustainable *(CCM)*	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
C.22 - Manufacture of rubber products	657	0	0	107	41	(23)	(3)	(18)	1,151	0	1%	477	70	106	4	4
C.23 - Manufacture of other non-metallic mineral products	600	0	0	178	38	(28)	(6)	(20)	323,792	0	12%	422	73	97	8	5
C.24 - Manufacture of basic metals	633	0	0	73	20	(10)	(1)	(7)	201,399	0	27%	520	41	70	1	3
C.25 - Manufacture of fabricated metal products, except machinery and equipment	2,163	0	0	459	242	(107)	(13)	(89)	15,824	0	2%	1,595	255	295	17	4
C.26 - Manufacture of computer, electronic and optical products	747	0	0	70	40	(19)	(1)	(17)	754	0	31%	570	64	107	7	3
C.27 - Manufacture of electrical equipment	788	60	0	138	93	(59)	(3)	(55)	49,010	0	45%	592	81	93	22	4
C.28 - Manufacture of machinery and equipment n.e.c.	1,235	0	0	162	89	(56)	(4)	(49)	296,578	0	45%	1,010	53	154	18	4
C.29 - Automotive industry	1,362	0	0	277	138	(61)	(8)	(49)	37,668	0	48%	1,146	56	156	4	2
C.30 - Manufacture of other transport equipment	706	21	0	96	38	(20)	(3)	(15)	65,454	0	20%	497	42	156	10	3
C.31 - Manufacture of furniture	231	0	0	43	42	(14)	(1)	(13)	0	0	0%	170	16	41	4	4
C.32 - Other manufacturing industries	801	0	0	77	36	(18)	(2)	(15)	223	0	(0%)	661	36	101	4	2
C.33 - Repair and installation of machinery and equipment	643	0	0	86	63	(29)	(2)	(25)	599	0	1%	504	43	89	7	4
D - Electricity, gas, steam and air conditioning supply	12,443	1,467	0	1,363	294	(142)	(43)	(115)	3,036,676	0	36%	5,445	1,690	4,767	542	7
D35.1 - Electric power generation, transmission and distribution	11,387	853	0	998	260	(128)	(32)	(110)	2,657,156	0	35%	4,961	1,452	4,431	542	7
D35.11 - Power generation	10,711	829	0	937	153	(109)	(31)	(91)	2,653,674	0	35%	4,578	1,359	4,247	528	7
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	897	552	0	301	33	(9)	(6)	(4)	357,203	0	62%	464	213	219	0	6
D35.3 - Steam and air conditioning production and supply	159	61	0	65	(0)	(5)	(5)	(0)	22,317	0	0%	19	25	116	0	12
E - Water supply; sewerage, waste management and remediation activities	1,750	0	0	233	61	(37)	(5)	(30)	108,923	0	17%	902	281	475	92	8

	12/31/2023															
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount *(in millions of euros)*					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *(in millions of euros)*			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in metric tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
		Of which exposures towards companies excluded from EU Paris Agreement - aligned Benchmarks	Of which environmentally sustainable *(CCM)*	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
F - Construction	17,582	50	0	4,963	1,551	(947)	(218)	(660)	189,490	0	4%	12,795	1,138	2,217	1,432	9
F.41 - Construction of buildings	9,651	0	0	2,383	670	(490)	(113)	(324)	18,684	0	3%	6,206	502	1,661	1,282	13
F.42 - Civil engineering	2,133	50	0	396	97	(45)	(10)	(31)	38,844	0	12%	1,552	274	239	68	6
F.43 - Specialized construction activities	5,798	0	0	2,184	784	(411)	(95)	(306)	131,962	0	2%	5,037	362	317	82	4
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	35,830	690	0	6,654	2,121	(1,349)	(227)	(1,099)	1,285,308	0	3%	25,072	4,189	5,417	1,152	5
H - Transportation and storage	8,307	329	0	1,612	465	(250)	(49)	(170)	910,557	0	10%	5,138	1,300	1,786	83	5
H.49 - Land transport and transport via pipelines	4,942	271	0	1,054	205	(126)	(37)	(69)	493,162	0	6%	3,370	647	865	59	5
H.50 - Water transport	806	0	0	75	131	(41)	(1)	(37)	27,992	0	20%	518	102	184	2	4
H.51 - Air transport	522	0	0	233	51	(42)	(7)	(32)	358,769	0	30%	224	222	73	3	6
H.52 - Warehousing and support activities for transportation	2,028	58	0	250	76	(40)	(3)	(31)	30,634	0	10%	1,017	328	664	19	6
H.53 - Postal and courier activities	11	0	0	1	1	(1)	(0)	(0)	0	0	0%	9	1	1	0	3
I - Accommodation and food service activities	11,543	0	0	3,785	990	(675)	(210)	(424)	107,222	0	3%	6,277	2,353	2,749	164	7
L - Real estate activities	128,054	11	0	22,672	3,113	(2,534)	(1,179)	(1,325)	165,166	0	5%	34,455	22,835	60,489	10,275	12
Exposures towards sectors other than those that highly contribute to climate change	**91,760**	**471**	**0**	**12,510**	**4,094**	**(2,581)**	**(395)**	**(1,548)**	**6,030,964**	**0**	**11%**	**58,828**	**12,857**	**17,370**	**2,705**	**5**
K - Financial and insurance activities	33,469	470	0	4,503	887	(769)	(139)	(505)	2,404,760	0	10%	22,170	5,173	5,434	692	5
Exposures to other sectors (NACE codes J, M – U)	58,291	1	0	8,007	3,206	(1,812)	(256)	(1,043)	3,626,204	0	12%	36,658	7,684	11,936	2,013	5
TOTAL	**336,868**	**4,744**		**60,152**	**14,941**	**(9,804)**	**(2,561)**	**(6,371)**	**14,098,390**	**0**	**8%**	**169,754**	**50,640**	**99,665**	**16,809**	

* In accordance with the Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum safeguards for EU Climate Transition Benchmarks and EU Paris Agreement-aligned Benchmarks - Climate Benchmark Standards Regulation – Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No. 1893/2006.

The model shows a mapping of exposures by sector with details of those considered to be significant contributors to climate change. The sectoral breakdown of exposures to non-financial counterparties was carried out on the basis of granular information also used for Groupe BPCE's regulatory publications.

While the model presents exposures to sectors with increased sensitivity to transition risks, it does not take into account the characteristics of the business model and transition dynamics specific to each counterparty and therefore cannot be interpreted as a presentation of Groupe BPCE's exposure to transition risks.

As regards exposures to companies excluded from the European Union's "Paris Agreement" benchmarks, their identification is based on external data as well as on internal monitoring. In the absence of data of sufficient quality, the calculation at December 31, 2024, does not take into account the criterion aimed at excluding companies that cause significant harm to at least one of the six environmental objectives referred to in Article 9 of the Regulation (EU) 2020/852.

Regarding greenhouse gas (GHG) emissions, for the December 31, 2024 closing, Groupe BPCE publishes the columns relating to scope 1, 2 and 3 financed GHGs based on data from several external data providers. GHGs are measured using the PCAF (Partnership for Carbon Accounting Financials) method. The published amounts may change depending on the work carried out within Groupe BPCE in order to improve the quality and coverage rate of these indicators.

Template 2 – Banking book – Climate change transition risk indicators: Loans collateralized by immovable property – Energy efficiency of the collateral

		12/31/2024															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount *(in millions of euros)*															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	Counterparty sector		0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**TOTAL EU AREA**	**407,181**	**12,607**	**60,450**	**138,696**	**21,391**	**1,481**	**14,454**	**3,519**	**7,807**	**55,845**	**91,649**	**55,254**	**19,558**	**15,447**	**158,101**	**0.00%**
2	Of which loans collateralized by commercial immovable property	55,459	272	241	629	123	7	127	122	140	235	374	293	105	130	54,060	0.00%
3	Of which loans collateralized by residential immovable property	351,722	12,335	60,209	138,067	21,268	1,475	14,327	3,397	7,668	55,610	91,276	54,961	19,453	15,317	104,041	0.00%
4	Of which collateral obtained by taking possession: residential and commercial immovable properties																
5	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	220,710	9,899	48,272	130,986	17,119	-	14,434								-	0.00%
6	**TOTAL NON-EU AREA**	**4,344**	**129**	**347**	**705**	**138**	**23**	**85**	**65**	**55**	**309**	**460**	**317**	**122**	**99**	**2,917**	**0.00%**
7	Of which loans collateralized by commercial immovable property	854	42	9	-	-	-	-	42	-	9	-	-	-	-	803	0.00%
8	Of which loans collateralized by residential immovable property	3,490	86	338	705	138	23	85	22	55	300	460	317	122	99	2,114	0.00%
9	Of which collateral obtained by taking possession: residential and commercial immovable properties																
10	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	1,114	114	256	608	78	-	59								-	0.00%

		12/31/2023															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount (in millions of euros)															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
Counterparty sector			0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**TOTAL EU AREA**	**440,188**	**12,126**	**62,524**	**141,646**	**22,180**	**1,638**	**15,028**	**3,176**	**7,544**	**57,243**	**94,836**	**55,997**	**20,102**	**16,108**	**185,182**	**0.07%**
2	Of which loans collateralized by commercial immovable property	51,414	36	229	689	153	15	163	9	23	171	371	286	125	170	50,259	0.26%
3	Of which loans collateralized by residential immovable property	359,834	11,653	60,031	134,773	20,729	1,505	13,734	3,046	7,251	55,122	90,487	52,976	18,810	14,733	117,409	0.00%
4	Of which collateral obtained by taking possession: residential and commercial immovable properties																
5	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	212,012	8,714	46,877	126,326	16,289	-	13,805								-	
6	**TOTAL NON-EU AREA**	**3,098**	**86**	**304**	**627**	**116**	**19**	**72**	**34**	**47**	**267**	**411**	**281**	**102**	**84**	**1,873**	**0.00%**
7	Of which loans collateralized by commercial immovable property	256	10	3	3	-	-	-	13	-	3	-	-	-	-	240	0.00%
8	Of which loans collateralized by residential immovable property	2,315	75	295	608	115	19	71	20	46	258	400	275	101	82	1,133	0.00%
9	Of which collateral obtained by taking possession: residential and commercial immovable properties																
10	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	899	61	209	519	62	-	48								-	

The model shows the breakdown of the gross carrying amount of loans according to the energy performance of their collateral. This breakdown is displayed in two forms: its measurement in kWh/m2 and the Energy Performance Diagnostic (EPD) label (A to G) of the collateral as defined in the directive on the energy performance of buildings and the directive on energy efficiency.

The collection of EPD data for loans secured by real estate is based on the EPDs collected from customers, supplemented by the EPDs supplied by the CSTB (*Centre Scientifique et Technique du Bâtiment*) and collected in the ADEME database for single-family homes for which we are certain of the address of the property financed. For multi-family housing, in the absence of a customer DPE issued after 2021, Groupe BPCE uses the DPE calculated by the CSTB, in accordance with the 2021 reform, based on the characteristics of the buildings concerned and the rating of its various units.

In the absence of such information and for financing property to be built, Groupe BPCE determines the primary energy consumption using the applicable construction standards (RT 2012 regulations applicable to constructions between January 1, 2013, and December 31, 2020, and RE 2020 applicable to constructions from January 1, 2022). In the absence of information on the date on which the building permit for the property financed was filed, Groupe BPCE estimates it from the date on which the financing was granted, applying a margin of two years.

The processes for collecting the DPE from customers are currently being reviewed which will ultimately enable the information presented to be completed and refined.

Template 3 – Banking book – Indicators of transition risk potentially linked to climate change: alignment parameters

	12/31/2024						
	a	b	c	d	e	f	g
	Sector	NACE sectors (at least)	Gross carrying amount of the portfolio (in millions of euros)	Alignment parameter	Reference year	Distance from IEA ZEN 2050 scenario *in %**	Target (reference year + 3 years)
1	Electricity	35.11	11,113	93 gCO_2eq/kWh	2023	(33%)	116
2	Combustion of fossil fuels	6.10; 6.20	1,320	2.4 $MtCO_2eq$	2023	(55%)	4.5
3	Automotive industry	29.10	1,814	162 gCO_2eq per passenger/km	2023	51%	133
4	Air transport	51.10	2,037	870 gCO_2eq/RTK	2023	14%	835
5	Maritime transport						
6	Production of cement, clinker and lime	23.51	181	661 $kgCO_2$ per metric ton of cement produced	2023	43%	597
7	Production of iron and steel, coke and metal ores	24.10	233	1.9 metric ton of CO_2 per metric ton of steel produced	2023	58%	1.7
8	Aluminum production	24.42	145	6.4 metric tons of CO_2 per metric ton of aluminum produced	2023	(28%)	6.3
8	Chemical products						

* Time distance from the ZEN 2050 scenario milestones for 2030, in percentage points (for each parameter).

This model presents the Net Zero alignment parameters observed on Groupe BPCE's financing portfolios.

In July 2021, Groupe BPCE joined the Net Zero Banking Alliance (NZBA), a financial initiative of the United Nations Environment Program – UNEP FI covering more than 40% of assets financed by banks worldwide. This alliance between banking institutions is a decisive step in the mobilization of the financial sector. The commitments made by the Alliance member banks are as follows:

- align carbon emissions from its exposures with a Net Zero trajectory by 2050;
- define trajectories targeted on priority sectors, *i.e.* those with the highest carbon emissions within the portfolios;
- aim for intermediate targets no later than 2030;
- publish annual carbon emissions;
- determine a robust and structured action plan to adapt its portfolios to its alignment strategy.

The gross carrying amount is determined for all counterparties in the sectors for which the bank associates public decarbonization targets.

1) Electricity production

The scope used concerns the electricity producers financed by Groupe BPCE (the metric covers the scope 1 and 2 emissions of our counterparties). The carbon intensity equivalent is calculated as a weighted average of the exposures.

2) Oil and gas

The scope used is that of financed emissions related to the end use of oil and gas extraction and production (the metric concerns the scope 3 "use of products" emissions of our counterparties). The calculation of the equivalent carbon footprint is based on the PCAF (Partnership for Carbon Accounting Financials) method.

3) Automotive

The scope of the outstandings used corresponds to all of the Group's exposures for financing granted to automotive manufacturers and BPCE Lease's outstandings for leasing activities. The carbon intensity equivalent is calculated using the PCAF method.

4) Aviation

The scope concerns airlines, aircraft leasing and asset financing (the metric covers "well-to-wake" scope 1, 2 and 3 emissions of our counterparties). The carbon intensity equivalent is calculated as a weighted average of the exposures.

5) Cement

The scope used thus concerns Groupe BPCE's cement and clinker producers (the metric covers the scope 1 and 2 emissions of our counterparties). The carbon intensity equivalent is calculated using the PCAF method.

6) Steel

The scope used therefore concerns Groupe BPCE's steel producers (the metric covers the scope 1 and 2 emissions of our counterparties). The carbon intensity equivalent is calculated using the PCAF method.

7) Aluminum

The scope used concerns the aluminum smelting activities (the metric covers the scope 1 and 2 emissions of our counterparties) for Groupe BPCE as a whole. The carbon intensity equivalent is calculated using the PCAF method.

Note that for commercial real estate, Groupe BPCE has set a target for the scope limited to Corporate & Investment Banking activities (Natixis CIB). Work is underway to extend the scope to retail banking activities, which represents the majority of the Groupe BPCE's exposures. The Groupe BPCE aims to achieve a financed carbon intensity of 32 kg CO_2/m^2 (compared to 46 kg CO_2/m^2 as at December 31, 2022, and 44 kg CO_2/m^2 at December 31, 2023), *i.e.* -30% by 2030 for the Natixis CIB portfolio of asset and corporate financing (emissions related to the use of buildings).

Additional information:

The chemicals sector is not one of the priority sectors under the NZBA approach The contours of the scope and the data concerned are to be specified. The bank has not made any commitment in this sector.

For the maritime sector, given the insignificant amount of Natixis CIB's dedicated financing of goods and passenger vessels, Groupe BPCE has not published a target for this scope. It is currently being investigated as regards the retail banking activities.

Rating and comment:

Sectors	Mandatory Pillar III sectors covered by the NZBA by Groupe BPCE with a published decarbonization target for 2030
NACE sectors	NACE non-exhaustive list of counterparties included in the NZBA scope
Gross carrying amount of the portfolio	Carrying amount on the balance sheet only at December 31, 2024, on the customer portfolio on the reference date of the metric. This is the gross carrying amount of exposures to non-financial corporations in each of the sectors indicated in columns a) and b). In practice, this corresponds to all financial assets (excluding derivatives) in the Banking Book: debt instruments, equity instruments recognized under IFRS at amortized cost, at fair value through other comprehensive income recyclable to profit or loss, at fair value through other comprehensive income not recyclable to profit or loss and at fair value through profit or loss. Groupe BPCE publishes balance sheet exposures for gross carrying amounts.
Alignment parameter	Units of measures aligned with the metrics used in the NZBA framework by Groupe BPCE (balance sheet only for oil and gas, balance sheet and off-balance sheet for all other sectors). Groupe BPCE uses the metric calculated at the latest available date (December 31, 2023) and on balance sheet and off-balance sheet outstandings except on balance sheet oil and gas (e.g. financial guarantees given, loan commitments). This approach ensures the quality of the alignment parameter and consistency between the alignment scope and the target: the target (column "g") is set with reference to balance sheet and off-balance sheet outstandings. However, it introduces a disconnection between the balance sheet outstandings published in column "c" and the alignment parameter and the target based on balance sheet and off-balance sheet outstandings.
Reference year	Year of metric calculation
Distance from the IEA NZE 2050 scenario in %	Distance from the IEA (World Energy Outlook 2021) NZE scenario. For heavy industry, these scenarios could be recalculated based on AIE data to include scope 1 and scope 2 carbon. For oil and gas, calculation of the distance from a 30% reference decline in the IEA NZE vs. 2020. For aluminum, this is the IAI scenario at 1.5 degrees (International Aluminum Institute).
Target (reference year + three years)	Intermediate point deducted from the target for 2030. This target covers balance sheet and off-balance sheet outstandings. It is the result of a linear interpolation between the baseline and the target at 2030 when it could not be more precisely estimated (for lack of intermediate data on our counterparties). Linear interpolation is a method that has limitations, as it does not take into account the pace of low-carbon technological advances, which is expected to accelerate around 2030 for many sectors. This intermediate point (reference year + three years) does not in any way constitute a commitment made by Groupe BPCE. The target managed by Groupe BPCE is that set as part of the NZBA approach for 2030.

Template 4 – Banking book – Indicators of transition risk potentially linked to climate change: exposures to top 20 carbon-intensive firms

	12/31/2024				
	a	b	c	d	e
	Gross carrying amount (aggregate) *in millions of euros*	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)(*)	Of which environmentally sustainable (CCM) *in millions of euros*	Weighted average maturity	Number of top 20 polluting firms included
1	958	0.09%	0	2	9

*For counterparties among the 20 companies that emit the most carbon in the world.

	12/31/2023				
	a	b	c	d	e
	Gross carrying amount (aggregate) *in millions of euros*	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)(*)	Of which environmentally sustainable (CCM) *in millions of euros*	Weighted average maturity	Number of top 20 polluting firms included
1	1,046	0.09%	4	2	9

*For counterparties among the 20 companies that emit the most carbon in the world.

The identification of the counterparties constituting the list of the 20 companies considered to have the highest emissions is based on the public list provided by the Climate Accountability Institute. This list takes into account emissions over the period 1965-2018.

The assets included in the table consist of loans and advances, debt securities and equity instruments not held for trading granted to these counterparties. They are compared to the gross carrying amount of the assets included in the banking book, excluding financial assets held for trading and held for sale.

This amount includes indirect financing of non-recourse discount type of invoices issued by these companies and aimed at financing their suppliers or the customers of the 20 companies considered to have the highest emissions.

This amount does not take into account off-balance sheet exposures (financial guarantees and other off-balance sheet exposures). It is, therefore, likely to rise due to an increase in drawdowns on loan commitments or an increase in financing requirements. Groupe BPCE is committed to supporting its customers in their transition while ensuring that its support is provided in a responsible manner.

Template 5 – Banking portfolio – Indicators of physical risk potentially linked to climate change: Exposures subject to physical risk

	12/31/2024														
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (in millions of euros)													
			o/w exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					o/w exposures sensitive to impact from chronic climate change events	o/w exposures sensitive to impact from acute climate change events	o/w exposures sensitive to impact both from chronic and acute climate change events	o/w Stage 2 exposures	o/w non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Variable: Geographic area subject to climate change physical risk–acute and chronic events		≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity							o/w Stage 2 exposures	o/w non-performing exposures
1	A - Agriculture, forestry and fishing	5,443	747	520	300	13	9	21	1,279	280	657	104	(110)	(40)	(58)
2	B - Mining and quarrying	2,991	766	230	6	0	3	241	642	119	164	10	(12)	(5)	(6)
3	C - Manufacturing	21,120	3,097	485	52	35	5	212	2,919	539	513	254	(168)	(20)	(135)
4	D - Electricity, gas, steam and air conditioning supply	12,912	3,980	839	2,126	448	8	722	5,809	863	511	153	(75)	(17)	(45)
5	E - Water supply; sewerage, waste management and remediation activities	1,985	170	39	109	35	10	37	159	155	41	3	(5)	(2)	(3)
6	F - Construction	16,899	255	33	86	0	5	28	336	11	125	3	(9)	(7)	(1)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	37,256	4,363	1,166	189	178	6	53	5,227	616	1,030	383	(322)	(49)	(230)
8	H - Transportation and storage	8,096	1,767	449	189	60	7	14	2,315	135	375	99	(62)	(17)	(38)
9	L - Real estate activities	130,008	2,322	2,553	4,400	173	10	2,506	6,042	900	1,817	213	(200)	(81)	(87)
10	Loans collateralized by residential immovable property	355,211	3,511	8,916	36,403	21,862	16	-	70,692	-	11,406	360	(213)	(117)	(47)
11	Loans collateralized by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	I - Accommodation and food service activities	11,174	617	311	245	2	7	340	578	257	342	54	(59)	(21)	(25)
14	J - Information and communication	9,243	71	0	-	-	2	-	71	0	0	-	(0)	(0)	-
15	K - Financial and insurance activities	35,616	1,835	209	181	86	5	162	2,024	126	173	124	(108)	(8)	(96)
16	M - Professional, scientific and technical activities	21,885	1,367	149	204	27	4	30	1,663	55	214	36	(21)	(5)	(11)
17	N - Administrative and support service activities	13,468	722	458	262	20	7	0	1,455	6	121	0	(11)	(8)	(0)
18	O - Public Administration	245	-	-	16	-	15	-	16	-	-	-	-	-	-
19	P - Education	1,753	24	-	-	-	4	-	24	-	-	-	-	-	-
20	Q - Human health services and social work activities	9,045	97	-	17	(0)	3	-	113	-	-	-	(0)	-	-
21	R - Arts, entertainment and recreation	1,936	0	-	-	-	3	-	0	-	-	-	(0)	-	-
22	S - Other service activities	3,509	2	1	-	-	5	-	4	0	2	-	(0)	(0)	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		12/31/2023													
		Gross carrying amount *(in millions of euros)*													
			Of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					**Of which exposures sensitive to impact from chronic climate change events**	**Of which exposures sensitive to impact from acute climate change events**	**Of which exposures sensitive to impact both from chronic and acute climate change events**	**Of which Stage 2 exposures**	**Of which non-performing exposures**	**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**		
	Variable: Geographic area subject to climate change physical risk – acute and chronic events		**≤ 5 years**	**> 5 years ≤ 10 years**	**> 10 years ≤ 20 years**	**> 20 years**	**Weighted average maturity**							**Of which Stage 2 exposures**	**Of which non-performing exposures**
1	A - Agriculture, forestry and fishing														
2	B - Mining and quarrying														
3	C - Manufacturing														
4	D - Electricity, gas, steam and air conditioning supply														
5	E - Water supply; sewerage, waste management and remediation activities														
6	F - Construction														
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles														
8	H - Transportation and storage														
9	L - Real estate activities														
10	Loans collateralized by residential immovable property	362,149	2,243	7,097	34,164	31,683	18	0	75,188	75,188	11,399	435	(303)	(196)	(61)
11	Loans collateralized by commercial immovable property														
12	Repossessed collaterals														
13	Other relevant sectors (breakdown below where relevant)														

The model presents the amounts of exposure to non-financial corporations as well as the amounts of residential home loans in France, potentially exposed to physical risks.

Concerning the amounts of exposure to the Group's non-financial corporations, the valuation method is based on the geo-sectoral assessment of physical risks carried out during 2024:

- the qualification of the sensitivity of the various economic activity sectors to six physical risks (four acute risks: flood, storm, wild fires, extreme hot temperature, and two chronic risks: drought/shrink-swell and sea level rise);
- classification of the severity of the above risks by geographical location, with regional granularity for France, at the State level for the United States of America and at the country level for the other locations.

Regarding the amounts of residential real estate loans in France, the valuation method is based on the individual location of the assets (when this is available) and only takes into account the risk of flooding.

For the two scopes, the scenario used is the worst-case IPCC scenario by 2050 (RCP 8.5).The methodology does not take into account the vulnerability of assets to physical risk events or other mitigation measures (insurance, natural disaster programs). Consequently, it does not necessarily imply that these exposures are subject to a higher risk of credit loss. The amounts provided in the template reflect a conservative approach and may not be comparable with peers who might have chosen other scenarios and methodologies.

Groupe BPCE is working on improving the collection of non-financial data and on methodological improvements that will enable it to progressively refine and broaden the scope of its physical risk exposure assessment, particularly with regard to the exposures guaranteed by commercial real estate.

Template 6 – Summary of KPIs of taxonomy-aligned exposures

	12/31/2024			
	KPI			
	Climate change mitigation	Climate change adapta tion	Total (climate change mitigation + climate change adaptation)	% coverage (over total assets)*
GAR expos	4.09%		4.09%	66.18%
GAR flows**	2.70%		2.70%	89.03%

* Percentage of assets covered by the KPI, compared to total banking assets.

	12/31/2023			
	KPI			
	Climate change mitigation	Climate change adapta tion	Total (climate change mitigation + climate change adaptation)	% coverage (over total assets)*
GAR expos	3.98%		3.98%	66.16%
GAR flows**				

* Percentage of assets covered by the KPI, compared to total banking assets.

** Flow data was calculated and published for the first time in 2024 and will now be available.

The main key performance indicator (KPI) is the Green Asset Ratio (GAR). Formulated as a percentage, it indicates, based on the ICP of the counterpart's revenue, the share of assets that finance economic activities aligned with at least one of the objectives of the taxonomy compared to the total assets covered.

The GAR flow shows the portion of eligible assets over the portion of assets covered by the GAR only for new outstanding loans and advances, debt securities and equity instruments (*e.g.* shares) recognized on the balance sheet since the beginning of the period (January 1, 2024). The outstandings are recorded at gross carrying amount (before impairment, provisions and amortization) and without deduction of repayments or sales of assets during the period.

Template 7: Mitigation measures: assets included in the GAR calculation

		12/31/2024															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w h to taxonomy-relevant sectors (taxonomy-eligible)				
				o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)			
In millions of euros		Total gross carrying amount			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional /adaptation	o/w enabling
	GAR – Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments held for purposes other than sale and eligible for the GAR calculation	579,323	371,631	40,324									371,631	40,324			
2	**Financial companies**	**39,436**	**170**	**89**									**170**	**89**			
3	Banks	10,997	6	1									6	1			
4	Loans and advances	2,682	0	(0)									0	(0)			
5	Debt securities, including specific use of proceeds (UoP)	7,285	6	1									6	1			
6	Equity instruments	1,029															
7	Other financial companies	28,439	164	88									164	88			
8	of which investment firms																
9	Loans and advances																
10	Debt securities, including specific use of proceeds (UoP)																
11	Equity instruments																
12	of which management companies																
13	Loans and advances																
14	Debt securities, including specific use of proceeds (UoP)																
15	Equity instruments																
16	of which insurance undertakings	9,103	-	-									-	-			
17	Loans and advances	3,049	-	-									-	-			
18	Debt securities, including specific use of proceeds (UoP)	119	-	-									-	-			
19	Equity instruments	5,935	-										-	-			
20	**Non-financial companies (subject to NFRD disclosure requirements)**	**35,983**	**6,416**	**-**									**6,416**	**2,113**			
21	Loans and advances	27,523	5,921	2,113									5,291	1,707			
22	Debt securities, including specific use of proceeds (UoP)	5,090	1,126	1,707									1,126	406			
23	Equity instruments	3,371		406													
24	**Households**	**448,909**	**361,709**										**361,709**	**38,122**			
25	of which loans collateralized by residential immovable property	355,211	355,211	38,122									355,211	38,122			

		12/31/2024															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
		Total gross carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w h to taxonomy-relevant sectors (taxonomy-eligible)				
				o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)			
	In millions of euros				o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional /adaptation	o/w enabling
26	of which building renovation loans	1,189	1,189	38,122									1,189				
27	of which motor vehicle loans	6,365	5,309	-									5,309	-			
28	**Local governments financing**	**54,994**	**3,336**	**-**									**3,336**	**-**			
29	Housing financing	3,336	3,336	-									3,336	-			
30	Other local government financing	51,658	-	-									-	-			
31	Collateral obtained by taking possession: residential and commercial immovable properties	5	-	-									-	-			
32	**TOTAL GAR ASSETS**	**579,328**	**371,631**	**40,324**									**371,631**	**40,324**			
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	**EU non-financial companies (not subject to NFRD disclosure requirements)**	**281,634**															
34	Loans and advances	280,331															
35	Debt securities	1,303															
36	Equity instruments	-															
37	**Non-EU non-financial companies (not subject to NFRD disclosure requirements)**	**61,928**															
38	Loans and advances	54,587															
39	Debt securities	5,846															
40	Equity instruments	1,495															
41	Derivatives	7,624															
42	On demand interbank loans	5,690															
43	Cash and cash equivalents	2,908															
44	Other assets (goodwill, raw materials, *etc.*)	46,871															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**985,983**															
	Other assets excluded from both the numerator and the denominator for the GAR calculation																
46	Sovereigns	152,993															
47	Central banks exposure	133,311															
48	Trading book	217,602															
49	**TOTAL ASSETS EXCLUDED FROM THE DENOMINATOR AND THE NUMERATOR**	**503,906**															
50	**TOTAL ASSETS**	**1,489,889**															

		12/31/2023															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w h to taxonomy-relevant sectors (taxonomy-eligible)				
				o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)			
	in millions of euros	Total gross carrying amount			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional/ adaptation	o/w enabling
	GAR – Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments held for purposes other than sale and eligible for the GAR calculation	563,898	375,063	38,512									375,063	38,512			
2	**Financial corporations**	**31,696**	**30**	**4**									**30**	**4**			
3	Banks	6,193	0	(0)									0	(0)			
4	Loans and advances	2,693	0	(0)									0	(0)			
5	Debt securities, including specific use of proceeds (UoP)	3,499															
6	Equity instruments	1															
7	Other financial corporations	25,503	30	4									30	4			
8	o/w investment firms																
9	Loans and advances																
10	Debt securities, including specific use of proceeds (UoP)																
11	Equity instruments																
12	o/w management companies																
13	Loans and advances																
14	Debt securities, including specific use of proceeds (UoP)																
15	Equity instruments																
16	o/w insurance undertakings	8,179	0	0									0	0			
17	Loans and advances	2,914	0	0									0	0			
18	Debt securities, including specific use of proceeds (UoP)	131															
19	Equity instruments	5,134															
20	**Non-financial corporations (subject to NFRD disclosure requirements)**	**30,215**	**4,202**	**1,556**									**4,202**	**1,556**			
21	Loans and advances	26,833	4,168	1,538									4,168	1,538			
22	Debt securities, including specific use of proceeds (UoP)	532	33	18									33	18			
23	Equity instruments	2,850															
24	**Households**	**449,598**	**367,259**	**36,951**									**367,259**	**36,951**			

	in millions of euros	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		12/31/2023															
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w to taxonomy-relevant sectors (taxonomy-eligible)					o/w h to taxonomy-relevant sectors (taxonomy-eligible)				
				o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)					o/w environmentally sustainable (taxonomy-aligned)			
		Total gross carrying amount			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional	o/w enabling			o/w specialized financing	o/w transitional/ adaptation	o/w enabling
25	o/w loans collateralized by residential immovable property	362,149	362,149	36,951									362,149	36,951			
26	o/w building renovation loans	918	918										918				
27	o/w motor vehicle loans	6,242	4,192										4,192				
28	**Local governments financing**	**52,388**	**3,572**										**3,572**				
29	Housing financing	3,572	3,572										3,572				
30	Other local government financing	48,816	0										0				
31	Collateral obtained by taking possession: residential and commercial immovable properties	5	0										0				
32	**TOTAL GAR ASSETS**	**563,903**	**375,063**	**38,512**									**375,063**	**38,512**			
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	EU non-financial corporations (not subject to NFRD disclosure requirements)	294,065															
34	Loans and advances	292,881															
35	Debt securities	1,184															
36	Equity instruments	0															
37	**Non-EU non-financial corporations (not subject to NFRD disclosure requirements)**	**61,968**															
38	Loans and advances	47,684															
39	Debt securities	13,485															
40	Equity instruments	798															
41	Derivatives	8,855															
42	On demand interbank loans	5,737															
43	Cash and cash equivalents	2,774															
44	Other assets (goodwill, raw materials, etc.)	29,611															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**966,912**															
	Other assets excluded from both the numerator and the denominator for the GAR calculation																
46	Sovereigns	137,817															
47	Central banks exposure	153,459															
48	Trading book	203,313															
49	**TOTAL ASSETS EXCLUDED FROM THE DENOMINATOR AND THE NUMERATOR**	**494,589**															
50	**TOTAL ASSETS**	**1,461,501**															

The model details the gross accounting outstandings (before impairment, provisions and amortization), the portion of eligible assets aligned with at least one of the first two objectives of the taxonomy: mitigation or adaptation to climate change objectives of the taxonomy.

The method applied to determine the eligible and aligned assets under Pillar III is identical to that used in order to comply with the provisions of Article 8 of the Taxonomy Regulation. The method used is described in detail in section "2.11 *Indicators of the European taxonomy on sustainable activities*" of Groupe BPCE's Sustainability Report published on December 31, 2024, in the Universal Registration Document.

Taxonomy-aligned outstandings mainly correspond to the following assets:

- loans to households guaranteed by residential real estate or secured assets;
- loans to non-financial companies subject to the CSRD.

For loans guaranteed by residential real estate (and secured loans), alignment is determined with regard to the criteria set by the shared regulations and interpretations. This consists in practice of:

1. For documentation of the substantial contribution to climate change mitigation criterion relating to real estate financing:

1.1 financed properties with a primary energy consumption of less than 135 kWh/m^2 per year (corresponding to properties with an Energy Performance Diagnostic rated A, B and some parts of property rated C). Groupe BPCE has adopted a methodological approach in which the collection of EPD data for loans secured by real estate is based on the EPDs collected from customers, supplemented by the EPDs supplied by the CSTB (*Centre Scientifique et Technique du Bâtiment*) and collected in the ADEME database for single-family homes for which we are certain of the address of the property financed. For collective housing, in the absence of customer EPDs issued after 2021, Groupe BPCE uses EPDs calculated by the CSTB, in accordance with the 2021 reform, based on the characteristics of the buildings concerned and the rating of its various lots;

1.2 in the absence of such information and for financing property to be built, Groupe BPCE determines the primary energy consumption using the applicable construction standards (RT 2012 regulations applicable to constructions between January 1, 2013 and December 31, 2020 and RE 2020 applicable to constructions from January 1, 2022). In the absence of information on which the building permit for the property financed was filed, Groupe BPCE or Groupe Caisse d'Epargne (or BP) estimates it from the date on which the financing was granted, applying a margin of two years. For the 2021 construction year, in the absence of information, no exposure has been considered as aligned;

2. for the technical criteria demonstrating that the activity does not cause significant harm to the taxonomy's other objectives (DSNH: Do No Significant Harm criterion), the analysis is mainly based on the physical "flood" risk assessed as the most material with regard to BPCE's portfolio. Properties with the highest level of flood risk are thus excluded when determining the alignment of property loans. In the "Nomenclature of statistical territorial units" the risk of flooding related to housing has been qualified as high in accordance with the European Central Bank's classification of acute flood risks. For example, if a financed property has been identified as being at high risk of flooding, the corresponding outstanding amount will not be considered as aligned, even though it complies with the energy performance criteria described above.

For non-financial corporate loans subject to the CSRD regulation, the alignment was based on data relating to aligned counterparties provided by Bloomberg, by distinguishing the types of financing:

1. for unallocated financing, by applying the alignment and taxonomic eligibility rates (of the counterparty's turnover) available in Bloomberg to the gross amount outstanding. These data correspond to the most recent indicators published by these counterparties (determined in accordance with the criteria of the Climate and Environment Delegated Regulations).

2. for financing allocated, the taxonomy criteria defined by the European Commission should be analyzed on the basis of the information provided by the counterparties. For the 2024 fiscal basis, Groupe BPCE did not conduct these *ad hoc* analyses given the lack of available information.

Template 8: GAR (%)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		12/31/2024															
		12/31/2024: KPIs on stock															
		Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)					Share of total assets covered
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
% (of total assets included in the denominator)				Of which specialized financing	Of which transitional	Of which enabling			Of which specialized financing	Of which adaptation	Of which enabling			Of which specialized financing	Of which transitional /adaptation	Of which enabling	
1	**GAR**	**37.69%**	**4.09%**									**37.69%**	**4.09%**				**66.18%**
2	Loans and advances, debt securities and equity instruments held for purposes other than sale and eligible for the GAR calculation	64.15%	6.96%									64.15%	696%				38.88%
3	financial companies	0.43%	0.23%									0.43%	0.23%				2.65%
4	Banks	0.05%	0.01%									0.05%	0.01%				0.74%
5	Other financial companies	0.58%	0.31%									0.58%	0.31%				1.91%
6	of which investment firms																
7	of which management companies																
8	of which insurance undertakings	0.00%	0.00%									0.00%	0.00%				0.61%
9	Non-financial companies subject to NFRD disclosure requirements	17.83%	5.87%									17.83%	5.87%				2.42%
10	Households	80.58%	8.49%									80.58%	8.49%				30.13%
11	of which loans collateralized by residential immovable property	100.00%	10.73%									100.00%	10.73%				23.84%
12	of which building renovation loans	100.00%	0.00%									100.00%	0.00%				0.08%
13	of which motor vehicle loans	83.40%	0.00%									83.40%	0.00%				0.43%
14	Local governments financing	6.07%	0.00%									6,07%	0,00%				3.69%
15	Housing financing	100.00%	0.00%									100.00%	0.00%				0.22%
16	Other local government financing	0.00%	0.00%									0.00%	0.00%				3.47%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%									0.00%	0.00%				0.00%

	% (of total assets included in the denominator)	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		12/31/2024															
		12/31/2024: KPI concerning flows															
		Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)					Share of total assets covered
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
				Of which specialized financing	Of which transitional	Of which enabling			Of which specialized financing	Of which adaptation	Of which enabling			Of which specialized financing	Of which transitional /adaptation	Of which enabling	
1	**GAR**	**22.74%**	**2.70%**									**22.74%**	**2.70%**				**89.03%**
2	Loans and advances, debt securities and equity instruments held for purposes other than sale and eligible for the GAR calculation	47.05%	5.59%									47.05%	5.59%				43.02%
3	financial companies	0.88%	0.08%									0.88%	0.08%				7.53%
4	Banks	0.09%	0.01%									0.09%	0.01%				3.27%
5	Other financial companies	1.49%	0.13%									1.49%	0.13%				4.25%
6	of which investment firms																
7	of which management companies																
8	of which insurance undertakings	0.00%	0.00%									0.00%	0.00%				0.45%
9	Non-financial companies subject to NFRD disclosure requirements	21.05%	9.29%									21.05%	9.29%				4.74%
10	Households	70.64%	7.30%									70.64%	7.30%				26.83%
11	of which loans collateralized by residential immovable property	100.00%	11.50%									100.00%	11.50%				17.04%
12	of which building renovation loans	100.00%	0.00%									100.00%	0.00%				0.24%
13	of which motor vehicle loans	100.00%	0.00%									100.00%	0.00%				1.67%
14	Local governments financing	5.70%	0.00%									5.70%	0.00%				3.92%
15	Housing financing	100.00%	0.00%									100.00%	0.00%				0.22%
16	Other local government financing	0.00%	0.00%									0.00%	0.00%				3.70%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%									0.00%	0.00%				0.00%

		31/12/2023															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		12/31/2023: KPI for outstandings															
		Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
% (of total assets included in the denominator)				Of which specialized financing	Of which transitional	Of which enabling			Of which specialized financing	Of which adaptation	Of which enabling			Of which specialized financing	Of which transitional /adaptation	Of which enabling	Share of total assets covered
1	**GAR**	**38.79%**	**3.98%**									**38.79 %**	**3.98%**				
2	Loans and advances, debt securities and equity instruments held for purposes other than sale and eligible for the GAR calculation	66.51%	6.83%									66.51 %	6.83%				
3	Financial corporations	0.10%	0.01%									0.10%	0.01%				2.17%
4	Banks	0.00%	0.00%									0.00%	0.00%				0.42%
5	Other financial corporations	0.12%	0.02%									0.12%	0.02%				1.74%
6	o/w investment firms																
7	o/w management companies																
8	o/w insurance undertakings	0.00%	0.00%									0.00%	0.00%				0.56%
9	Non-financial corporations subject to NFRD disclosure requirements	13.91%	5.15%									13.91 %	5.15%				2.07%
10	Households	81.69%	8.22%									81.69 %	8.22%				30.76%
11	o/w loans collateralized by residential immovable property	100.00 %	10.20%									100.00 %	10.20%				24.78%
12	o/w building renovation loans	100.00 %	0.00%									100.00 %	0.00%				0.06%
13	o/w motor vehicle loans	67.16%	0.00%									67.16 %	0.00%				0.43%
14	Local governments financing	6.82%	0.00%									6.82%	0.00%				3.58%
15	Housing financing	100.00 %	0.00%									100.00 %	0.00%				0.24%
16	Other local government financing	0.00%	0.00%									0.00%	0.00%				3.34%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0	0									0	0				0

The model restores the proportions of eligible and aligned outstandings in comparison with the gross loan outstandings included in the assets covered by type of counterparty and instruments for the objectives of climate change mitigation and adaptation.

Template 10: Other climate change mitigation measures not covered in Regulation (EU) 2020/852

12/31/2024

	a	b	c	d	e	f
	Type of financial instrument	**Type of counterparty**	**Gross carrying amount (in millions of euros)**	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (*e.g.* green, sustainable, sustainability-linked under standards other than the EU standards)	Financial companies	118	Yes	No	
2		Non-financial companies	645	Yes	No	
3		Of which loans collateralized by commercial immovable property				
4		Other counterparties	3,916	Yes	No	
5	Loans (*e.g.* green, sustainable, sustainability-linked under standards other than the EU standards)	Financial companies	31	Yes	No	In 2025, in order to better reflect the Group's contribution to climate change mitigation, Groupe BPCE has considered here the assets eligible for the "Groupe BPCE's General framework for sustainable emissions" and/or rated "dark green" or "medium green" under Natixis CIB's internal Green Weighting Factor (GWF) methodology.
6		Non-financial companies	18,162	Yes	No	
7		Of which loans collateralized by commercial immovable property	2,145	Yes	No	
8		Households	62,164	Yes	No	
9		Of which loans collateralized by residential immovable property	56,894	Yes	No	
10		Of which building renovation loans				
11		Other counterparties	343	Yes	No	

12/31/2023

	a	b	c	d	e	f
	Type of financial instrument	**Type of counterparty**	**Gross carrying amount (in millions of euros)**	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (*e.g.* green, sustainable, sustainability-linked under standards other than the EU standards)	Financial companies	49	Yes	No	-
2		Non-financial companies	188	Yes	No	-
3		Of which loans collateralized by commercial immovable property				-
4		Other counterparties	2,070	Yes	No	-
5	Loans (*e.g.* green, sustainable, sustainability-linked under standards other than the EU standards)	Financial companies	158	Yes	No	-
6		Non-financial companies	16,647	Yes	No	-
7		Of which loans collateralized by commercial immovable property	619	Yes	No	-
8		Households	59,749	Yes	No	-
9		Of which loans collateralized by residential immovable property	54,561	Yes	No	
10		Of which building renovation loans				
11		Other counterparties	236	Yes	No	

This model covers other climate change mitigation measures and includes exposures that are not aligned with the taxonomy within the meaning of Regulation (EU) 2020/852, but which nevertheless support the counterparties in the transition and adaptation process for climate change mitigation and climate change adaptation objectives.

The bonds correspond to "Green, Sustainable and Sustainable Linked bonds", held as assets and identified according to the guidelines published by Bloomberg. Deferred obligations are only those recorded in assets whose management model is to collect the contractual cash flows and hold the asset until maturity.

It should be noted that Groupe BPCE supports its customers in their green or sustainable debt issues but does not include these securities on its balance sheet, which could be eligible for inclusion in this model.

Loan outstandings have been identified by Groupe BPCE as corresponding to loans with climate mitigation objectives.

These outstandings may change once the work to identify and align with the European Taxonomy is completed and in line with the work carried out within Groupe BPCE to improve the precise and comprehensive identification of these loans.

To avoid double counting, loans aligned with the taxonomy reported in template 7 have not been considered.

17 REMUNERATION POLICY

Information on the policies and practices on pay granted to members of the executive body and persons whose professional activities have a material impact on the corporate risk profile are available at the following address:

https://groupebpce.com/en/investors/results-and-publications/pillar-iii.

18 INTERNAL CONTROL POLICY AND CERTIFICATION

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18.1 Internal control policy

General organization of permanent control

The internal control system defined by the Group contributes to the control of risks of all kinds and is governed by an umbrella charter – the *Group Internal Control Charter* – which stipulates that this system is designed, in *particular, to ensure "[…] the reliability of financial and non-financial information reported both inside and outside the Group."* In this context, the Group has defined and put in place a permanent control system to ensure the quality of the accounting and financial information in accordance with the requirements defined by the modified Ministerial Order of November 3, 2014 on internal control and all other regulatory obligations relating to the quality of reporting (in particular those resulting from the application of the European Regulation 2019/876 known as CRR II).

To ensure strict independence, this system is based on two levels of controls with:

- a first level exercised by all those involved in the production and reporting process. For Pillar III, the people involved in the process come mainly from the Risk and Finance functions and are coordinated by the Group Finance department (Financial and Non-Financial Communication);
- a second level is handled by independent units within the Risk, Compliance or Permanent Control functions. For Pillar III, this work is carried out by Group Corporate Secretary's Office (Group Financial Control) and the Risk division (Permanent Risk Control).

In addition to these first two levels, controls may be carried out by the General Inspectorate (internal audit) as part of so-called periodic controls (or Level 3 controls).

Pillar III first-level production and control system

Included in the list of main reports published by BPCE (reports booklet), Pillar III is governed by provisions strictly defined by the Group (in particular the Framework for the preparation and publication of reports and management indicators) aimed at strengthening the environment for producing, controlling and publishing the report and the quality of its underlying indicators.

In addition to these general provisions, the production and control of Pillar III are governed by:

- documentation and self-checking or control procedures, the drafting and implementation of which are the responsibility of the various contributing departments;
- a detailed mapping of roles and responsibilities in the implementation of controls updated by the Financial and Non-Financial Communication, which also carries out its own consistency checks;
- a steering and coordination system led by the Institutional Financial Communication, and which is based, in particular, on the organization of a Steering Committee bringing together the heads of the main contributing departments and internal control. This Committee monitors compliance with the production and control schedule, adjudicates the points submitted to it, and approves the filing of Pillar III with the *Autorité des marchés financiers,* the French financial markets authority.

The level-one controls consist of controls defined and implemented by each unit contributing to the production of information relating to Pillar III. They aim in particular to ensure compliance with the rules defined by the CRR II and by the Group, and are carried out throughout the production process of the Pillar III report;

Pillar III second-level control system

To ensure that the main deferrals published within the Group comply with all requirements, the Group has defined a procedure for assessing deferrals based on strict criteria and which aims to ensure that main deferrals are established in a secure production environment and include reliable, clear, useful, and auditable data.

In this context, an independent review of the Pillar III report is carried out by the Group Corporate Secretary's Office (Group Financial Control) and the Group Risk division (Permanent Risk Control) which rely on:

- an assessment, as part of a risk-based approach, of the information to be published according to three risk levels (low, moderate, and high) in order to select those that will require a targeted review;
- the application of an *Independent review of deferrals* grid based on a scoring method and composed of standard controls assessed on a scale between 1 (requirement not met) and 4 (requirement fully met) relating to:
  - the quality of the documentation;
  - the robustness of the organization relating to the production and publication of the report;
  - the quality of the audit trail of the data and/or indicators included in the report;
  - the effectiveness of the system of Level 1 controls;
  - the accuracy of the data and/or indicators published and their consistency with the information provided in other publications;
  - the clarity of the information.
- reporting of the results of the controls of the Financial and Non-Financial Communication, to the Steering Committee dedicated to Pillar III and then to the BPCE Audit Committee.

18.2 Statement on the publication of information required under Pillar III

I certify that, to the best of my knowledge, the disclosures provided in this document in relation to Pillar III comply with part 8 of CRR Regulation (EU) No. 575/2013 (and subsequent modifications) and have been prepared in accordance with the internal control framework agreed at BPCE management body level.

Paris, March 21, 2025

Nicolas Namias

Chairman of the Management Board of BPCE

19 ANNEXES

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19.1 Index to Pillar III report tables

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19.3 Glossary

Acronyms	
EBA	The European Banking Authority, established by EU regulation on November 24, 2010. It came into being on January 1, 2011 in London, superseding the Committee of European Banking Supervisors (CEBS). This new body has an expanded mandate. It is in charge of harmonizing prudential standards, ensuring coordination among the various national supervisory authorities and performing the role of mediator. The goal is to establish a Europe-wide supervision mechanism without compromising the ability of the national authorities to conduct the day-to-day supervision of credit institutions.
ABS	See securitization
ACPR	*Autorité de contrôle prudentiel et de résolution* (ACPR): French prudential supervisory authority for the banking and insurance sector (formerly the CECEI, or *Comité des établissements de crédit et des entreprises d'investissement*/Credit Institutions and Investment Firms Committee)
AFEP-MEDEF	*Association française des entreprises privées – Mouvement des entreprises de France*/French Association of Private Sector Companies – French Business Confederation
AFS	Available For Sale
ALM	Asset/Liability management
AMF	*Autorité des marchés financiers* (AMF), the French financial markets authority
AT1	Additional Tier 1
BCBS	Basel Committee on Banking Supervision, an organization comprised of the central bank governors of the G20 countries, tasked with strengthening the global financial system and improving the efficacy of prudential supervision and cooperation among bank regulators.
ECB	European Central Bank
EIB	European Investment Bank
BMTN	Negotiable medium-term notes
BRRD	Banking Recovery and Resolution Directive
CCF	Credit Conversion Factor
CDO	See securitization
CDPC	Credit Derivatives Products Company, *i.e.* a business specializing in providing protection against credit default through credit derivatives
CDS	Credit Default Swap, a credit derivative contract under which the party wishing to buy protection against a credit event (*e.g.* counterparty default) makes regular payments to a third party and receives a pre-determined payment from this third party should the credit event occur.
LTD	Loan-to-Deposit ratio, *i.e.* a liquidity indicator that enables a credit institution to measure its autonomy with respect to the financial markets
CLO	See securitization
CMBS	See securitization
CEGC	Compagnie Européenne de Garanties et de Cautions
CET1	Common Equity Tier 1
CFP	Contingency Funding Plan
CNCE	Caisse Nationale des Caisses d'Epargne
CPM	Credit Portfolio Management
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
CVA	Credit Valuation Adjustment: the expected loss related to the risk of default by a counterparty. The CVA aims to take into account the fact that the full market value of the transactions may not be recovered. The method for determining the CVA is primarily based on the use of market inputs in connection with the practices of market professionals.
CVaR	Credit Value at Risk, *i.e.* the worst loss expected to be suffered after eliminating the 1% worst-case scenarios, used to determine individual counterparty limits.
DVA	Debit Valuation Adjustment, symmetrical to the CVA. Represents the expected loss, from the counterparty's perspective, on valuations of derivative liabilities. It reflects the impact of the entity's own credit quality on the valuation of these instruments.
EAD	Exposure at Default, *i.e.* the amount owed by the customer at the effective default date. It is the sum of the remaining principal, past due payments, accrued interest not yet due, fees and penalties.
OFR	Own Funds Requirements: *i.e.* 8% of risk-weighted assets (RWA)
EL	Expected Loss, *i.e.* the value of the loss likely to be incurred given the quality of the structure of the transaction and any measures taken to mitigate risk, such as collateral. It is calculated by multiplying Exposure at Risk (EAD) by Probability of Default (PD) and by Loss Given Default (LGD).
DVA	Debit Valuation Adjustment, symmetrical to the CVA. Represents the expected loss, from the counterparty's perspective, on valuations of derivative liabilities. It reflects the impact of the entity's own credit quality on the valuation of these instruments.
EURIBOR	Euro Interbank Offered Rate, the benchmark interest rate on the Eurozone's money market.
FBF	*Fédération bancaire française* (French Banking Federation), a professional body representing all banking institutions in France.
FCPR	*Fonds commun de placement à risque*/Venture capital investment fund
FGAS	*Fonds de garantie à l'accession sociale*/French State guarantee fund for subsidized loans

Acronyms

FINREP	FINancial REPorting
SRF	Single Resolution Fund
FSB	The Financial Stability Board: whose mandate is to identify vulnerabilities in the global financial system and to implement principles for regulation and supervision in the interest of financial stability. Its members are central bank governors, finance ministers and supervisors from the G20 countries.
GAP	Asset/Liability management
G-SIBs	Global Systemically Important Banks are financial institutions whose distress or failure, because of their size, complexity and systemic inter-dependence, would cause significant disruption to the financial system and economic activity. These institutions meet the criteria established by the Basel Committee and are identified in a list published in November 2011 and updated every year. The constraints applicable to G-SIBs increase with their level of capital.
HQLA	High-Quality Liquid Assets
Non-life insurance policies (IARD)	*Incendie, accidents et risques divers*/property and casualty Insurance
IASB	International Accounting Standards Board
ICAAP	Internal Capital Adequacy Assessment Process: Process provided for in Pillar II of the Basel Accords to ensure that firms have sufficient capital to cover all their risks
ILAAP	Internal Liquidity Adequacy Assessment Process: Process provided for in Pillar II of the Basel Accords through which the Group ensures the adequacy of its liquidity level and its management with regard to all its liquidity risks.
IFRS	International Financial Reporting Standards
IRB	Internal-Ratings Based: an approach to capital requirements based on the financial institution's internal rating systems.
IRBA	Advanced IRB approach
IRBF	Foundation IRB approach
IRC	Incremental Risk Charge: the capital requirement for an issuer's credit migration and default risks, covering a period of one year for fixed income and loan instruments in the trading book (bonds and CDSs). The IRC is a 99.9% Value at Risk measurement; *i.e.* the greatest risk obtained after eliminating the 0.1% worst-case scenarios.
L&R	Loans and receivables
LCR	Liquidity Coverage Ratio: a measurement introduced to improve the short-term resilience of banks' liquidity risk profiles. The LCR requires banks to maintain a reserve of risk-free assets that can be converted easily into cash on the market in order to cover its cash outflows minus cash inflows over a 30-day stress period without the support of central banks.
LBO	Leveraged Buyout
AML-CTF	Anti-Money Laundering and Counter Terrorism Financing
LGD	Loss Given Default: a Basel II credit risk indicator corresponding to loss in the event of default
MDA	Maximum Distributable Amount: a new provision for banks placing restrictions on their dividend, Additional Tier 1 coupon and bonus payments (under a rule that tightens restrictions as banks deviate from their requirements), if the capital buffers are not met. As these buffers are on top of Pillars I and II, they apply immediately if the bank fails to comply with the combined requirements.
SSM	Single Supervisory Mechanism
MREL	Minimum Requirement for own funds and Eligible Liabilities
MRU	Single Resolution Mechanism
NPE	Non-Performing Exposure
NPL	Non-Performing Loan
NSFR	Net Stable Funding Ratio: this ratio is intended to strengthen the longer-term resilience of banks through additional incentives meant to encourage banks to finance their operations using more structurally stable resources. This long-term structural liquidity ratio, applicable to a one-year period, was formulated to provide a viable structure for asset and liability maturities.
OH	*Obligations de financement de l'habitat*/Housing financing bond
BCP	Business Continuity Plan
PD	Probability of Default: the likelihood that a counterparty of the bank will default within a one-year period.
RMBS	See securitization
RSSI	*Responsable de la Sécurité des Systèmes d'Information*/Head of Information System Security
RWA	Risk-Weighted Assets. The calculation of credit risks is further refined using a more detailed risk weighting that incorporates counterparty default risk and debt default risk.
S&P	Standard & Poor's
SCF	Compagnie de Financement Foncier, the Group's covered bond issuer
SEC	US Securities and Exchange Commission
SFH	Housing Finance Company
IS	Information System

Acronyms

SREP	Supervisory Review and Evaluation Process: Methodology for assessing and measuring the risks weighing on each bank. SREP gives the prudential authorities a set of harmonized tools to analyze a bank's risk profile from four different angles: business model, governance and risk management, risk to capital, and risk to liquidity and funding. The supervisor sends the bank the SREP decisions at the end of the process and sets key objectives. The bank must then "correct" these within a specific time.
SRM	Single Resolution Mechanism: an EU-level system to ensure an orderly resolution of non-viable banks with a minimal impact on taxpayers and the real economy. The SRM is one of the pillars of the European Banking Union and consists of an EU-level resolution authority (Single Resolution Board – SRB) and a common resolution fund financed by the banking sector (Single Resolution Fund – SRF).
SVaR	Stressed Value at Risk: the SVaR calculation method is identical to the VaR approach (historical or Monte Carlo method, scope – position, risk factors – choices and modeling – model approximations and numerical methods identical to those used for VaR) and involves a historical simulation (with "one-day" shocks) calculated over a one-year stressed period, at a 99% confidence level scaled up to ten days. The goal is to assess the impacts of stressed scenarios on the portfolio and current market levels.
T1/T2	Tier 1/Tier 2
TLAC	Total Loss Absorbing Capacity: a ratio applicable to G-SIBs that aims to ensure that each G-SIB has the capacity to continue its essential operations for the economy even after a loss has consumed all of its capital. In November 2015, the FSB published the final TLAC calibration: all TLAC-eligible instruments will have to be equivalent to at least 16% of risk-weighted assets at January 1, 2019 and at least 6% of the leverage ratio denominator. TLAC will subsequently have to be equivalent to 18% of risk-weighted assets and 6.75% of the leverage ratio denominator from January 1, 2022.
TRS	Total Return Swap, *i.e.* a transaction whereby two parties exchange the income generated and any change in value on two different assets over a given time period.
TSS	*Titres super subordonnés*/deeply subordinated notes, *i.e.* perpetual bonds with no contractual redemption commitment that pay interest in perpetuity. In the event of liquidation, they are repaid after other creditors (subordinated loans). These securities pay annual interest contingent on the payment of a dividend or the achievement of a specific result.
VaR	Value at Risk: a measurement of market risk on a bank's trading book expressed as a monetary value. It allows the entity performing the calculation to appraise the maximum losses liable to be incurred on its trading book. A statistical variable, VaR is always associated with a confidence interval (generally 95% or 99%) and a specific time frame (in practice, one day or ten days, as the trading positions involved are meant to be unwound within a few days).

Key technical terms

Netting agreement	A contract whereby two parties to a forward financial instrument (financial contract, securities loan or repurchase agreement) agree to settle their reciprocal claims under these contracts through a single consolidated net payment, particularly in the event of default or contract termination. A master netting agreement extends this mechanism to different transactions through one all-encompassing contract.
Equities	An equity security issued by a corporation, representing a certificate of ownership and entitling the holder (the "shareholder") to a proportional share in the distribution of any profits or net assets, as well as a voting right at the General Meeting.
Rating agency	An organization that specializes in assessing the creditworthiness of issuers of debt securities, *i.e.* their ability to honor their commitments (repayment of capital and interest within the contractual period).
Risk appetite	Level of risk, expressed through quantitative or qualitative criteria, by type of risk and business line, that the Group is prepared to accept given its strategy. The risk appetite exercise is one of the key strategic oversight tools available to the Group's management team.
Standardized approach	An approach used to determine capital requirements relative to credit risk, pursuant to Pillar I of Basel II. Under this approach, the risk weightings used when calculating capital requirements are determined by the regulator.
Basel II (the Basel Accords)	A supervisory framework aimed at better anticipating and limiting the risks borne by credit institutions. It focuses on banks' credit risk, market risk and operational risk. The terms drafted by the Basel Committee were adopted in Europe through a European directive and have been applicable in France since January 1, 2008.
Basel III (the Basel Accords)	Changes in banking prudential standards which incorporated the lessons of the financial crisis of 2007-2008. They complement the Basel II Accords by strengthening the quality and quantity of minimum own funds that institutions must hold. Basel III also establishes minimum requirements for liquidity risk management (quantitative ratios), defines measures aimed at limiting procyclicality in the financial system (capital buffers that vary according to the economic cycle) and reinforces requirements for financial institutions deemed to be systemically important.
"Bank acting as originator"	See Securitization
"Bank acting as sponsor"	See Securitization
"Bank acting as investor"	See Securitization
CRD IV/CRR	(See Acronyms) Directive No. 2013/36/EU (CRD IV) and regulation (EU) No. 575/2013 (CRR), which transpose Basel II in Europe. In conjunction with the EBA's (European Banking Authority) technical standards, they define European regulations for the capital, major risk, leverage and liquidity ratios.
Cost/income ratio	A ratio indicating the portion of net banking income used to cover operating expenses (the company's operating costs). It is calculated by dividing operating costs by net banking income.
Collateral	A transferable asset or guarantee pledged to secure reimbursement on a loan in the event the borrower fails to meet its payment obligations.
Haircut	The percentage by which a security's market value is reduced to reflect its value in a stressed environment (counterparty risk or market stress).
Derivative	A financial security or financial contract whose value changes based on the value of an underlying asset, which may be either financial (equities, bonds, currencies, *etc.*) or non-financial (commodities, agricultural products, *etc.*) in nature. This change may coincide with a multiplier effect (leverage effect). Derivatives can take the form of either securities (warrants, certificates, structured EMTNs, *etc.*) or contracts (forwards, options, swaps, *etc.*). Exchange-traded derivative contracts are called futures.
Credit derivative	A financial product whose underlying asset is a credit obligation or debt security (bond). The purpose of the credit derivative is to transfer credit risk without transferring the asset itself for hedging purposes. One of the most common forms of credit derivatives is the credit default swap (CDS).
Senior non-preferred debt	Senior non-preferred debt is a category of securities, advances, instruments or rights introduced by directive (EU) No. 2017/2399 amending directive No. 2014/59/EU (BRRD) that, in the event of the insolvency of the credit institution, rank higher than the securities, advances, instruments or rights considered as subordinated, but lower than that of the other securities, advances, instruments or rights considered as senior (including preferred senior debt).
Senior preferred debt	Preferred senior debt is a category of securities, advances, instruments or rights that, in the event of the insolvency of the credit institution, rank higher than other securities, advances, instruments or rights considered as senior and subordinated (including senior non-preferred debt).
Gross exposure	Exposure before the impact of provisions, adjustments and risk mitigation techniques.
Tier-1 capital	Core capital including the financial institution's consolidated shareholders' equity minus regulatory deductions.
Tier-2 capital	Supplementary capital mainly consisting of subordinated securities minus regulatory deduction.
Fair value	The price that would be received to sell an asset or paid to transfer a liability in a standard arm's length transaction between market participants at the valuation date. Fair value is therefore based on the exit price.
Liquidity	In a banking context, liquidity refers to a bank's ability to cover its short-term commitments. Liquidity also refers to the degree to which an asset can be quickly bought or sold on a market without a substantial reduction in value.
Rating	An appraisal by a financial rating agency (Fitch Ratings, Moody's, Standard & Poor's) of the creditworthiness of an issuer (company, government or other public entity) or a transaction (bond issue, securitization, covered bond). The rating has a direct impact on the cost of raising capital.
Bond	A portion of a loan issued in the form of an exchangeable security. For a given issue, a bond grants the same debt claims on the issuer for the same nominal value, the issuer being a company, a public sector entity or a government.

Key technical terms

Pillar I	Pillar I sets minimum requirements for capital. It aims to ensure that banking institutions hold sufficient capital to provide a minimum level of coverage for their credit risk, market risk and operational risk. The bank can use standardized or advanced methods to calculate its capital requirement.
Pillar II	Pillar II establishes a process of prudential supervision that complements and strengthens Pillar I. It consists of: – an analysis by the bank of all of its risks, including those already covered by Pillar I; – an estimate by the bank of the capital requirement for these risks; – a comparison by the banking supervisor of its own analysis of the bank's risk profile with the analysis conducted by the bank, in order to adapt its choice of prudential measures where applicable, which may take the form of capital requirements exceeding the minimum requirements or any other appropriate technique.
Pillar III	Pillar III is concerned with establishing market discipline through a series of reporting requirements. These requirements – both qualitative and quantitative – are intended to improve financial transparency in the assessment of exposure to risks, risk assessment procedures and capital adequacy.
Common Equity Tier-1 ratio	Ratio of Common Equity Tier 1 (CET1) capital to risk-weighted assets. The CET1 ratio is a solvency indicator used in the Basel III prudential accords.
Leverage ratio	Tier 1 capital divided by exposures, which consist of assets and off-balance sheet items, after restatements of derivatives, funding transactions and items deducted from capital. Its main goal is to serve as a supplementary risk measurement for capital requirements.
Total capital ratio	Ratio of total capital (Tier 1 and 2) to risk-weighted assets (RWAs).
Resecuritization	The securitization of an exposure that is already securitized where the risk associated with an underlying pool of exposures is tranched and at least one of the underlying exposures is a securitization position.
Credit and counterparty risk	The risk of loss from the inability of clients, issuers or other counterparties to honor their financial commitments. Credit risk includes counterparty risk related to market transactions and securitization.
Market risks	The risk of loss of value on financial instruments resulting from changes in market inputs, from the volatility of these inputs or from the correlations between these inputs.
Operational risk	Risks of losses or penalties due in particular to failures of internal procedures and systems, human error or external events.
Structural interest rate and foreign exchange risk	The risk of losses or impairment on assets arising from changes in interest rates or exchange rates. Structural interest rate and foreign exchange risks are associated with commercial activities and proprietary transactions.
Liquidity risk	The risk that a bank will be unable to honor its payment commitments as they fall due and replace funds when they are withdrawn.
Swap	An agreement between two counterparties to exchange different assets, or revenues from different assets, until a given date.
Securitization	A transaction whereby credit risk on loans and advances is transferred to investors by an entity through the issuance of negotiable securities. This may involve the transfer of advances (physical securitization) or the transfer of risks only (credit derivatives). Some securitization transactions are subordinated through the creation of tranches: • ABS – Asset-Backed Securities, *i.e.* instruments representing a pool of financial assets (excluding mortgage loans), whose performance is linked to that of the underlying asset or pool of assets; • CDOs – Collateralized Debt Obligations, *i.e.* debt securities backed by a pool of assets which can be either bank loans (mortgages) or corporate bonds. Interest and principal payments may be subject to subordination (*i.e.* through the creation of tranches); • CLO – Collateralized Loan Obligations, *i.e.* credit derivatives backed by a homogeneous pool of commercial loans; • CMBS – Commercial Mortgage-Backed Securities; • RMBS – Residential Mortgage-Backed Securities, *i.e.* debt securities backed by a pool of assets consisting of residential mortgage loans; • Bank acting as originator: the securitization exposures are the retained positions, even where not eligible for the securitization framework due to the absence of significant and effective risk transfer; • Bank acting as investor: investment positions purchased in third-party deals; • Bank acting as sponsor: a bank is considered a "sponsor" if it, in fact or in substance, manages or advises the program, places securities into the market, or provides liquidity and/or credit enhancements. The program may include, for example, asset-backed commercial paper (ABCP) conduit programs and structured investment vehicles. The securitization exposures include exposures to ABCP conduits to which the bank provides program-wide enhancements, liquidity and other facilities.
Net value	Total gross value less allowances/impairments.
Volatility	A measurement of the magnitude of an asset's price fluctuation and thus a measurement of its risk. Volatility corresponds to the standard deviation of the asset's immediate returns over a given period.

Other terms

Back office	Support or back office department, in charge of administrative functions at a financial intermediary.
Backtesting	Method consisting of verifying that the actual result rarely exceeds the VaR (Value at Risk) loss.
Bail-in	Tool to limit any assistance from public funds to a troubled institution that is still in operation or in the process of liquidation. The bail-in grants to the prudential supervisory authorities the power to impose on certain creditors of a credit institution that may have solvency problems, the conversion of their receivables into shares of this institution and/or the reduction of the amount of these receivables. The European agreement of June 26, 2015 provides for priority requests, in the event of insufficient equity (following losses), from creditors holding subordinated debt, then senior creditors, then unsecured deposits of large companies, then those of SMEs and finally those of individuals above €100,000. However, guaranteed deposits, covered bonds, employee compensation, liabilities related to the institution's vital activities and interbank liabilities with a maturity of less than seven days must not be affected.
Broker	Broker
Brokerage	Brokerage
Co-lead	Co-lead
Commodities	Commodities
Corporate	Corporate
Coverage	Hedging (in the sense of customer follow-up)
Covered bonds	Covered or collateralized bond: bond for which the repayment and payment of interest are ensured by income flows from a portfolio of high-quality assets that serves as collateral, often a portfolio of mortgages, and the issuing institution is often the manager of the payment of flows to investors (*obligations foncières* in France, *Pfandbriefe* in Germany).
Datacenter	Datacenter
Equity (tranche)	In a securitization arrangement, refers to the tranche that bears the first losses due to defaults in the underlying portfolio.
Fully-loaded	Expresses full compliance with the Basel III solvency requirements (which became mandatory in 2019).
Front office	Customer service (team of market operators)
Hedge funds	Alternative management funds: speculative investment funds that aim for an absolute return and have a great deal of freedom in their management.
Holding	Parent company
Investment grade	Long-term rating provided by an external agency ranging from AAA/Aaa to BBB-/Baa3 of a counterparty or underlying issue. A rating equal to or lower than BB+/Ba1 qualifies the instrument as non-investment grade.
Joint venture	Joint venture
Loss ratio	Ratio between claims/premiums collected
Mark-to-market	A method that consists of regularly or even continuously valuing a position on the basis of its market value at the time of the valuation.
Mark-to-model	Method which consists of valuing a position on the basis of a financial model and therefore assumptions made by the valuer.
Monoline	Companies that provide credit enhancement to financial market participants.
New Deal	Strategic plan implemented by Natixis.
Phase-in	Refers to compliance with current solvency requirements, taking into account the transitional period for the implementation of Basel III.
Reporting	Reporting
Spread	Actuarial margin: difference between the actuarial rate of return of a bond and that of a risk-free loan of identical duration.
Trading	Trading
Watchlist	Watchlist

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